1999 HOUSE APPROPRIATIONS

HB 1003

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HOUSE BILL 1003

House Appropriations Committee

❑ Conference Committee

Hearing Date JANUARY 11, 1999

Tape Number	Side A	Side B	Meter #
ONE HB 1003	J. HOEVEN/L. Isaak	L. Isaak	.01 to 20.6/20.7-50.9
TWO HB 1003	L. Isaak D. Anderson, GNDA D. Lochner, NDSA L. Severson L. Glatt	L. Glatt	0.4-3.2/ B-all 3.2-8.8 8.8-14.9 15.2-44.2 44.2-50.9
THREE HB 1003	L. Glatt K. Pavelko	Kathleen Pavelko	0.0-25.1/25.150.9 0.0-08.9
Committee Clerk Signature Kathleen Jones			

MINUTES:

#A1:0.0 to 0.02 OPENED **CHAIRMAN DALRYMPLE THE HEARING ON HB 1003:** A BILL for an ACT to provide appropriation for defraying the expenses of the North Dakota University System.

#A: 0.2 to 20.6 **Mr. Jack Hoeven, President, State Board of Higher Education** gave a brief overview of the accomplishments of the State Board of Education including the elevating of North Dakota's national ranking system from 44th. to 41st. (See University System Resource Guide.)

#A: 20.6, #B & 2A 0.0 to 03.2 **Larry Isaak, Chancellor of the North Dakota University System** gave a detailed explanation of the University System Resource Guide; an analytical presentation of the 1999-2001 budget recommendations and the shortfalls of the 1997-98 revenues. (See University System Resource Guide.)

(#2A: 32.4 to 35.8 **Rep. Carlson** requested additional information regarding the number of students graduating from North Dakota Higher Education and the actual states where the students accepted employment. Also, Rep. Carlson asked for additional information for the committee regarding the type HOUSE of degrees received by students and if the students were utilizing their degrees in employment. Information will be made available for the committee.

(#2A:3.2 to 8.8 **Mr. Dale Anderson, President of the Greater North Dakota Association** spoke regarding the business community views on House Bill 1003. (Note attached testimony.)

(#2A:10.2 to 14.9 **Diane Lochner, President of the North Dakota Students Association** gave testimony regarding the support of the Governor's budget recommendations for the University System. (Note enclosed testimony.)

(#2A: 15.2 to 44.2) **Lynn Severson** presented the overview of the University System faculty and staff compensation report. The report focus on issues not involving salary but benefits of reallocation of funds to consolidate programs and the elimination of positions for a reduction of faculty. (University System Resource Guide for testimony.)

(#2A: 44.2 to end #2B- all. #A:0.0 to 25.1) **Laura Glatt** presented the Executive Budget Review for the University System, excluding major capital projects. (See the University System Resource Guide for testmonity.)

(#3A: 25.1 to 50.9 #3B: 0.0 to 7.0) **Kathleen Pavelko, President of Prairie Public Broadcasting**, commented briefly regarding the current status and record of service; an operating appropriation

Over

recommendation in the Governor's budget: and the transition to digital television. (See attached testmonity.)

(#3B 52.0 - end) **Rep. Carlisle** inquired as to the number of members by county and state or province for both radio and television. Ms. Pavelko stated that television had 9,000 to 10,000 members in North Dakota, about 3,000 in Minnesota and about 9,000 in Manitoba. Information would be available at a later date for the radio membership.

The bill was referred to Education and Environment of Appropriations for additional hearings.

NDSU

1999 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. 1003 - NDSU

House Appropriations Committee
Education and Environment Division

❑ Conference Committee

Hearing Date January 12, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-55.0
1		x	0-44.0
3	x		22.4-55.0
3		x	0-8.8
Committee Clerk Signature			

Minutes:
CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
ALLAN FISCHER, NDSU Interim President, testified on behalf of NDSU. (See attached testimony).
MICHAEL CHAMBERS, NDSU graduate, testified on behalf of NDSU. (See attached testimony).
RONDA SCHMIDT, NSDU graduate, testified on behalf of NDSU. (See attached testimony).
REP AARSVOLD asked Ronda if the industry is still looking for your major?
RONDA: 80-90% of graduates go into Agriculture and never go back to teaching or business.
REP. AARSVOLD: Are you aware of how much North Dakota is suffering from lack of teachers?
RONDA answered, yes, that is a problem. We need the school to be able to back you in this area.
GEORGE WALLMAN, NDSU Vice President of Student Affairs, testified on behalf of NDSU. (See attached testimony).
REP. AARSVOLD noted that NDSU has selective admissions. How selective is the criteria? What percent is rejected?
GEORGE said that the ACT score minimum has been raised to a 23 in the criteria. 150-175 are rejected based on this and high school grades.
REP. CARLSON: What percent of freshman graduate?
GEORGE: 45-50%.

REP. LLOYD: Do you believe there is really a difference between NDSU and East coast schools?
ALAN intervened that with the hands on academic programs and the co-op programs offered here, yes. The North Dakota work ethic is a big factor.
REP. LLOYD asked what the migration level to NDSU is?
GEORGE replied that It differs from state to state, but we have done well year to year without a mountain or an ocean to offer. It costs a lot of money that we don't have to reach far students.
REP. NICHOLS questioned the duration of the co-op programs and the credit awarded.
GEORGE replied that they typically last one semester and credit varies by individual departments.
CRAIG SCHNELL, NDSU Vice President of Academic Affairs testified on behalf of NDSU. (See attached testimony).
REP. CARLSON questioned Craig as to how NDSU reacts to the market.
CRAIG said that it has never happened. If it was foreseen they would have to hire temps to some degree and not use tenure.
SENATOR TONY GRINDBERG testified on behalf of NDSU for the Skills and Technology Learning Center. (See attached testimony).
REP. WENTZ asked Sen. Grindberg what he asked of the committee.
SEN. GRINDBERG said $750,000 from the general fund.
REP. AARSVOLD asked if we are in the business of generating grist for the mill.
SEN. GRINDBERG replied that to be competitive, the wages need to go up and we need to keep the industry in the state. That is true, but there is another part of the equation.
DICK RAYL, NDSU Vice President for Business and Finance, testified on behalf of NDSU. (See attached testimony).
REP. CARSON questioned the heating plant costing $1.3 million.
DICK replied that that was a $2 million bonding plan from four years ago. He continued that there is asbestos in many of the buildings that are major classroom facilities.
REP. LLOYD asked about the Animal Research Facility.
DICK answered that they now have $1.8 million in federal funding and $750,000 more from the Northern Crops Institute rollover. They ask nothing from the state for this.
REP. CARLSON asked what the difference would be if the tuition money would be kept at the university rather than sending it in and receiving only part back as well as funding.
He asked to have these numbers before deciding that.
JEREMY GREENE, NDSU Student Body President testified on behalf of NDSU. (See attached testimony).
REP. NICHOLS asked where the proposed Health and Wellness Center would be located.
JEREMY said at the corners of 18th street and Centennial Boulevard. It would serve as a campus cornerstone.
REP. NICHOLS further questioned the fee increase.
JEREMY said that it is currently $27 per semester and would go up $38 to and even $65.
CHAIRWOMAN WENTZ closed the NDSU's portion of HB 1003.

1999 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. 1003 - UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

House Appropriations Committee
Education and Environment Division

Upper Great Plains Transp.

❑ Conference Committee

Hearing Date January 12, 1999

Tape Number	Side A	Side B	Meter #
2		x	34-55
3	x		0-22.3
Committee Clerk Signature	Juliana Nels - House Transp		

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
ALLAN FISCHER, NDSU Interim President testified on behalf of UPPER . (See attached testimony)
DENNIS McLEOD, Chairman, UPPER , testified on behalf of UPPER . (See attached testimony).
GENE GRIFFIN, Director, UPPER , testified on behalf of UPPER . (See attached testimony).
REP. AARSVOLD asked Gene if this new technology is really that important yet.
GENE replied that if it's feasible, tremendous amounts of efficiencies are being offered with it.
REP. CARLSON asked if studies are done. What is the end result?
GENE said that they are very client driven. They see out their clients, the USDA, USDOT, and work primarily with them. Their users are generally contractors as well.
KEITH BRANDT, NDSU, testified on behalf of UPPER . (See attached testimony).
JON MIELKE, Public Service Commission Office, testified on behalf of UPPER . (See attached testimony).
NEAL FISHER, North Dakota Wheat Commission, testified on behalf of UPPER . (See attached testimony).
DALE O. ANDERSON, GNDA, testified on behalf of UPPER . (See attached testimony).
GEORGE UNRUH, TMI Systems Design Corporation, testified on behalf of UPPER . (See attached testimony).
CHAIRWOMAN WENTZ closed UGPTI's portion of HB 1003.

1999 HOUSE STANDING COMMITTEE MINUTES
BILL/RESOLUTION NO. 1003 - FOREST SERVICE

House Appropriations Committee
Education and Environment Division

❑ Conference Committee

Hearing Date January 12, 1999

Tape Number	Side A	Side B	Meter #
1		x	44.0-55.0
2	x		0-26.0
Committee Clerk Signature	Laura Ken House Trans CC		

Forest Service

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
LARRY KOTCHMAN, State Forester of the testified on behalf of the North Dakota Forest Service. (See attached testimony).
REP. MUNSON asked Larry about the Salary and Wage report. Since they were requesting 17.66 FTE, that would be $100,000 per employee.
LARRY replied that a big portion of the money was for part time employees during the summer months.
REP. CARLSON noted the local funds and the biennium carryover.
LARRY said that there was a significant reduction with the 1995 carryover gone. The local funds were removed too, and they included collections on camping receipts and state land receipts.
REP. CARLSON asked if the budget was the same as last biennium's.
LARRY answered yes.
CHAIRWOMAN WENTZ closed the Forest Service's portion of HB 1003.

DSU

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003 - Dickinson State University

House Appropriations Committee
Human Resources Division

❑ Conference Committee

Hearing Date January 12, 1999

Tape Number	Side A	Side B	Meter #
2	x		26-55
2		x	0-34
Committee Clerk Signature	Laura Wentz HouseFinance		

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
RICHARD D. BRAUHN, DSU Interim President testified on behalf of Dickinson State. (See attached testimony).
REP. NICHOLS asked how many students from North Dakota attend DSU.
RICHARD replied that 20-25% traditionally come from out of state, the rest are from Southwestern North Dakota.
ALVIN BINSTOCK, DSU Vice President of Business and Finance testified on behalf of Dickinson State. (See attached testimony).
REP. CARLSON asked if 22% was average, good or bad in reference to the allocation of the appropriation in support of the Operating Expense line item.
ALVIN replied that he didn't know. He said some increases are as a result of bringing new buildings on site. It will vary from place to place.
REP. MUNSON questioned the dual credit issue as well.
ALVIN replied that it is not a situation of breaking even. They do not pay the full cost, but the fee the student pays is the same as what an on campus student would pay.
REP. AARSVOLD asked if they dual credit students are included in the overall head count of the University.
ALVIN replied yes.
REP. CARLSON asked if the students really approved of a tuition increase because of varying opinions.

ALVIN replied that in their case, yes.
REP. NICHOLS questioned what was being added to buildings.
ALVIN answered that $3.2 to 3.7 million would be for updating the student center, rest rooms, ventilation, air systems. Asbestos is a problem. They need to fix the cafeteria situation to accommodate all of the students on 7 day meal plans now. General purpose rooms would be added, as well as a new bookstore upstairs.
REP. CARLSON questioned the 4% tuition increase. Does DSU want a 6% increase.
ALVIN said that yes, that is what they wanted.
REP. CARLSON asked if DSU wanted to keep the tuition themselves.
ALVIN replied yes.
CHAIRWOMAN WENTZ closed DSU's portion of HB 1003.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1003

House Appropriations Committee - EDUCATION & ENVIRONMENT DIVISION
UND, UND-WILLISTON, UND LAKE REGION

❑ Conference Committee
Hearing Date: **JANUARY 13, 1999**

Tape Number	Side A	Side B	Meter #
1	x		0-55
1		x	0-55
2	x		0-55
2		x	Did not record
3	x		0-20.0
Committee Clerk Signature	Kathleen Jones		

Minutes: 1A: 0.1 - .02 Chairman Wentz called the meeting to order with all present.

1A:0.2 - 4.0 **Kendall Baker, President of UND,** gave an overview of the past two years and introduced the new management team for UND. The theme for this session - *Support our efforts to help ourselves so we can better serve the state.* (Note testimony in University System Resource Guide - UND section, page 1 - 7.)

1A:4.7 to 15.2 **Alice Brekke, Director of Budgets and Grants** for UND spoke on the status of the budget and the 99-01 budget request which empathizes: faculty salaries, improvements, salary adjustments and the concert of a salary pool for adjustments. Note testimony in University System Resource Guide - UND section, pages 8 - 13.)

1A19.1 - 24.0 **John Ettling, Vice President for Academic Affairs & Provost.** Total teaching staff of 986 plus a support staff of 642 with a budget of 65% of total budget for 1997-99. Mr. Ettling recapped the budget of 97-99 and the budget request for 99-01. (Note testimony in University System Resource Guide - UND section, pages 14 - 26.)

1A:24.0 -34.0 **Dr. Mary Kwitit, Dean of Political Science and Dean of the University Senate**, spoke regarding the dedication of the UND faculty and teaching on IVN. (Note testimony in University System Resource Guide - UND section, pages 14 - 26.)

1A:34.1 - 40.0 **Denny Albert, Dean of the College of Business and Public Administration**, expressed the changes and goals for UND as the educator; the curriculum, the communication and the community. (Note testimony in University System Resource Guide - UND section, pages 27 -39.)

1A:46.5 - **Jonathan Secular** , President of the Student Body and Student Representative on the Board of Higher Education. Mr. Secular spoke on the partnership between the students and faculty. (Note testimony in University System Resource Guide - UND section, pages 40 - 46.)

1B: 0.0 -13.5 **Bob Boyd, Vice President of Students and Outreach Service** recapped the services available from UND and the potential of expanding services. (Note testimony in University System Resource Guide - UND section, pages 47 - 51.)

1B: 13.6 - 22.6 **Galen Carview, Coordinator of Work force Development**, stated this is a program which has a long history with UND but today there are some major work force shortages in the Midwest and the work force of 2010. (Note testimony in University System Resource Guide - UND section, pages 52 - 62.)

1B: 27.5 - 31.7 **Alice Brekke, Director of Budget and Grants** reviewed the budget recommendation of the Medical school and some of the problems with funding the Medical School.

1B: 31.8 - 53.9/ 2A **Dr. H. David Wilson, Dean of the School of Medicine & Health Sciences**, reviewed the education opportunities at UND Medical School, the physicians in training and the academic programs. Dr. Wilson explained the purposed program for remodeling the front of the Medical School. (Note testimony in University System Resource Guide - UND section, pages M-7 to M-23.)

1B: 41.0 - 46.1. Dr. **Louise Murphy, Assistant Dean of the Medical School at Bismarck**, explained the detail on the ROME: Rural opportunities for Medical Education. Note testimony in University System Resource Guide - UND section, page M-11.)

2A: All members on UND presented the budget needed and the capitol improvement plans for the UND area. Note the University System resource Guide - UND section - pages 67-108.

2A: 0.5 **Dr. Wilson** testified on behalf of UND's School of Medicine. He requested that a portion of the tobacco settlement be given to the school in the area of preventive medicine, to establish a center of excellence for education, research, and service in that area.

2A: 10.0 **Peggy Lucke, Interim Vice President for Finance and Operations at UND**, testified on behalf of UND. She discussed capital projects at UND. Funding for phase I of each project is being requested in this bill. (See attached testimony.)

2A: 16.2 **Larry Zitzow, Director of UND Physical Plant,** testified on behalf of UND. He discussed projects including the Steamline, storm sewers, and electrical distribution. (See attached testimony.)

2A: 21.0 **Garvin Stevens, President of UND - Williston** spoke regarding the accomplishments of the institution. (Note testimony in University System Resource Guide - UND - Williston section.)

2A: 44.0 **Brenda Wignes, UND - Williston** spoke on the budget from 97-99 and the needs for the 99-01 budget. (Note testimony in University System Resource Guide - UND - Williston section.)

2B Nothing on tape. Taken from handwritten notes of Orlin Hanson.

3A: 0.0 - 11.3 **Sharon Etsnad, UND - Lake Region**, speaking on the attributes of UND-Lake Region and the continuing need for budget approval. Questions were asked regarding the outreach programs in the area high schools and the lower purposed budget. (Note testimony in University System Resource Guide - UND - Lake Region section,)

3A: 12.2 - 19.4 **Andrew Varvel**, alumnus of UND spoke on behalf of the governor's budget and the programs at UND.

3A: 20.0 Meeting adjourned until 9:30 AM on January 14, 1999.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003 - MINOT STATE UNIVERSITY AND
MINOT STATE UNIVERSITY BOTTINEAU CAMPUS

House Appropriations Committee
Education and Environment Division

❑ Conference Committee

Hearing Date January 14, 1999

Tape Number	Side A	Side B	Meter #
2		x	20.6-55
3	x		0-55
3		x	0-12.0
Committee Clerk Signature	Casey Davis		

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
2B: 20.6 DR. ERIK SHAAR, President of Minot State University, testified on behalf of MSU by giving an overview of the university.
2B: 44.0 LARRY EIDE, Support Services, Facilities Upkeep and Maintenance, testified on behalf of MSU.
3A: 19.8 REPRESENTATIVE MONSON asked if MSU receives any federal funds.
DR. SHAAR replied that MSU received $6 million in federal funds this year, which were all grants for specific programs. Those funds are not connected with this budget process.
3A: 21.0 REPRESENTATIVE CARLSON asked if MSU is requesting $2.8 million for the renovation of Old Main, which is beyond the budget in the bill.
DR. SHAAR said yes, they are requesting this additional sum, and said that they would next begin discussion regarding MSU Bottineau Campus (MSU-BC).
3A: 24.5 DR. KATHLEEN CORAK SUND, Campus Dean at MSU-BC, testified on behalf of MSU-BC by giving an overview of the university campus. (See attached testimony.)
3A: 42.2 CHAIRWOMAN WENTZ asked about the Phoenix program.
DR. CORAK SUND described the program as an opportunity for single women and single mothers to access education and employment in areas that are traditionally held by men.
3A: 47.1 REPRESENTATIVE NICHOLS asked if most women in the Phoenix program are from North Dakota, and whether the campus has facilities for them.
DR. CORAK SUND said that most of the women are from North Dakota, however there are one or two from out-of-state. She also said that the campus does not have facilities for family living, so those women with children live off campus.
3A: 52.0 LARRY EIDE, Support Services, Facilities Upkeep and Maintenance, testified on behalf of MSU-BC by reviewing their budget. (See attached testimony.)

MSU
MSU-Bottineau

3B: 9.0 REPRESENTATIVE ANDREW MARAGOS, District 3, testified on behalf of MSU. He asked the committee to reinstate the remodeling project of Old Main at MSU.
3B: 10.5 REPRESENTATIVE JERRY SVEN, District 6, testified on behalf of MSU-BC. He asked the committee to support small colleges such as MSU-BC and their workforce development program.
CHAIRWOMAN WENTZ adjourned this section of HB 1003.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003 - North Dakota State College of Science

House Appropriations Committee
Education and Environment Division

❑ Conference Committee

Hearing Date January 14, 1999

Tape Number	Side A	Side B	Meter #
2	x		17-55
2		x	0-20.5
Committee Clerk Signature	Casey Davis		

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
2A: 17.0 DR. JERRY OLSON, President of NDSCS, testified on behalf of NDSCS by giving an overview of the university. (See attached testimony.)
2A: 30.0 MIKE RENK, Vice President for Administrative Affairs at NDSCS, testified on behalf of NDSCS. (See attached testimony.)
ROBERT GETTE testified on behalf of NDSCS. (See attached testimony).
REPRESENTATIVE CARLSON asked whether the $637,000 NDSCS requested was above and beyond their budget, and asked whether they had facilities for this expansion.
DR. OLSON answered yes to both questions.
2B: 12.5 REPRESENTATIVE BRUCE ECKRE testified on behalf of NDSCS. He testified against the proposed elimination of the Graphic Arts program at NDSCS, as it is the only program of its kind in the state. (See attached testimony.)
2B: 17.5 DENISE LAWSON, Lobbyist 160, Executive Director of the North Dakota Newspaper Association, testified against the bill. The Association is against the proposed elimination of the Graphic Arts program.
2B: 18.6 REPRESENTATIVE AARSVOLD asked if the market in North Dakota demands more graphic arts graduates.
MS. LAWSON said that the market definitely does demand more graduates in this field, and they are currently having a difficult time finding employees.
CHAIRWOMAN WENTZ concluded the NDSCS section of HB 1003.

NDSCS

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003 - VALLEY CITY STATE UNIVERSITY AND MAYVILLE STATE UNIVERSITY

House Appropriations Committee
Education and Environment Division

❑ Conference Committee

Hearing Date January 14, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-55
1		x	0-55
2	x		0-16.9
Committee Clerk Signature	Casey Davis		

Minutes:

CHAIRWOMAN WENTZ OPENED THE HEARING ON HB 1003; A BILL to provide an appropriation for defraying the expenses of the North Dakota University System.
1A: 3.0 DR. ELLEN CHAFFEE, President of Valley City State University and Mayville State University, gave an overview of the two universities. (See attached testimony.)
1A: 5.0 PAM MCGEE, Great Plains Software, testified on behalf of Mayville. (See attached testimony.)
1A 14.5 GARY SCHAFER, General Manager of Great Plains Software, testified on behalf of VCSU. (See attached testimony.)
1A: 35.3 MAGGIE CLEMENS, Student President, testified on behalf of VCSU. (See attached testimony.)
1A: 42.3 JENNIFER FEIST, Economic Director of Barnes County Development Corporation, testified on behalf of VCSU. (See attached testimony.)
1A: 52.4 - 1B: 15.0 STEVEN BENSEN, Vice President for Business Affairs at Mayville and VCSU, testified on behalf of VCSU with a review of the budget. (See attached testimony.)
1B: 15.1 DR. ELLEN CHAFFEE began discussion of Mayville State University with an overview and introduction of two Mayville students.
1B: 20.5 AIMEE LAGERQUIST AND AUDREY FRIEDT, students at Mayville, testified on behalf of Mayville. (See attached testimony.)
1B: 24.7 RICK FORSGREN, Executive Driector of Traill County Economic Development, testified on behalf of Mayville. (See attached testimony.)
1B: 32.7 STEVEN BENSEN testified on behalf of Mayville with a review of the budget. (See attached testimony.)
1B 43.9 REPRESENTATIVE MONSON inquired as to why Mayville's operating costs were increasing when fuel costs are decreasing.

VCSU + Mayville

BENSEN replied that there are several factors included in operating utilities. One of the greatest increases in operating costs has been the increased price of trucking garbage to Grand Forks. The costs they are trying to cover are for a couple years ahead.

2A: 3.2 REPRESENTATIVE AARSVOLD asked about the condition of the boilers at Mayville, and whether there is sufficient metal fatigue to constitute replacement or repair.

RAY BOYER, Director of Facilities Services for Mayville and VCSU, said that one boiler, the Titusville, can be repaired. The other boiler, the Cleaver-Brooks, must be replaced. These costs are included under Emergency Appropriations in HB 1003.

2A: 6.5 REPRESENTATIVE LLOYD expressed concern that funds for maintenance and major repairs have been used for technical improvements.

DR. CHAFFEE said that the funds for extraordinary repairs have not been available for them.

2A: 16.9 CHAIRWOMAN WENTZ concluded the VCSU and Mayville sections of HB 1003.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

House Appropriations Committee - **EDUCATION & ENVIRONMENT DIVISION**
BISMARCK STATE COLLEGE -UNIVERSITY SYSTEMS

❑ Conference Committee

Hearing Date **JANUARY 15, 1999**

Tape Number	Side A	Side B	Meter #
ONE	BSC	University Systems	1.2 -54.9/ 5.9 -50.3
		Prairie Public	
TWO	UNIVERSITY SYSTEM		.9 -40.2
Committee Clerk Signature	Kathleen Jones		

Minutes: Chairman Wentz called the meeting to order with all members present.

1A: 1.2 -11.1 **Donna Thigpen, President of Bismarck State College** highlighted the accomplishments and the needs of BSC. (See University System resource Guide - BSC Section, yellow pages.)

1A: 12.5 - 19.8 **Cathy Anderson & Justin Denver, BSC Student Representatives**, spoke on behalf of the BSC student body and the attributes the school offers to the community, state and the region. See University System resource Guide - BSC Section, white pages.)

1A: 19.8 - 24.4 **Gary Jacobson, Basin Electric Power Cooperative** express the long-term relationship between BSC and the Cooperative which has benefited the Cooperative, the region, the state and the local communities. BSC has help coordinate the annual Energy Generation Conference which is one-of-a-kind conference for plant operations personnel throughout the country. (See University System resource Guide - BSC Section, white pages.)

1A: 24.4 - 29.6 **Russ Staiger, President of the Bismarck - Mandan Development Association**, testified regarding the packages put together between students and the employers who take advantage of the BSC programs. BSC is critical to bring new employers to the communities and well as supplying workers to the current employers.

1A: 29.8 -54.9 **Dave Clark, Vice President of Operations, Corporate and Continuing Education** at BSC, review the enrollment and the budget of BSC. Mr. Clark explained in detail the capitol improvement needs of BSC and invited the sub committee to the campus to see the remodeling projects. (See University System resource Guide - BSC Section, green pages.)

1B: 05.9 - 10.2 **Laura Glatt, University Systems Office,** presented a letter from the University System Chancellor, Larry A. Isaak. The testimony explained a position for Planning & Accountability, the major dollars for the EPSCor, Student Exchange Program and the system wide pools for allocation by the Board. (See University System resource Guide - BSC Section, white pages, dated 1/15/99)

BSC Univ. System

1B: 10.2 - 12.8 **Kathleen Pavelko, President of Prairie Public** spoke briefly regarding the budget recommendation for 199-2001.

1B:13.3 - 17.5 **Jack Cichy, North Dakota Dental Association** introduced **Dr. Kay S. Van Ereim, D.D.S.** who spoke regarding the benefits of the Student Exchange Program for students of Dentistry.

1B:17.5 - 21.4 **Kathleen A. Mangskau, RDH, MPA of the North Dakota Department of Health** spoke regarding the benefits the state receives from the Student Exchange Program especially in rural communities. (Note testimony in University Systems Resource Guide, white page after Chancellor Isaak, 1/15/99.)

1B:21.4 - 23.4 **Nancy Kopp representing the North Dakota Optometric Association and the North Dakota Veterinary Medical Association** strongly supported the Professional Student Exchange Program. (Note testimony in University Systems Resource Guide, white page after ND Health Dept., 1/15/99.)

1B:23.4 - 25.3 **Wade Moser, President of the ND Stockman's Association** gave support of the current Professional Student Exchange Program within the University System for Veterinary Medicine.

1B:25.4 - 37.0 **Greg Boudjek, UND - ND EPSCor Program**, spoke on the continuing needs of the ND EPSCor program and funding. Note testimony in University Systems Resource Guide, white page after Nancy Kopp 1/15/99.)

1B:38.4 - 50.3 **Eddie Dunn, Executive Director of College Technical Education Council**, detailed the purpose of CTEC among Higher Education Institutes and the continuing needs for the program statewide. Note testimony in University Systems Resource Guide, blue cover and white page after Dr. M. Hillman, 1/15/99.)

2A: 0.9 - 22.1 **Cathy McDonald, Director of Finance for the University System** recapped the Operations of the Office and special line items. Note section NDUS Office in University System Resource Guide.

2A: 22.1 - 37.2 **Peggy Wipf, Director Of The University System Financial Aid Office**, detail the various financial aid programs. Note salmon color pages in the NDUS Office section of the University System Resource Guide. The Perkins Loan Program Match is incorrect. The Perkins Loan Program is one third state and two thirds federal moneys.

2A: 37.2 - 40.2 **Dr. Michel Hillman, Vice Chancellor for Academic Affairs** supported the Indian Scholarship Program. Note testimony in University Systems Resource Guide, white page after Greg Boudjek - 1/15/99.)

The committee adjourned for the weekend and will meet January 19, 1999 at 10 AM.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date January 28, 1999

Tape Number	Side A	B Side	Meter #
1	x		0-55
1		x	0-26.0

Committee Clerk Signature Casey Davis

Minutes:

Chancellor Larry Isaak and Vice Chancellor Laura Glatt from the NDUS office appeared before the committee to answer questions.

CHAIR WENTZ called the meeting for discussion on NDUS to order with six members present and one absent.
1A: 8.6 REP. CARLSON said that the committee's intent is not to micromanage NDUS, but it is nearly impossible to build a budget when they are dealing with only part of it. Chancellor Isaak said that there is documentation on the full budget, but it was not included in the governor's budget this session.
1A: 10.5 REP. MONSON questioned several line items that varied dramatically from session to session. Many of these items were given a high increase in the governor's budget. He cited line items such as office supplies and the printing budget. OMB explained each item that Rep. Monson questioned.
1A: 21.7 REP. MONSON said that it is difficult to find something to shrink or cut when things are not detailed enough. He said the committee has to either micromanage or give NDUS the funds and let them do it all. Vice Chancellor Glatt replied that if the committee wants Operating Detail, they can go back and restate the numbers. They will provide an explanation of why there were changes between bienniums. Chancellor Isaak stated that the committee has the right to analyze anything they want to.
1A: 26.4 REP. CARLSON questioned the $29 million that was given to NDUS. He asked at what point the committee can quit fine-tuning to make the system work for the people of North Dakota. Chancellor Isaak explained what the $29 million was going toward. (See p3 of blue book in NDUS testimony book..)
1A: 33.4 REP. CARLSON asked if NDUS preferred to go through the budget line by line with the committee, or take all the funds and appropriate them without the committee. Rep. Carlson said he would like to work WITH the Chancellor. Chancellor Isaak said that they would prefer to be involved in discussions as well.

University system

1A:39.5 REP. AARSVOLD said that eliminating programs and positions is always hard on the institutions and the people of North Dakota, and it will take time to heal and repair. He pointed out that when they withhold 5% across the board it has a disproportionate affect on institutions by size.
1B: 0.3 REP. CARLSON asked Chancellor Isaak to convince him on the idea of the 5% cut. Chancellor Isaak said that the idea started with the Bush Report, which suggested the board allocate some of the funds. Without the board having any money they cannot drive board initiatives and agendas.
1B: 2.5 REP. CARLSON asked if the entire 5% went back to salary increases. Chancellor Isaak said that most of it did. $75,000 went to Common Course initiatives.
1B: 3.4 CHAIR WENTZ requested a record of how the 5% was allocated last biennium, and how it will be allocated this biennium. Chancellor Isaak said they will provide a record for last biennium, but this biennium has not yet been planned. They will watch what happens with legislative decisions first.
1B: 6.9 REP. CARLSON said he would like to see the universities get back the full 5%. NDUS should use Critical Salary Adjustment money. Chancellor Isaak said that salary problems are not going to be solved either way.
1B: 12.4 CHAIR WENTZ said she would like to know that the campuses will give an honest answer to their legislators, not just what the board wants them to say. Legislators cannot help if they are not given honest answers by the universities. Chancellor Isaak feels the universities should support the board and comply with its decisions.
1B: 26.0 CHAIR WENTZ adjourned the meeting with the NDUS office Chancellor and Vice Chancellor.

General Discussion

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☒ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Date February 4, 1999

Tape Number	Side A	B Side	Meter #
1	x		0-46.0

Committee Clerk Signature Casey Davis

Minutes:

Discussion of HB 1003: Local Funds and the Forest Service budget

CHAIR WENTZ called the meeting for discussion of local funds to order.

1A: 1.8 REP. CARLSON said his intention is not to appropriate the money, but he would like to see the whole budget anyway.

1A: 2.9 PAUL KRAMER, Legislative Council, said they could include a section in the bill that requires the budget documents to include all funds next biennium.

1A: 3.3 REP. AARSVOLD said this would be more information than he needs to know. He is apprehensive about "muddying the waters" with numbers that are not necessary. The information is available elsewhere for committee members.

1A: 6.7 REP. CARLSON said that everything that is a local fund should be in the budget. Nothing should be labeled "0".

1A: 9.5 REP. LLOYD presented the recommendation for the forest service budget. He and Rep. Nichols had discussed the budget in depth, and recommended a Do Pass on their budget. Rep. Lloyd moved for a Do Pass and it was seconded by Rep. Nichols. A roll call vote was taken and the motion carried with 7 yeas and 0 nays.

1A: 18.0 PAUL KRAMER, Legislative Council, presented a document of "Items Under Consideration regarding HB 1003". (See attached document.)

1A: 22.2 REP. MONSON made a motion for an intent to amend each individual part of 1003. The motion was seconded by Rep. Aarsvold. A roll call vote was taken and the motion carried with 7 yeas and 0 nays.

1A: 25.0 REP. CARLSON made a motion of legislative intent that OMB and University Systems must include all funds as supplemental information to the campus budgets in the future. The motion was seconded by Rep. Aarsvold. A roll call vote was taken and the motion carried with 7 yeas and 0 nays.

CHAIR WENTZ closed discussion on HB 1003.

Local funds + Forest Service

General Discussion

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☒ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Date February 8, 1999			
Tape Number	Side A	B Side	Meter #
1	x		6.0-12.0
Committee Clerk Signature	Casey Davis		

Minutes:

HB 1003 - regarding the drawing up of amendments

CHAIR WENTZ opened the meeting for discussion on HB 1003.

1A: 6.0 PAUL KRAMER, Legislative Council, said there is no benefit to seeing an amendment form for each campus. It would be better to have all of the campus budget changes in a spreadsheet. One set of amendments would be made up after discussion of each campus budget. He said it is ultimately a committee decision of whether to have one set of amendments, or to have a set for each campus.

1A: 8.8 REP. AARSVOLD said that traditionally there would be one set of amendments. He had not strong opinion, but said that the House floor may find tradition more comfortable. Rep. Lloyd agreed with this.

1A: 9.7 CHAIR WENTZ said that the bill would then have one set of amendments, and the committee would formally act on it after they had discussed and agreed upon each campus budget.

1A: 12.0 THE COMMITTEE was given a time frame for finishing discussion on the bill. Groups working on individual campus budgets are to turn in their amendments to Legislative Council by Tuesday afternoon, Feb. 9. It was planned to act on HB 1003 on Thursday afternoon, February 11.

CHAIR WENTZ closed the meeting for discussion on HB 1003.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 9, 1999

Tape Number	Side A	B Side	Meter #
1	x		0-9.0

Committee Clerk Signature Casey Davis

Minutes:

HB 1003 - UND Medical School budget shortage

CHAIR WENTZ called the meeting to order with all members present.

1A: 1.4 REP. MONSON asked what direction the committee would like to go on the UND Medical School budget error. He explained that it started with the tuition money going back to the schools. The med school did not fit into the formula like the other schools, and they have a $521,000 shortage in the Governor's budget. The mistake was made because of the formula. Because of this error, the school would be taking a much larger budget cut than the other schools.

1A: 3.5 CHAIR WENTZ said that the committee has the option of taking money from another general fund. Rep. Monson agreed that this would be a possibility.

1A: 4.2 REP. AARSVOLD stated that he prefers to make the correction to the the UND Med School budget.

1A: 4.8 CHAIR WENTZ asked if any more information on the budget mistake would be available in the future. Rep. Monson said no. He said that no one is taking the blame for the mistake. He suggested using the Governor's budget, and noted that this will end up in a conference committee.

1A: 7.5 REP. LLOYD said that the subcommittee could make a recommendation to reinstate 50% of the mistake. The Appropriations Committee has the authority to take general fund dollars from budgets, and also has the

UND med School

authority to reinstate dollars if an injustice has been done in this regard. He stated that 50% is simply a suggestion, as 50% is better than zero.

1A: 8.1 REP. MONSON said he would be willing to go along with Rep. Lloyd's suggestion.

CHAIR WENTZ adjourned the meeting.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 11, 1999

Tape Number	Side A	B Side	Meter #
1	x		19.0-end
1		x	0-end
2	x		0-19.0

Committee Clerk Signature Ashley Davis

Minutes:

HB 1003 NDUS

CHAIR WENTZ called the meeting to order.
1A: 19.0 REP. MONSON presented the recommendation for the NDUS section of the bill, along with the proposed amendments. The recommendation was to remove $400,000 from capital improvements, remove $200,000 from the contingency line item. Those two line items were pooled together, $200,000 was taken out which left a total of $400,000. The PSEP program was cut by $150,000. EPSCoR was cut by $200,000. Perkins Loan matching funds were cut by $102,885. The total cuts were $650,000 aside from the across the board cuts.
1A: 24.0 REP. CARLSON voiced his concern about cutting back on maintenance and EPSCoR. Rep. Monson said that the universities could handle any emergencies up to $400,000. As for EPSCoR, Monson felt the universities would be able to access the funds if they were to dig into their own budgets.
1A: REP. NICHOLS asked about the plan for the $2.3 million for board initiatives. Chancellor Larry Isaak, NDUS office, said that $1.5 million is special funds. The resut is for initiatives and general funds. They plan to use the money for funding the 24 items eliminated in the governor's budget.

BSC

1A: 36.0 CHAIR WENTZ presented the recommendation for this section of the budget. One vacant position would be removed and health insurance costs would be adjusted.

1A: 37.0 REP. CARLSON stated that BSC should finish construction in Schafer Hall. Rep. Boehm agreed that the college should find the funds to finish the project. An amendment was requested that would require BSC to find the funds to finish it, but no dollar amount was set.
1A: 40.3 REP. CARLSON made a motion to adopt the amendment. The motion was seconded by Rep. Lloyd. A voice vote was taken and the motion carried with 7 yeas and 0 nays.

UND-LR

CHAIR WENTZ opened discussion on the UND-LR section.
1A: 41.0 CHAIR WENTZ presented the recommendation for the UND-Lake Region budget. Aside from the across the board cuts there were no recommended amendments.
1A: 43.8 REP. CARLSON asked about the budget income for dual credit courses. Laura Glatt, NDUS office, said that they do offer dual credit courses. The high school students taking the courses are paying tuition, so the income and expenditures should both be reflected in the budget.

UND Williston

1A: 46.7 CHAIR WENTZ presented the recommendation for the UND Williston budget. Aside from the across the board cuts there were no recommended amendments.

UND

1A: 49.1 REP. MONSON presented the recommendation for the UND budget, along with the proposed amendments. Salary funds would be decreased by $100,000; Information Technology funding would be reduced by $279,048; and the Capital Improvement funding would be reduced by $544,036.

NDSU

CHAIR WENTZ opened discussion on the NDSU section of HB 1003.
1A: 6.4 REP. LLOYD presented the recommendation for the NDSU budget, along with the proposed amendments. The proposed amendments would include the elimination of 10 FTEs; a cut of $700,000 on the salary budget due to vacant positions; cutting equipment funding by $45,000; cutting operating expenses by $950,000; and decreasing funding for the Skills Center by $250,000. Rep. Lloyd used the 2% inflation rate and 2% of last year's budget to calculate the cuts.
1A: 14.2 REP. NICHOLS asked if the salary adjustments would be affected by making the $700,000 cut. Rep. Lloyd replied that he did not address the equity issue in calculating the budget cuts.

NDSCS

CHAIR WENTZ opened discussion on the NDSCS section of the bill.
1B: 15.0 CHAIR WENTZ presented the recommendation for the NDSCS budget, along with the proposed amendment. Information technology funding would be cut by $50,000.
1B: 24.4 REP. CARLSON asked about the hiring of additional faculty. Laura Glatt, NDUS office, said that Wahpeton would hire adjunct faculty, but those in the pay plan would equate into FTEs.
1B: 26.0 REP. CARLSON requested an amendment regarding the capped programs, as it is not right to turn away students when they have the ability to teach them. Laura will work with Rep. Carlson on preparing the amendment.
1B: 28.7 REP. DALRYMPLE asked what it would take to keep the Graphic Arts program alive. Laura replied that there is a shortfall of between $80,000 and $100,000 that is needed to restore the program.

DSU

CHAIR WENTZ opened discussion on the DSU budget.
1B: 30.5 REP. AARSVOLD presented the recommendation for the DSU budget, along with the proposed amendments. The dual credit course program funding would be cut by $53,500. Salary funds would be reduced by $131,253 due to vacant positions.

Mayville State

CHAIR WENTZ opened discussion on the Mayville budget.
1B: 34.0 REP. AARSVOLD presented the recommendation for the Mayville budget. He noted that historically the campus has received meager funding for capital improvements, so there should be no decrease. There were no recommended changes in general funds.

Minot State

CHAIR WENTZ opened discussion on the Minot State budget.
1B: 38.0 REP. CARLSON presented the recommendation for the Minot State budget, along with the proposed amendments. Information Technology funding would be reduced by $20,000; salaries would be cut by $35,270 due to vacant positions; and On-line Training funding would be cut by $20,600.

VCSU

CHAIR WENTZ opened discussion on the VCSU budget.
1B: 42.2 REP. AARSVOLD presented the recommendation for the VCSU budget, along with the proposed amendments. The Center for Innovation in Instruction funding would by cut by $50,000. The intent is to make CII an entrepreneurial effort. Special funds would be increased by $50,000.
1B: 46.8 REP. CARLSON noted that the committee may be questioned on cutting funds for CII, because it is used by teachers across the state. The goal is that the program be self-sufficient eventually.
1B: 48.3 ALAN KNUDSON, Legislative Council, said that the $50,000 special funds is included in local funds, therefore it does not show up on the amendment.

MSU Bottineau

CHAIR WENTZ opened discussion on MSU Bottineau.
1B: 49.6 REP. WENTZ presented the recommendation for the MSU Bottineau budget, along with the proposed amendments. The proposed amendment would add $200,000 to their budget to allow the campus to design an Information Technology initiative. The reasoning for this was that MSU Bottineau has the lowest budget of all the two year schools, and the campus has felt the effects of possible closing more acutely than the other schools, both in morale and on campus.
2A: 1.8 REP. MONSON asked about the boiler repairs, the upgrade to the fire alarm system, and a vocational program coordinator. Chair Wentz replied that funds for those are included in the budget.

UND Medical School

CHAIR WENTZ opened discussion on the UND Medical School.
2A: 3.3 REP. MONSON presented the recommendation for the UND Med School budget, along with the proposed amendments. Operating expenses would be cut by $220,000, and salaries due to vacant positions would be cut by $230,000. After calculating in the budget error, the med school would take a cut of $450,000 total.

NDUS Handout

CHAIR WENTZ referred to the handout from NDUS asking for an increase in the board's per diem pay. (See attached.)
2A: 8.8 CHANCELLOR ISAAK said that they are requesting an increase from $62.50 to $75 per diem. Chair Wentz suggested the request be brought to the full committee.

2A: 16.9 REP. MONSON made a motion to adopt the amendments. The motion was seconded by Rep. Lloyd. A roll call vote was taken and the motion carried with 7 yeas and 0 nays.

Carlson Amendment

2A: 18.6 REP. CARLSON introduced the Carlson Amendment, indicating his concern about the operating budgets and technology line items. His proposal would cut 4/10 of 1% of the total budget of the Higher Education system. Two campuses would receive money back, including NDSU which would get $950,000, and the UND Med School which would get back $420,000. He said that he is looking for efficiencies on the campuses. If they are not funded, they will be at the emergency commission looking for money in a year.

CHAIR WENTZ adjourned the meeting.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 12, 1999

Tape Number	Side A	B Side	Meter #
1	x		0-28.0

Committee Clerk Signature Casey Davis

Minutes:

HB 1003 - Discussion of Carlson's proposed amendments

CHAIR WENTZ called the meeting to order

1A: 1.5 REP. CARLSON continued his explanation of his proposed amendment for HB 1003. There would be an across the board cut of 1 ½ % on all campus budgets in the line items of information technology and operating expenses. The amendment would also reinstate $500,000 to the board office for extraordinary repairs for campuses.

1A: 4.5 REP. LLOYD moved the amendment for purposes of discussion. The amendment was seconded by Rep. Carlson.

1A: 4.7 REP. MONSON asked if capital improvements were the same as operating expenses. Rep. Carlson said that he had considered the day to day operations as operating expenses, as he was trying to stay out of the maintenance area.

1A: 6.4 REP. AARSVOLD said the amendment would unduly target those campuses with technology missions. He cited that UND has a number of campus-wide initiatives in technology. There would be a disproportionate affect on the two campuses with laptops (Mayville and VCSU). Rep. Carlson said he was trying to create a situation where there is no micromanaging, but rather the campuses are made responsible for setting their priorities along a tighter budget. He sighted the great number of unrestricted assets owned by UND and NDSU.

1A: 10.6 CHANCELLOR ISAAK, NDUS Office, said he holds the sincere hope that this amendment is not adopted. This amendment affects students, and to be competitive in the market students need the technology that will get them there. Technology zeros deeply into the operation of the universities. Higher Education is headed forward with technology and ND needs to be competitive. The universities need to keep up with software advances and replace PCs. He urged the committee not to make the universities victims of their own success for attracting outside funds.

1A: 13.0 REP. CARLSON said that the amendment is not just for cutting technology funding, but rather it is technology and operating expenses. The campuses have the discretion to pick between the two. He noted the cut for BSC would be $217,000 out of a $4.5 million budget would not be a substantial cut for them.

1A: 14.0 CHANCELLOR ISAAK said that these cuts will ultimately impact instructional budgets.

1A: 14.4 REP. LLOYD said that inflation is less than 3%, and that he questions operating expenses increasing by 8%. Operating expenses are somewhat inflated. Celeste Kubasta, OMB, later said that inflation for the universities is much higher than the CPI, and she will research the information. (1A: 22.7).

1A: 15.7 REP. CARLSON said he does not see this amendment as a cut, but rather he sees it as a reduction in increases. The total cut would be 7/10 of 1% of the overall budget. He said the committee needs to be responsible now. They don't want to come back mid-term and take funds back from the campuses for the state, because oil prices and farm prices are down and there is a shortage of funds.

1A: 17.7 REP. NICHOLS said he would tend to agree with Rep. Carlson. We are at a point now where we do not have to replace computers every 24 months, as software changes take care of many things. He also said that adjustments would probably have to be made for the small campuses.

1A: 18.8 REP. MONSON said he would resist the proposals. The UND Med School gave up 40 FTEs and much more. Cutting 1 ½ % across the board is unreasonable. Some other part is going to get cut more because of this. The committee members cannot go back on their word to the campuses.

1A: 23.2 CHAIR WENTZ also said that across the board cuts are not fair, and therefore she is not comfortable with this proposal. She feels protective of the smaller schools because they have not gotten a fair shake in the past years. Doing this would be breaking faith with the institutions. She said the committee should not break up the budget arbitrarily. Chair Wentz continued by saying that she understands the need for further cuts, but suggested that the bill should be sent to the Senate without this amendment.

1A: 25.0 A roll call vote was taken and the motion carried with 4 yeas and 3 nays.

1A: 27.4 REP. CARLSON & CHAIR WENTZ asked Legislative Council if this formula could be applied to HB 1021, which was passed the previous day. Rep Monson asked if this would require a whole new set of amendments. Paul Kramer, Legislative Council, said that this formula could be applied to HB 1021 and it would require a new set of amendments. He will redraft the amendments.

CHAIR WENTZ recessed the meeting.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 12, 1999			
Tape Number	Side A	B Side	Meter #
1	x		0-end
1		x	0-37.0
Committee Clerk Signature	Casey Davis		

Minutes:

HB 1003

CHAIRMAN DALRYMPLE called the meeting to order.
1A: 9.8 PAUL KRAMER, Legislative Council, presented amendment 0102 for this bill. He explained the amendments and the Carlson amendment line.
1A: 18.8 CHAIRMAN DALRYMPLE asked what the net effect of the Carlson amendment would be. Paul said that after the addbacks and giving the $500,000 to the board, the net effect would be $2,639,250.
1A: 22.1 REP. TIMM asked for an explanation of the different cuts in the different institutions. Rep. Carlson said that his amendment targets only two areas, and the cuts were based on a 1 1/2% cut. Rep. Carlson said this is the logical approach without micromanaging everything. Rep. Timm responded that it would be easy to cut all the budgets by a percentage but it is not the right way to balance a budget.
1A: 30.4 REP. DELZER asked for the general fund increase this biennium without the Carlson amendment. Paul said it would be $303,187,619.
1A: 36.4 REP. BYERLY asked for an explanation of the $200,000 add-ins in the original amendment. Rep. Wentz explained that when MSU-Bottineau testified they told the committee about Sisco Training programming that they wanted to start. This program would increase enrollment. The Bottineau budget is the smallest and it has been the most underfunded in the past.
1A:38.8 REP. BYERLY asked about the $200,000 increase in the NDUS office budget. Rep. Monson explained that the office had a $400,000 cut from eliminating the capital improvements contingency line item and a $200,000 cut in emergency contingencies. The two line items were combined into one, and a total of $200,000 was taken out.

1A: 40.5 REP. BYERLY asked about the $500,000 add-in of $500,000. Paul explained that it is part of the Carlson amendment for capital improvement projects on campuses.
1A: 42.0 DISCUSSION followed regarding the cuts to salaries due to vacant positions and the concept of across the board cuts.
1B: 3.5 REP. HOFFNER questioned the elimination of the Perkins Loan matching funds. Rep. Monson responded that the money came out of the office budget. The campuses would have to find their own funds to continue the programs.
1B: 8.6 REP. CARLSON made a motion to adopt the Carlson amendment. The motion was seconded by Rep. Delzer. A roll call vote was taken and the motion failed with 7 yeas and 13 nays.
1B: 13.7 REP. WENTZ made a motion to adopt the original amendments 0102. The motion was seconded by Rep. Monson. A roll call vote was taken and the motion carried with 11 yeas and 9 nays.
1B: 23.4 REP. BERNSTEIN made a motion to further amend by adding $500,000 to the NDSU budget for FTEs, and $600,000 at NDSU for operating expenses. The motion was seconded by Rep. Huether. A roll call vote was taken and the motion carried with 11 yeas and 9 nays.
1B: 28.5 REP. POOLMAN made a motion to add back the vacant position at $100,000 to UND. The motion was seconded by Rep. Svedjan. A roll call vote was taken and the motion failed with 7 yeas, 11 nays, and 2 absent and not voting.
1B: 32.5 CHAIRMAN DALRYMPLE made a motion to take 1/2% allocation across the board. The motion was seconded by Rep. Nichols. A roll call vote was taken and the motion failed with 9 yeas, 10 nays, and 1 absent and not voting.
CHAIRMAN DALRYMPLE adjourned the meeting.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 15, 1999			
Tape Number	Side A	B Side	Meter #
2	x		0-17.6
Committee Clerk Signature	Casey Davis		

Minutes:

HB 1003

CHAIRMAN DALRYMPLE opened discussion on HB 1003 and explained the spreadsheet "Changes made an proposed to House Bill No. 1003". (See attachment.)
2A: 3.0 CHAIRMAN DALRYMPLE made a motion to increase funding for UND by $400,000, of which $100,000 would offset salaries due to vacant positions and $300,000 would go to capital improvements. The other campuses would have a cut of 1/2% in operating expenses. The motion was seconded by Rep. Wentz. A roll call vote was taken and the motion carried with 14 yeas and 6 nays.
2A: 10.0 REP. BERNSTEIN made a motion to add $100,000 back to NDSU operating expenses. The motion was seconded by Rep. Carlson. A roll call vote was taken and the motion carried with 15 yeas and 5 nays.
2A: 13.9 REP. BYERLY made motion to remove all funds added to MSU-Bottineau for the Information Technology initiative. The motion was seconded by Rep. Carlson.
2A: 13.9 REP. WENTZ informed the committee that MSU-Bottineau is the smalles campus and they need this boost. The funds for the Info-Tech initiative is a great deal to the campus, but is a small amount to the overall budget.
2A: 14.5 A roll call vote was taken and the motion failed with 6 yeas and 14 yeas.
2A: 15.4 REP. WENTZ made a motion for a Do Pass as amended. The motion was seconded by Rep. Poolman.
2A: 16.0 CHAIRMAN DALRYMPLE adjourned the discussion on HB 1003. Legislative Council will prepare amendments.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 16, 1999

Tape Number	Side A	B Side	Meter #
1		x	40.0-end
2	x		0-11.5

Committee Clerk Signature Casey Davis

Minutes:

HB 1003

CHAIRMAN DALRYMPLE opened discussion on HB 1003.
1B: 42.0 PAUL KRAMER, Legislative Council, provided an explanation of amendment 0104 to HB 1003.
2A: 5.0 REP. CARLSON pointed out the need for a few corrections regarding salary reductions that were put in the wrong columns on page 7 of the amendment.
2A: 8.5 A roll call vote was taken. The motion had been made the previous day. (See minutes from 2-15-99.) The motion carried with 14 yeas and 6 nays. Rep. Wentz will carry the bill to the House floor.

Date: 2-4-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. For. Service 1003

House Appropriations Committee

☒ Subcommittee on Education and Environment
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken DP

Motion Made By Lloyd Seconded By Nichols

Representatives	Yes	No	Representatives	Yes	No
Chairperson Janet Wentz	✓				
Vice Chairman Ed Lloyd	✓				
Rep. Ole Aarsvold	✓				
Rep. James Boehm	✓				
Rep. Al Carlson	✓				
Rep. David Monson	✓				
Rep. Ronald Nichols	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-4-99
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Appropriations Committee

☐ Subcommittee on Education and Environment
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken intent to amend each part of 1003

Motion Made By Monson Seconded By Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Chairperson Janet Wentz	✓				
Vice Chairman Ed Lloyd	✓				
Rep. Ole Aarsvold	✓				
Rep. James Boehm	✓				
Rep. Al Carlson	✓				
Rep. David Monson	✓				
Rep. Ronald Nichols	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-4-99
Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on Education and Environment
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken add leg. intent OMB+ Univ. must include all funds as supplemental info. in the budget.

Motion Made By Carlson Seconded By Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Chairperson Janet Wentz	✓				
Vice Chairman Ed Lloyd	✓				
Rep. Ole Aarsvold	✓				
Rep. James Boehm	✓				
Rep. Al Carlson	✓				
Rep. David Monson	✓				
Rep. Ronald Nichols	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-11-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on Education and Environment
or
☐ Conference Committee

Legislative Council Amendment Number 0102

Action Taken Adopt amend. 0102 to HB 1003

Motion Made By Monson Seconded By Lloyd

Representatives	Yes	No	Representatives	Yes	No
Chairperson Janet Wentz	✓				
Vice Chairman Ed Lloyd	✓				
Rep. Ole Aarsvold	✓				
Rep. James Boehm	✓				
Rep. Al Carlson	✓				
Rep. David Monson	✓				
Rep. Ronald Nichols	✓				

Total (Yes) 7 No 0

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on Education and Environment
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Adopt Carlson's amend.

Motion Made By Lloyd Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairperson Janet Wentz		✓			
Vice Chairman Ed Lloyd	✓				
Rep. Ole Aarsvold		✓			
Rep. James Boehm	✓				
Rep. Al Carlson	✓				
Rep. David Monson		✓			
Rep. Ronald Nichols	✓				

Total (Yes) 4 No 3

Absent _____

Floor Assignment Carlson

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken amendments adoption (Carlson amend)

Motion Made By Carlson Seconded By Delzer

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols	✓	
Vice-Chairman Byerly		✓	Poolman		✓
Aarsvold	[illegible]	✓	Svedjan		✓
Bernstein		✓	Timm		✓
Boehm	✓		Tollefson		✓
Carlson	✓		Wentz		✓
Carlisle		✓			
Delzer	✓				
Gulleson		✓			
Hoffner		✓			
Huether	✓				
Kerzman		✓			
Lloyd	✓				
Monson		✓			

Total (Yes) 7 No 13

Absent _____

Floor Assignment motion fails

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 0102

Action Taken Adopt 0102

Motion Made By Wentz Seconded By Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple		✓	Nichols		✓
Vice-Chairman Byerly	✓		Poolman		✓
Aarsvold		✓	Svedjan	✓	
Bernstein	✓		Timm	✓	
Boehm		✓	Tollefson	✓	
Carlson		✓	Wentz	✓	
Carlisle	✓				
Delzer		✓			
Gulleson	✓				
Hoffner	✓				
Huether		✓			
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 11 No 9

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken +$600,000 op. expenses +$500,000 for salary due to vacant position

Motion Made By Bernstein Seconded By Huether

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple		✓	Nichols	✓	
Vice-Chairman Byerly		✓	Poolman	✓	
Aarsvold	✓		Svedjan	✓	
Bernstein	✓		Timm	✓	
Boehm		✓	Tollefson		✓
Carlson		✓	Wentz		✓
Carlisle		✓			
Delzer		✓			
Gulleson	✓				
Hoffner		✓			
Huether	✓				
Kerzman	✓				
Lloyd	✓				
Monson	✓				

Total (Yes) 11 No 9

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 4

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken +$100,000 for UND sal.

Motion Made By Poolman Seconded By Svedjan

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple		✓	Nichols	✓	
Vice-Chairman Byerly		✓	Poolman	✓	
Aarsvold	✓		Svedjan	✓	
Bernstein	✓		Timm		✓
Boehm			Tollefson	✓	
Carlson		✓	Wentz	✓	
Carlisle		✓			
Delzer		✓			
Gulleson					
Hoffner		✓			
Huether		✓			
Kerzman		✓			
Lloyd		✓			
Monson		✓			

Total (Yes) 7 No 11

Absent 2

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-99
Roll Call Vote #: 5

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Take 1½ % cut across board

Motion Made By Dalrymple Seconded By Nichols

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols	✓	
Vice-Chairman Byerly	✓		Poolman		✓
Aarsvold		✓	Svedjan		✓
Bernstein	✓		Timm		✓
Boehm		✓	Tollefson		✓
Carlson		✓	Wentz		✓
Carlisle	✓				
Delzer	✓				
Gulleson					
Hoffner		✓			
Huether	✓				
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 9 No 10

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-15-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken amend as Spreadsheet

Motion Made By Dalrymple Seconded By Wentz

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	X		Nichols		X
Vice-Chairman Byerly	X		Poolman	X	
Aarsvold	X		Svedjan	X	
Bernstein		X	Timm	X	
Boehm	X		Tollefson	X	
Carlson		X	Wentz	X	
Carlisle	X				
Delzer		X			
Gulleson	X				
Hoffner		X			
Huether	X				
Kerzman		X			
Lloyd	X				
Monson	X				

Total (Yes) 14 No 6

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Spreadsheet "Changes made and proposed to House Bill No. 1003"

Date: 2-15-99
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken + $100,000 op. expense to NDSU

Motion Made By Bernstein Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	X		Nichols	X	
Vice-Chairman Byerly	X		Poolman	X	
Aarsvold	X		Svedjan	X	
Bernstein	X		Timm		X
Boehm	X		Tollefson	X	
Carlson	X		Wentz	X	
Carlisle		X			
Delzer		X			
Gulleson	X				
Hoffner		X			
Huether	X				
Kerzman	X				
Lloyd	X				
Monson		X			

Total (Yes) 15 No 5

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-15-99
Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken remove ~~$1,000,000~~ increase at MSU Bott under Info-Tech initiative

Motion Made By Byerly Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple		X	Nichols		X
Vice-Chairman Byerly	X		Poolman		X
Aarsvold		X	Svedjan		X
Bernstein		X	Timm		X
Boehm	X		Tollefson		X
Carlson	X		Wentz		X
Carlisle		X			
Delzer	X				
Gulleson	X				
Hoffner		X			
Huether		X			
Kerzman		X			
Lloyd	X				
Monson		X			

Total (Yes) 6 No 14

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

98003.0104
Title. 0200

Prepared by the Legislative Council staff for
House Appropriations
February 16, 1999

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after "system" insert "; and to declare an emergency"

Page 1, line 13, replace "2,261,708" with "2,153,175"

Page 1, line 14, replace "775,630" with "706,382"

Page 1, remove line 16

Page 1, line 19, replace "1,467,303" with "1,317,303"

Page 1, line 22, after "Contingency" insert "and capital improvements emergency" and replace "200,000" with "400,000"

Page 1, remove line 24

Page 2, line 3, replace "1,980,000" with "1,780,000"

Page 2, line 6, replace "Board" with "Critical" and replace "16,930,790" with "2,685,227"

Page 2, line 7, replace "33,790,425" with "18,714,196"

Page 2, line 9, replace "28,856,525" with "13,780,296"

Page 2, line 12, replace "16,052,300" with "16,591,716"

Page 2, line 13, replace "4,996,174" with "4,920,913"

Page 2, line 16, replace "all" with "operating" and replace "22,302,496" with "22,766,651"

Page 2, line 18, replace "14,512,720" with "14,976,875"

Page 2, after line 18, insert:

"Local funds appropriation	$11,370,000
Total all funds appropriation	$34,136,651"

Page 2, line 21, replace "4,288,220" with "4,433,797"

Page 2, line 22, replace "1,365,961" with "1,340,483"

Page 2, line 25, replace "all" with "operating" and replace "6,898,837" with "7,018,936"

Page 2, line 27, replace "4,950,031" with "5,070,130"

Page 2, after line 27, insert:

"Local funds appropriation	$6,403,766
Total all funds appropriation	$13,422,702"

Page 2, line 30, replace "5,167,426" with "5,340,833"

Page 2, line 31, replace "1,565,615" with "1,540,892"

Page 3, line 3, replace "all" with "operating" and replace "7,071,427" with "7,220,111"

Page 3, line 5, replace "4,771,162" with "4,919,846"

Page 3, after line 5, insert:

"Local funds appropriation	$1,653,000
Total all funds appropriation	$8,873,111"

Page 3, line 8, replace "102,475,530" with "104,142,630"

Page 3, line 9, replace "33,155,561" with "32,675,751"

Page 3, line 10, replace "2,527,008" with "2,247,960"

Page 3, line 11, replace "9,006,341" with "4,762,305"

Page 3, after line 12, insert:

"Special initiatives pool	1,462,223"

Page 3, line 14, replace "all" with "operating" and replace "149,847,873" with "147,974,302"

Page 3, line 15, replace "56,492,071" with "52,492,071"

Page 3, line 16, replace "93,355,802" with "95,482,231"

Page 3, after line 16, insert:

"Local funds appropriation	$282,733,609
Total all funds appropriation	$430,707,911"

Page 3, line 19, replace "89,261,432" with "91,656,749"

Page 3, line 20, replace "26,550,541" with "25,930,527"

Page 3, line 21, replace "2,043,800" with "1,998,800"

Page 3, line 22, replace "8,707,362" with "8,557,362"

Page 3, line 23, replace "1,537,500" with "1,287,500"

Page 3, line 24, replace "all" with "operating" and replace "128,100,635" with "129,430,938"

Page 3, line 25, replace "55,698,903" with "55,698,140"

Page 3, line 26, replace "72,401,732" with "73,732,798"

Page 3, after line 26, insert:

"Local funds appropriation	$111,620,179
Total all funds appropriation	$241,051,117"

Page 3, line 29, replace "22,795,547" with "23,996,556"

Page 3, line 30, replace "6,749,972" with "6,607,727"

Page 3, line 31, replace "1,519,368" with "1,494,368"

Page 4, line 2, replace "all" with "operating" and replace "31,700,772" with "32,734,536"

Page 4, line 3, replace "9,018,742" with "9,402,742"

Page 4, line 4, replace "22,682,030" with "23,331,794"

Page 4, after line 4, insert:

"Local funds appropriation	$15,580,000
Total all funds appropriation	$48,314,536"

Page 4, line 7, replace "13,954,490" with "14,236,142"

Page 4, line 8, replace "4,141,567" with "4,074,962"

Page 4, line 10, replace "2,893,962" with "693,962"

Page 4, line 11, replace "all" with "operating" and replace "21,380,019" with "19,395,066"

Page 4, line 12, replace "8,340,726" with "6,140,726"

Page 4, line 13, replace "13,039,293" with "13,254,340"

Page 4, after line 13, insert:

"Local funds appropriation	$8,221,397
Total all funds appropriation	$27,616,463"

Page 4, line 16, replace "7,981,890" with "8,249,062"

Page 4, line 17, replace "2,255,832" with "2,212,188"

Page 4, line 20, replace "all" with "operating" and replace "11,339,893" with "11,563,421"

Page 4, line 22, replace "8,461,666" with "8,685,194"

Page 4, after line 22, insert:

"Local funds appropriation	$7,400,000
Total all funds appropriation	$18,963,421"

Page 4, line 25, replace "28,372,441" with "29,085,334"

Page 4, line 26, replace "6,172,175" with "6,043,525"

Page 4, line 27, replace "937,929" with "917,929"

Page 4, line 29, replace "all" with "operating" and replace "36,533,011" with "37,097,254"

Page 4, line 30, replace "11,680,734" with "11,496,001"

Page 4, line 31, replace "24,852,277" with "25,601,253"

Page 4, after line 31, insert:

"Local funds appropriation $19,003,936
Total all funds appropriation $56,101,190"

Page 5, line 3, replace "10,780,743" with "11,151,577"

Page 5, line 4, replace "2,898,779" with "2,840,317"

Page 5, line 7, replace "353,403" with "303,403"

Page 5, line 9, replace "all" with "operating" and replace "15,238,154" with "15,500,526"

Page 5, line 11, replace "11,371,567" with "11,633,939"

Page 5, after line 11, insert:

"Local funds appropriation $8,820,000
Total all funds appropriation $24,320,526"

Page 5, line 14, replace "3,841,868" with "4,089,733"

Page 5, line 15, replace "1,084,101" with "1,117,998"

Page 5, line 16, replace "147,500" with "178,350"

Page 5, line 17, replace "218,130" with "253,130"

Page 5, line 18, replace "all" with "operating" and replace "5,291,599" with "5,639,211"

Page 5, line 19, replace "1,418,967" with "1,447,102"

Page 5, line 20, replace "3,872,632" with "4,192,109"

Page 5, after line 20, insert:

"Local funds appropriation $2,124,426
Total all funds appropriation $7,763,637"

Page 5, line 23, replace "1,708,740" with "1,770,118"

Page 5, line 24, replace "431,776" with "423,601"

Page 5, line 28, replace "all" with "operating" and replace "2,432,554" with "2,485,757"

Page 5, line 30, replace "1,573,548" with "1,626,751"

Page 5, after line 30, insert:

"Local funds appropriation $1,336,082
Total all funds appropriation $3,821,839"

Page 6, line 2, replace "66,413,168" with "67,126,248"

Page 6, line 3, replace "18,350,591" with "17,984,278"

Page 6, line 5, replace "87,695,874" with "88,042,641"

Page 6, line 6, replace "59,472,012" with "58,926,430"

Page 6, line 7, replace "28,223,862" with "29,116,211"

Page 6, line 8, replace "332,924,847" with "325,403,767"

Page 6, line 9, after "income" insert "appropriation" and replace "226,698,722" with "220,179,779"

Page 6, after line 9, insert:

"Grand total local funds appropriation	$476,266,395
Grand total all funds appropriation	$1,021,849,941"

Page 6, line 10, after "contingency" insert "and capital improvements emergency"

Page 6, line 11, replace "system capital pool," with "critical"

Page 6, line 13, replace "North Dakota university system" with "state board of higher education"

Page 6, line 14, replace "university" with "higher education"

Page 6, line 15, remove "system", after "contingency" insert "and capital improvements emergency", and after "fund" insert ", critical salary pool,"

Page 6, line 20, replace "university system" with "state board of higher education"

Page 7, line 12, replace "North Dakota university system" with "state board of higher education"

Page 7, line 21, replace "North Dakota" with "state board of higher education"

Page 7, line 22, remove "university system"

Page 7, line 26, replace "this" with "chapter 32 of the 1997 Session Laws"

Page 7, line 27, remove "Act"

Page 7, line 29, replace "university system" with "state board of higher education"

Page 8, line 2, replace "North Dakota university system" with "state board of higher education"

Page 8, line 3, replace "North Dakota university system" with "board"

Page 8, line 9, after "college" insert " - music addition"

Page 8, line 10, after "Region" insert " - auditorium renovation"

Page 8, line 11, after "may" insert ", after receiving approval from the budget section,"

Page 8, line 12, remove "or" and after "private" insert ", or other"

Page 8, line 13, replace ", for the biennium" with a period

Page 8, remove line 14

Page 8, line 15, after "may" insert ", after receiving approval from the budget section,"

Page 8, line 16, remove "or" and after "private" insert ", or other"

Page 8, line 17, replace ", for the biennium beginning July 1, 1999, and" with a period

Page 8, remove line 18

Page 8, line 24, replace "**PROJECT AUTHORIZATIONS.** The industrial commission, acting as" with "**BOND ISSUANCE - PURPOSES.** The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding $4,750,000 for the purpose of financing capital projects at institutions under the control of the board, including an amount not exceeding $250,000 for student union improvements at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university. Bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 12. USE OF PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 11, or so much of the sum as may be necessary, in the amount of $250,000 for the student union improvements at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university and other available funds from other sources are hereby appropriated for these projects. Any unexpended balance from the sale of bonds must be placed in a sinking fund for the retirement of the authorized bonds.

SECTION 13. LOCAL FUNDS APPROPRIATED. Any local funds beyond the local funds appropriated in Section 1 of this Act are hereby appropriated for the biennium beginning July 1, 1999, and ending June 30, 2001, and may be spent subject to approval of the state board of higher education and reported to the budget section of the legislative council.

SECTION 14. HALLWAY PROJECT - SCHAFER HALL. Bismarck state college shall complete the renovation of the hallway project in Schafer hall out of the funding provided to Bismarck state college in subdivision 2 of section 1 of this Act."

Page 8, remove lines 25 through 30

Page 9, remove lines 1 through 12

Page 9, after line 17, insert:

"**SECTION 16. EMERGENCY.** The capital improvements line item contained in subdivision 9 of section 1 includes $760,000 for boiler repairs and fuel storage at Mayville state university, that project and the health and wellness center at North Dakota state university in the amount of $4,500,000 which is authorized in sections 11 and 12 are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

HOUSE - This amendment makes the following changes:

General fund:

UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA

Executive budget	$11,925,735	$16,930,790	$14,512,720	$4,950,031	$4,771,162	$93,355,802
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367
Delay market salary adjustments to 1/1/01	(29,456) [1]					
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000) [2]					
Increase contingency line item	200,000 [2]					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590) [3]			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds						
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						(244,036)
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)
House version	$11,095,069	$2,685,227	$14,976,875	$5,070,130	$4,919,846	$95,482,231

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)	(131,253)	(35,270)			
Reduce information		(50,000)			(20,000)	

technology funding						
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds						
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(267,443)	(4,337,682)
Adjust health insurance cost	14,826	5,702	46,567	981,754
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				
Remove Dickinson State Student Union (it is included in SB 2065)				
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)[3]	(738,113)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	200,000			200,000
Reduce operating expenses			(220,000)	(670,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds				
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036) ~~(544,036)~~
Reduce on-line training funding				(20,600)
Add funding to correct medical school pay plan			372,180	372,180
Add funds for 1 additional class section in 4 capped programs				
Decrease operating expenses for a .5% general fund reduction	(21,066)	(8,175)	(146,313)	(1,634,694)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767

Other funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$4,933,900		$7,789,776	$1,948,806	$2,300,265	$56,492,071
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation package to 2%/2%						
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions						
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction						
House version	$4,933,900	$0	$19,159,776	$8,352,572	$3,953,265	$335,225,680

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation package to 2%/2%	(763)					
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and					(184,733)[3]	

wages due to vacant positions						
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000 [4]				
Decrease operating expenses for a .5% general fund reduction						
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
Allocate 5% pooled salaries				
Pool critical salary funding				
Reduce compensation package to 2%/2%			(633,306)	(634,069)
Adjust health insurance cost			87,724	87,724
Delay market salary adjustments to 1/1/01				
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)				(2,200,000)
Remove capital improvements emergency line item				
Increase contingency line item				
Decrease PSEP				
Decrease EPSCoR				
Eliminate Perkins loan match funding				
Reduce salaries and wages due to vacant positions				(184,733)
Reduce information technology funding				
Add funds for information technology initiative	28,135			28,135
Reduce operating expenses				
Reduce equipment funding				
Reduce funding for the Skills Center				
Appropriate local funds	2,124,426	1,336,082		476,266,395
Reduce dual credit course program funding				
Reduce Center for Innovation in Instruction funding				
Reduce capital improvement funding				
Reduce on-line training funding				
Add funding to correct medical school pay plan				
Add funds for 1 additional class section in 4 capped programs				384,000
Decrease operating expenses for a .5% general fund reduction				
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174

Total funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$16,859,635	$16,930,790	$22,302,496	$6,898,837	$7,071,427	$149,847,873
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227				
Reduce compensation package to 2%/2%	(35,118)		(76,895)	(23,760)	(31,160)	(982,347)
Adjust health insurance cost	5,417		(193,940)	(59,016)	(70,208)	(1,330,237)
Delay market salary adjustments to 1/1/01	(29,456)		44,763	14,256	16,536	303,367
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000)					
Increase contingency line item	200,000					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590)			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						(244,036)
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)
House version	$16,028,969	$2,685,227	$34,136,651	$13,422,702	$8,873,111	$430,707,911

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,213,683)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						

Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)		(131,253)		(220,003)	
Reduce information technology funding		(50,000)			(20,000)	
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000				
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(900,749)	(4,971,751)
Adjust health insurance cost	14,826	5,702	134,291	1,069,478
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)				(2,200,000)
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)	(952,846)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	228,135			228,135
Reduce operating expenses			(220,000)	(670,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds	2,124,426	1,336,082		476,266,395
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036) ~~(644,036)~~
Reduce on-line training funding				(20,600)
Add funding to correct medical school pay plan			372,180	372,180
Add funds for 1 additional class section in 4 capped programs				384,000
Decrease operating expenses	(21,066)	(8,175)	(146,313)	(1,634,694)

for a .5% general fund reduction				
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941

[1] In addition to the two percent annual salary increases, funding is included to provide the finance director a market equity salary increase of $135 per month, the legal counsel a market equity salary increase of $692.17 per month, and the human resources director a market equity salary increase of $520 per month. These increases are effective January 1, 2001, for the last six months of the biennium.

[2] The $400,000 for capital improvement emergencies line item was removed, and then the contingency line item was increased by $200,000, from $200,000 to $400,000. The contingency line was also renamed contingency and capital improvements emergency fund.

[3] The reductions to the salaries and wages line items, relating to vacant positions does not include a reduction in the number of FTE because the board has the authority to adjust FTE levels as needed.

[4] The additional $384,000 of estimated income at the State College of Science is for the addition of 6 FTE and 1 additional class section in each of the diesel technology, computer information systems, architectural drafting, and electrical technology programs.

stet 8

This amendment also:

Adds in the appropriation of local funds at the campuses. The total local funds appropriation is $476,266,395.

Replaces the sections providing for the North Dakota building authority to issue evidences of indebtedness for the student union renovations ($250,000) at Bismarck State College and the Health and Wellness Center ($4,500,000) at North Dakota State University with sections providing for these two projects to be funded through revenue bonds issued through the State Board of Higher Education.

Removes the section of intent providing that the Office of Management and Budget was to prepare the 2001-03 budget to only include a general fund appropriation.

Adds a section declaring the $760,000 for boiler repairs and fuel storage at Mayville State University and the $4,500,000 for the Health and Wellness Center at North Dakota State University to be emergencies.

Adds language providing that Bismarck State College is to complete the hallway renovation project at Schafer Hall from within the funding provided for the 1999-2001 biennium.

Date: 2-16-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number 0104

Action Taken DP as am.

Motion Made By Wentz Seconded By Poolman

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	X		Nichols	X	
Vice-Chairman Byerly		X	Poolman		X
Aarsvold	X		Svedjan	X	
Bernstein		X	Timm	X	
Boehm	X		Tollefson	X	
Carlson		X	Wentz	X	
Carlisle	X				
Delzer		X			
Gulleson	X				
Hoffner	X				
Huether	X				
Kerzman	X				
Lloyd		X			
Monson	X				

Total (Yes) 14 No 6

Absent _____

Floor Assignment Wentz

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1003: Appropriations Committee (Rep. Dalrymple, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, after "system" insert "; and to declare an emergency"

Page 1, line 13, replace "2,261,708" with "2,153,175"

Page 1, line 14, replace "775,630" with "706,382"

Page 1, remove line 16

Page 1, line 19, replace "1,467,303" with "1,317,303"

Page 1, line 22, after "Contingency" insert "and capital improvements emergency" and replace "200,000" with "400,000"

Page 1, remove line 24

Page 2, line 3, replace "1,980,000" with "1,780,000"

Page 2, line 6, replace "Board" with "Critical" and replace "16,930,790" with "2,685,227"

Page 2, line 7, replace "33,790,425" with "18,714,196"

Page 2, line 9, replace "28,856,525" with "13,780,296"

Page 2, line 12, replace "16,052,300" with "16,591,716"

Page 2, line 13, replace "4,996,174" with "4,920,913"

Page 2, line 16, replace "all" with "operating" and replace "22,302,496" with "22,766,651"

Page 2, line 18, replace "14,512,720" with "14,976,875"

Page 2, after line 18, insert:

"Local funds appropriation	$11,370,000
Total all funds appropriation	$34,136,651"

Page 2, line 21, replace "4,288,220" with "4,433,797"

Page 2, line 22, replace "1,365,961" with "1,340,483"

Page 2, line 25, replace "all" with "operating" and replace "6,898,837" with "7,018,936"

Page 2, line 27, replace "4,950,031" with "5,070,130"

Page 2, after line 27, insert:

"Local funds appropriation	$6,403,766
Total all funds appropriation	$13,422,702"

Page 2, line 30, replace "5,167,426" with "5,340,833"

Page 2, line 31, replace "1,565,615" with "1,540,892"

Page 3, line 3, replace "all" with "operating" and replace "7,071,427" with "7,220,111"

Page 3, line 5, replace "4,771,162" with "4,919,846"

Page 3, after line 5, insert:

"Local funds appropriation	$1,653,000
Total all funds appropriation	$8,873,111"

Page 3, line 8, replace "102,475,530" with "104,142,630"

Page 3, line 9, replace "33,155,561" with "32,675,751"

Page 3, line 10, replace "2,527,008" with "2,247,960"

Page 3, line 11, replace "9,006,341" with "4,762,305"

Page 3, after line 12, insert:

"Special initiatives pool	1,462,223"

Page 3, line 14, replace "all" with "operating" and replace "149,847,873" with "147,974,302"

Page 3, line 15, replace "56,492,071" with "52,492,071"

Page 3, line 16, replace "93,355,802" with "95,482,231"

Page 3, after line 16, insert:

"Local funds appropriation	$282,733,609
Total all funds appropriation	$430,707,911"

Page 3, line 19, replace "89,261,432" with "91,656,749"

Page 3, line 20, replace "26,550,541" with "25,930,527"

Page 3, line 21, replace "2,043,800" with "1,998,800"

Page 3, line 22, replace "8,707,362" with "8,557,362"

Page 3, line 23, replace "1,537,500" with "1,287,500"

Page 3, line 24, replace "all" with "operating" and replace "128,100,635" with "129,430,938"

Page 3, line 25, replace "55,698,903" with "55,698,140"

Page 3, line 26, replace "72,401,732" with "73,732,798"

Page 3, after line 26, insert:

"Local funds appropriation	$111,620,179
Total all funds appropriation	$241,051,117"

Page 3, line 29, replace "22,795,547" with "23,996,556"

Page 3, line 30, replace "6,749,972" with "6,607,727"

Page 3, line 31, replace "1,519,368" with "1,494,368"

Page 4, line 2, replace "all" with "operating" and replace "31,700,772" with "32,734,536"

Page 4, line 3, replace "9,018,742" with "9,402,742"

Page 4, line 4, replace "22,682,030" with "23,331,794"

Page 4, after line 4, insert:

"Local funds appropriation	$15,580,000
Total all funds appropriation	$48,314,536"

Page 4, line 7, replace "13,954,490" with "14,236,142"

Page 4, line 8, replace "4,141,567" with "4,074,962"

Page 4, line 10, replace "2,893,962" with "693,962"

Page 4, line 11, replace "all" with "operating" and replace "21,380,019" with "19,395,066"

Page 4, line 12, replace "8,340,726" with "6,140,726"

Page 4, line 13, replace "13,039,293" with "13,254,340"

Page 4, after line 13, insert:

"Local funds appropriation	$8,221,397
Total all funds appropriation	$27,616,463"

Page 4, line 16, replace "7,981,890" with "8,249,062"

Page 4, line 17, replace "2,255,832" with "2,212,188"

Page 4, line 20, replace "all" with "operating" and replace "11,339,893" with "11,563,421"

Page 4, line 22, replace "8,461,666" with "8,685,194"

Page 4, after line 22, insert:

"Local funds appropriation	$7,400,000
Total all funds appropriation	$18,963,421"

Page 4, line 25, replace "28,372,441" with "29,085,334"

Page 4, line 26, replace "6,172,175" with "6,043,525"

Page 4, line 27, replace "937,929" with "917,929"

Page 4, line 29, replace "all" with "operating" and replace "36,533,011" with "37,097,254"

Page 4, line 30, replace "11,680,734" with "11,496,001"

Page 4, line 31, replace "24,852,277" with "25,601,253"

Page 4, after line 31, insert:

"Local funds appropriation	$19,003,936
Total all funds appropriation	$56,101,190"

Page 5, line 3, replace "10,780,743" with "11,151,577"

Page 5, line 4, replace "2,898,779" with "2,840,317"

Page 5, line 7, replace "353,403" with "303,403"

Page 5, line 9, replace "all" with "operating" and replace "15,238,154" with "15,500,526"

Page 5, line 11, replace "11,371,567" with "11,633,939"

Page 5, after line 11, insert:

"Local funds appropriation	$8,820,000
Total all funds appropriation	$24,320,526"

Page 5, line 14, replace "3,841,868" with "4,089,733"

Page 5, line 15, replace "1,084,101" with "1,117,998"

Page 5, line 16, replace "147,500" with "178,350"

Page 5, line 17, replace "218,130" with "253,130"

Page 5, line 18, replace "all" with "operating" and replace "5,291,599" with "5,639,211"

Page 5, line 19, replace "1,418,967" with "1,447,102"

Page 5, line 20, replace "3,872,632" with "4,192,109"

Page 5, after line 20, insert:

"Local funds appropriation	$2,124,426
Total all funds appropriation	$7,763,637"

Page 5, line 23, replace "1,708,740" with "1,770,118"

Page 5, line 24, replace "431,776" with "423,601"

Page 5, line 28, replace "all" with "operating" and replace "2,432,554" with "2,485,757"

Page 5, line 30, replace "1,573,548" with "1,626,751"

Page 5, after line 30, insert:

"Local funds appropriation	$1,336,082
Total all funds appropriation	$3,821,839"

Page 6, line 2, replace "66,413,168" with "67,126,248"

Page 6, line 3, replace "18,350,591" with "17,984,278"

Page 6, line 5, replace "87,695,874" with "88,042,641"

Page 6, line 6, replace "59,472,012" with "58,926,430"

Page 6, line 7, replace "28,223,862" with "29,116,211"

Page 6, line 8, replace "332,924,847" with "325,403,767"

Page 6, line 9, after "income" insert "appropriation" and replace "226,698,722" with "220,179,779"

Page 6, after line 9, insert:

"Grand total local funds appropriation	$476,266,395
Grand total all funds appropriation	$1,021,849,941"

Page 6, line 10, after "contingency" insert "and capital improvements emergency"

Page 6, line 11, replace "system capital pool," with "critical"

Page 6, line 13, replace "North Dakota university system" with "state board of higher education"

Page 6, line 14, replace "university" with "higher education"

Page 6, line 15, remove "system", after "contingency" insert "and capital improvements emergency", and after "fund" insert ", critical salary pool,"

Page 6, line 20, replace "university system" with "state board of higher education"

Page 7, line 12, replace "North Dakota university system" with "state board of higher education"

Page 7, line 21, replace "North Dakota" with "state board of higher education"

Page 7, line 22, remove "university system"

Page 7, line 26, replace "this" with "chapter 32 of the 1997 Session Laws"

Page 7, line 27, remove "Act"

Page 7, line 29, replace "university system" with "state board of higher education"

Page 8, line 2, replace "North Dakota university system" with "state board of higher education"

Page 8, line 3, replace "North Dakota university system" with "board"

Page 8, line 9, after "college" insert " - music addition"

Page 8, line 10, after "Region" insert " - auditorium renovation"

Page 8, line 11, after "may" insert ", after receiving approval from the budget section,"

Page 8, line 12, remove "or" and after "private" insert ", or other"

Page 8, line 13, replace ", for the biennium" with a period

Page 8, remove line 14

Page 8, line 15, after "may" insert ", after receiving approval from the budget section,"

Page 8, line 16, remove "or" and after "private" insert ", or other"

Page 8, line 17, replace ", for the biennium beginning July 1, 1999, and" with a period

Page 8, remove line 18

Page 8, line 24, replace "**PROJECT AUTHORIZATIONS.** The industrial commission, acting as" with "**BOND ISSUANCE - PURPOSES.** The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding $4,750,000 for the purpose of financing capital projects at institutions under the control of the board, including an amount not exceeding $250,000

for student union improvements at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university. Bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 12. USE OF PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 11, or so much of the sum as may be necessary, in the amount of $250,000 for the student union improvements at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university and other available funds from other sources are hereby appropriated for these projects. Any unexpended balance from the sale of bonds must be placed in a sinking fund for the retirement of the authorized bonds.

SECTION 13. LOCAL FUNDS APPROPRIATED. Any local funds beyond the local funds appropriated in Section 1 of this Act are hereby appropriated for the biennium beginning July 1, 1999, and ending June 30, 2001, and may be spent subject to approval of the state board of higher education and reported to the budget section of the legislative council.

SECTION 14. HALLWAY PROJECT - SCHAFER HALL. Bismarck state college shall complete the renovation of the hallway project in Schafer hall out of the funding provided to Bismarck state college in subdivision 2 of section 1 of this Act."

Page 8, remove lines 25 through 30

Page 9, remove lines 1 through 12

Page 9, after line 17, insert:

"**SECTION 16. EMERGENCY.** The capital improvements line item contained in subdivision 9 of section 1 includes $760,000 for boiler repairs and fuel storage at Mayville state university, that project and the health and wellness center at North Dakota state university in the amount of $4,500,000 which is authorized in sections 11 and 12 are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

HOUSE - This amendment makes the following changes:

General fund:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$11,925,735	$16,930,790	$14,512,720	$4,950,031	$4,771,162	$93,355,802
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367
Delay market salary adjustments to 1/1/01	(29,456) [1]					
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000) [2]					
Increase contingency line item	200,000 [2]					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590) [3]			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds						
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						(244,036)
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)
House version	$11,095,069	$2,685,227	$14,976,875	$5,070,130	$4,919,846	$95,482,231

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency						

line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)		(131,253)		(35,270)	
Reduce information technology funding		(50,000)			(20,000)	
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds						
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(267,443)	(4,337,682)
Adjust health insurance cost	14,826	5,702	46,567	981,754
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				
Remove Dickinson State Student Union (it is included in SB 2065)				
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)[3]	(788,113)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	200,000			200,000
Reduce operating expenses			(220,000)	(470,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds				
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036)
Reduce on-line training				(20,600)

funding						
Add funding to correct medical school pay plan			372,180	372,180		
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(21,066)	(8,175)	(146,313)	(1,634,694)		
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767		

Other funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$4,933,900		$7,789,776	$1,948,806	$2,300,265	$56,492,071
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation package to 2%/2%						
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions						
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction						
House version	$4,933,900	$0	$19,159,776	$8,352,572	$3,953,265	$335,225,680

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation	(763)					

package to 2%/2%						
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions					(184,733) [3]	
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000 [4]				
Decrease operating expenses for a .5% general fund reduction						
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
Allocate 5% pooled salaries				
Pool critical salary funding				
Reduce compensation package to 2%/2%			(633,306)	(634,069)
Adjust health insurance cost			87,724	87,724
Delay market salary adjustments to 1/1/01				
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)				(2,200,000)
Remove capital improvements emergency line item				
Increase contingency line item				
Decrease PSEP				
Decrease EPSCoR				
Eliminate Perkins loan match funding				
Reduce salaries and wages due to vacant positions				(184,733)
Reduce information technology funding				
Add funds for information	28,135			28,135

technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds	2,124,426	1,336,082		476,266,395		
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs				384,000		
Decrease operating expenses for a .5% general fund reduction						
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174		

Total funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$16,859,635	$16,930,790	$22,302,496	$6,898,837	$7,071,427	$149,847,873
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367
Delay market salary adjustments to 1/1/01	(29,456)					
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000)					
Increase contingency line item	200,000					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590)			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						(244,036)
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)

reduction						
House version	$16,028,969	$2,685,227	$34,136,651	$13,422,702	$8,873,111	$430,707,911
	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,213,683)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)		(131,253)		(220,003)	
Reduce information technology funding		(50,000)			(20,000)	
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000				
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(900,749)	(4,971,751)
Adjust health insurance cost	14,826	5,702	134,291	1,069,478
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is				(2,200,000)

included in SB 2065)				
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)	(972,846)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	228,135			228,135
Reduce operating expenses			(220,000)	(470,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds	2,124,426	1,336,082		476,266,395
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036)
Reduce on-line training funding				(20,600)
Add funding to correct medical school pay plan			372,180	372,180
Add funds for 1 additional class section in 4 capped programs				384,000
Decrease operating expenses for a .5% general fund reduction	(21,066)	(8,175)	(146,313)	(1,634,694)
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941

1 In addition to the two percent annual salary increases, funding is included to provide the finance director a market equity salary increase of $135 per month, the legal counsel a market equity salary increase of $692.17 per month, and the human resources director a market equity salary increase of $520 per month. These increases are effective January 1, 2001, for the last six months of the biennium.

2 The $400,000 for capital improvement emergencies line item was removed, and then the contingency line item was increased by $200,000, from $200,000 to $400,000. The contingency line was also renamed contingency and capital improvements emergency fund.

3 The reductions to the salaries and wages line items, relating to vacant positions does not include a reduction in the number of FTE because the board has the authority to adjust FTE levels as needed.

4 The additional $384,000 of estimated income at the State College of Science is for the addition of 8 FTE and 1 additional class section in each of the diesel technology, computer information systems, architectural drafting, and electrical technology programs.

This amendment also:

Adds in the appropriation of local funds at the campuses. The total local funds appropriation is $476,266,395.

Replaces the sections providing for the North Dakota building authority to issue evidences of indebtedness for the student union renovations ($250,000) at Bismarck State College and the Health and Wellness Center ($4,500,000) at North Dakota State University with sections providing for these two projects to be funded through revenue bonds issued through the State Board of Higher Education.

Removes the section of intent providing that the Office of Management and Budget was to prepare the 2001-03 budget to only include a general fund appropriation.

Adds a section declaring the $760,000 for boiler repairs and fuel storage at Mayville State University and the $4,500,000 for the Health and Wellness Center at North Dakota State University to be emergencies.

Adds language providing that Bismarck State College is to complete the hallway renovation project at Schafer Hall from within the funding provided for the 1999-2001 biennium.

1999 SENATE APPROPRIATIONS

HB 1003

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. ENGROSSED HB 1003

Senate Appropriations Committee

❑ Conference Committee
Hearing Date 3/1/99-3/3/99; 3/31/99

Tape Number		Side A	Side B	Meter #
3/1/99	1	164-0	0-end	
3/1/99	2	80-end	0-end	
3/1/99	3	0-550		
3/2/99	2	0-599		
3/3/99	1	172-end	0-end	
3/3/99	2	0-end	0-end	
3/3/99	3	0-end	0-336	
3/31/99	1		2965-5965	
Committee Clerk Signature		Claudia Anderson		

Minutes:

SENATOR NETHING: Opened the hearing on engrossed HB 1003; a BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota University System.

OVERVIEW - BOARD OF HIGHER EDUCATION 3/1/99 (Tape 1, A, 164-end; Tape 2, A, 0-4000)

JACK HOEVEN: President State Board of Higher Education, introduced the board members: Paul Ebletoft, Dickinson; Joe Peltier, Arthur; Jeanette Satrom, Oriska; Beverly Clayburgh, Grand Forks; Craig Caspers, Wahpeton; Bill Isaacson, Stanley; Jonathan Sickler, UND Student; Bethany Andreasen, Faculty Representative from Minot State. The recent national financing public higher education report shows an increase in per student funding for 1996-1997, 1997-1998, elevating North Dakota's national ranking from 44th to 41st in a one-year period. I believe the 1999-01 budget presented by the Governor provides a good basis for continued recovery efforts. The Governor's budget proposal provides a good foundation to allow the University system to fulfill this central role. ("System Overview" detailed testimony attachment #1, pages 1-5) (tape 1, A, 164-1640)

SENATOR BOWMAN: The higher board supported the placing of the measure on the ballot as you stated, who paid for the billboard ads to defeat the measure?

JACK HOEVEN: I do not know. I think it was a group of several smaller communities.

SENATOR BOWMAN: Did any money came from the colleges themselves?

JACK HOEVEN: No.

SENATOR BOWMAN: We don't know what the WEFA report is going to be, and you want to increase your salaries. If the report falls short of expectations and we have to cut more in order to give salary increases that you are asking, we will almost have to cut programs. Have you looked at programs that could be completely eliminated so we could free up the dollars to pay the salary increases?

JACK HOEVEN: Actually, in our 6-year plan, we state that in the event that there are not sufficient funds we are going to have to cut back access even though we don't want to and the people don't want us to, it's in our 6-year plan..

SENATOR GRINDBERG: Concerning the equity issue, page 5, the additional resources for some campuses, does that relate to the 6 year-plan and goal 6, the equity issue?

JACK HOEVEN: In certain institutions, they will be getting an assigned amount of money but their enrollment increases faster than the money comes so then they fall behind per capita, basically amount per student, in relation to other institutions. Those adjustments will come and go.

SENATOR GRINDBERG: Have you had a number of discussions? There are some serious inequities between what is fair to students at campus A or at campus B. To me this would be a broad policy decision that the board should be looking at as we move into the next millennium with student numbers dwindling, etc. Can you give me a better idea of some of those discussions.

JACK HOEVEN: We have had some discussions. As to the future, I would refer that to the Chancellor. (tape 1950)

LARRY ISAAK: Chancellor of North Dakota University System, testified in support of HB 1003. Testimony highlighted pages 1-2, and 6-9 of attached. ("System Overview" attachment #2, yellow sheets) (tape 1, A, 1950-3312)

SENATOR HOLMBERG: There are successful marketing strategies of out-of-state programs presented to North Dakota students. What is the North Dakota strategy? (tape 3710)

LARRY ISAAK: In terms of the air bases, we have some successful models: UND-Lake Region has tremendous success at the Grand Forks Air Base. But, we do have a Michigan Institution in there. We are looking at Grand Forks, we continue to want to have UND-Lake Region serve there. We would like UND to do more, part of it will be the ability to be flexible in terms of time schedules and curriculum. In terms of the Minot Air Force Base, again Michigan is in there fairly heavy, but Minot and Bottineau are now starting to go in there in a combined effort both in the 2-year and 4-year program level. Minot has been in there and done many things. The College of

Science is pulling out of there; but, we're going to have Minot and Wahpeton as the main focus there. In terms of the program that St. Thomas offers in Teacher Education Graduate Degrees in East Grand Forks or Moorhead, that is one we haven't addressed significantly. There are differences in requirements for those graduate degrees from those campuses that we don't have any control over. Currently North Central Accrediting Association is just forming a task force on distance education programs and accreditation and programs that offer credit for work, not necessarily in the classroom. We don't do a lot of that in The University system, some private colleges do offer credit for work experience. We have to look at issues concerning quality as well as access. We are going to be doing a survey of all elementary and secondary teachers in the state, jointly funded by DPI, NDEA, our office, and Vocational Education, to determine their professional development needs, and why or why not they're taking advantage of programs. Hopefully we'll have some data that we can share with the legislature in the months to come. (tape 3710)

SENATOR HOLMBERG: On national accreditation on duplicate programs. Where are we?

LARRY ISAAK: The 6-year plan calls for us to provide access to be a high quality and high access system. Accreditation is a measure of quality. We continue to have programs that are accredited in nursing, teaching, our 2 engineering programs and the UND business programs, and we are trying to achieve accreditation at NDSU. You and I have had a lot of discussion concerning the NDSU accreditation. There are 1,000 students or maybe more in that program. I think it's good they're able to graduate from an accredited business school at a major graduate institution. I think programs to the extent they can be accredited is a measure of quality, and secondly, it will attract or retain students. Accreditation is important to the student in programs in some fairly competitive programs seeking employment in highly accredited fields. Even though I, at times, have some thoughts about accreditation, I will continue to push our campuses to be accredited, both campus-wide and for individual programs where it is possible to ensure quality.

SENATOR ST. AUBYN: On your summary of requests, are these in priority order? (tape 3960)

LARRY ISAAK: No, they are just listed.

SENATOR GRINDBERG: The Governor didn't put the $3 million in equity, does that decision come based on a list that is submitted to him from your office or the board? Who makes the selection from top down and matter of priority?

LARRY ISAAK: The equity funding request was based on the equity funding study that we did. Yes, we do a priority order of major initiatives in the budget. I don't recall where that fell-I believe somewhere from the 50-75% range of priorities. The Governor did not include that in his priorities. There are some things he did go down a little farther on the priority list and include - I think in the area of capital. There are many needs that we put out there.

SENATOR GRINDBERG: You have started to document the number of graduates that stay in North Dakota, can you comment on how successful that has been.

LARRY ISAAK: Yes, I refer you to section 4, page 4, of your resource book, "Student Performance Indicators." There is a chart that shows in 1995, 61% of ND high school students graduating from a ND institution stayed in the State.

SENATOR ANDRIST: Do you see any opportunity for increased productivity among staff?

LARRY ISAAK: We are always looking for efficiencies. In 1993, we eliminated over 200 positions from the state budget due to budget reductions at that time. We've continually looked at efficiencies. If you look at the UND budget in front of you, you will find that is down 46 positions, many of those in faculty positions. Productivity is pretty good. We are going to participate in a national standardized study of faculty productivity which will give us some data.

SENATOR BOWMAN: To get what you ask in your budget, some other part of budget is going to have to suffer. Are you suggesting we take money from elementary or secondary programs, highway funding, long-term care? Do you have any suggestions for us? (tape 4680)

LARRY ISAAK: I don't have the benefit of all the hearings you go through, but I would be very pleased if you would look at a budget for the University system at 22% of the state pie which is halfway between what it was in 1982 and what it is today--it was 24% then and it's 20% today. Every one percent shift in the state budget pie is now $15M. I understand the hard decisions that you have to make. But I do think you will note the shift of the higher education dollar to the human service dollar.

SENATOR BOWMAN: Another one of the fastest growing parts of our budget, is our technology budget. How much should go into technology versus salaries?

LARRY ISAAK: We've instituted a technology program fee at our institutions. Student committees recommend how those dollars should be spent. At Valley City and Mayville State, that entire notebook initiative is funded with student fees. They pay for those computers - $850/year in addition to their tuitition.

SENATOR NETHING: On the Summary of Requests (yellow attachment #2) please review each of these proposals, and the conversations with the House regarding those items.

LARRY ISAAK: The first one is the overall budget. This bill was assigned to the Education Committee of the House Appropriations Committee. They then assigned a two-member subcommittee to each campus or entity budget. They looked at these budgets separately and individually from each and then reported back to the section and to the full committee. Some campuses there were significant discussions with, and some our office was able to participate in; others, there was very little if any conversation with the entities. Some members, the House leadership or whatever said we need to reduce the Governor's budget. Some subcommittees took that more aggressively than others and reported back. Once they reported back, it was clear that a fair share of those cuts were coming out of NDSU and UND. Then it went to the full committee. There were several motions made at the full committee level that started to say we've got to equalize these reductions between UND and NDSU - at least in dollar amounts so there was money added back in one motion and some taken out. That went on for 2-3 days. That basically

is how it was approached over there, other than the salary increase package which was a policy for the entire body.

On item #2, the State College of Science, there was a hearing on the capital construction requests. I'm not sure what deliberations there were with the College of Science in making that reduction, this is in the bonding bill - from $3.7M to $2M for infrastructure repairs. Bismarck and Minot presented their projects as part of 1003 and not 1022. Item #3, there were no significant discussions. Item #4, some discussion on pooling, individually and with the entire committee from time-to-time. The Governor's budget pooled 5% of the salary line and the House put it back into individual campus budgets. Dollars for critical salary adjustments in each individual campus budget, they took that out and put that into a pool for the Board. Item #5, the tuition income HB 1003 when it was introduced by the Governor had a Statement of Intent that the budgets for 2001 and 2003 would be built in that manner. There was also HB 1165 which will be coming to the Senate that had a couple of provisions - one was to statutorily make the change that would do this. The House took that language out of HB 1165. Item #6, there was a Midwest Higher Ed Compact, there was a separate bill on the House side to do that and that bill was defeated. We did not ask for additional money to join that. There is a pool in the board's budget for special initiatives. We said we would find money within our budget to join that compact. Item #7, equity funding I have commented on. Item #8, some things on the engrossed bill there was some pooling that was moved around and now needs to be taken care of. Item #9, work force training, HB 1443, there will be a hearing tomorrow. (tape 1, A, end of tape)

SENATOR SOLBERG: Two years ago we did some equity funding for certain campuses. What equity funding are we looking at this year and will we be looking at this every 2 years?

LARRY ISAAK: The equity funding requested was a $3 million dollar appropriation for NDSU. Yes, I think we will continue to look at this on a regular basis. (tape 1, B, 139)

SENATOR SOLBERG: How do you decide equity?

LARRY ISAAK: A number of things including: number of students and types of programs they are in, levels of class, physical plant, age of buildings, and student support services. There is a bench mark report that details this.

SENATOR HOLMBERG: I noticed that the growth in the dual credit program has been quite spotty. Is this a concern?

LARRY ISAAK: It is a new program. We need to look at the quality of the curriculum. Two campuses are actively pursuing this.

SENATOR NAADEN: How was funding done with the decreasing enrollment?

LARRY ISAAK: They were short $8-9M and reductions were made. And, we just didn't spend. We cut back on courses, faculty, administrative staff, physical plant staff, and operating expenses.

SENATOR NAADEN: Why don't you just raise tuition?

LARRY ISAAK: We did not raise tuition beyond what the Legislature incorporated into the budget requests.

LYNN SEVERSON: English Teacher, BSC, testified in support of HB 1003. I have worked there since 1983. We have had two salary committees prior to this biennium. We have combined those committees into one composed of the President of the Board, Chancellor, Vice Chancellor, Financial officers, faculty, and staff on the committee. This group generated the report you have under the second red tab, "Salary Reports". The history as presented in the 'Report of the Board's Committee on Employee Compensation', page 9, shows marked comparisons for faculty and staff. She also reviewed other information contained within the report. She also noted that 70% of new hires leave within 5 years; and they were unable to hire a dean because of salary differences. She also presented a "Funding Equity Comparison" based upon 1999-01 Executive Budget Recommendations, that is attached in the "Summary Report" (tape 1, B, 1507)

SENATOR NETHING: The growth projection for North Dakota for the next two years that we have considered in setting the 2 and 2 on salaries is 0 growth in real income, 2% growth in inflation, and when you add in the cost of the health insurance increase it really does bring it up to about a 3. I understand that doesn't affect the pocketbook issue. On page 32, there were some minimal cost areas. I don't know, but I would presume to implement these minimal cost high priority changes, you would need to go to the board. Do you take the request to the Institution, and the Institution takes it to the Board, and the Board makes a decision? Do you know whether any requests have been made that have ultimately gotten to the Board on these changes?

LYNN SEVERSON: I believe the **B**oard is open to these possibilities. We haven't had the time to go after these specifically.

SENATOR NAADEN: I'd encourage you to do that. It looks as though many could be implemented without legislation.

SENATOR ANDRIST: The benefits are tax-leveraged so the benefit is more real. Perhaps we should put all the money in salary because all the charts are based only on salary. Would it help you in hiring if we got rid of the benefits and put more money in salaries?

LYNN SEVERSON: I believe there is a page in here on the benefits. The hiring I have been in on, we talk about the benefits extensively.

LARRY ISAAK: We did an analysis for the House committee that we will share with you. I don't believe the rankings changed much. We did a study on benefits and will send that down to you.

SENATOR BOWMAN: Is there any data showing the number of professors per capita?

LYNN SEVERSON: North Dakota is at 100% in cost-of living. It is not cheaper to live in North Dakota.

SENATOR TOMAC: In the handout and all of the surrounding states, with the exception of Minnesota, have salaries comparable to North Dakota. I am trying to reconcile that with page 9 of the report and that suggests something different. It states we lag 32% behind regional salaries. I don't understand this when all of our sister states, except MN, are there with us.

LYNN SEVERSON: Montana has made a real effort the last 4 years to move up the scale. I do not know about the others.

SENATOR ROBINSON: In terms of a benefit package, to me there is some correlation between those long-term faculty in terms of retention, it may not be the factor we'd like to have in terms of recruitment. Do you think the benefit package is helpful in retention?

LYNN SEVERSON: It does make a difference to those I work with who are primarily 55 or older men. The moneys received last biennium to address recruitment salaries, causes dissension among long term employees. In terms of teaching English composition, I am double the national standards for the number of papers and students I have. (tape 1, B, 2480)

LOIS ENGLER: North Dakota Division of American Association of University Women, testified in support of HB 1003. Testimony attached #3, "System Overview tab" (tape 1, B, 2600-2700)

LAURA GLATT: Vice Chancellor, Administrative Affairs, Presented testimony that focused on SB 1003 as noted on the salmon sheets 'Analysis of 1999-2001 Engrossed HB 1003, ... ' , "System Overview tab" (tape 2700-5565)

SENATOR ST. AUBYN: The BSC budget for example, then after the 5% general fund restoration the net difference is BSC still has a $113,106 decrease in salaries.

LAURA GLATT: You have to understand, that in '95% budget exercise, we had to cut 5% in general fund. Within that 95% general fund budget, we also had to fund all the costs to continue. They didn't say you can ask for 95% plus all of the increases you anticipate in utilities, the increase you need to sustain your current salary base so we had to cut more than 5% in terms of programs and services. We had to cut 5% plus what we needed to maintain our utility budget, our salary budget for positions that exist today. So what you see there are really the positions that were eliminated, as BSC, for instance for their costs to continue. When OMB and the Governor put together the budget, they did, as you saw in that previous schedule, really fund the cost to continue. We had already funded that in the 95% budget, and we cut more programs and services to do that. So what we did when they funded the cost to continue is that allowed us to bring back some of the programs and services we had cut in that 95% budget exercise. (tape 1, B, 5818)

SENATOR ST. AUBYN: I don't see the similarities, why?

LAURA GLATT: It would have depended on where they took their 95% cut. Part of it could be in the revenue column, if they had to cut personnel and operating that required program closures they also had to identify a loss of revenue. It has to be based on a revenue base. In the restoration

plan, the second group, they essentially said we're going to restore most of those things we cut. As a result of restoring those, we won't lose the $114,000 in revenues. (tape 1, side B, end) (tape 2, A, 84)

LARRY ISAAK: The Governor's budget was done, it is my opinion that all the campuses came out okay. Basically the plans that they submitted for reallocation were pretty much accepted in the Governor's budget and the inflationary costs were funded in the Governor's budget. The Governor's budget takes 95% and it restores the funds as the campuses requested it to be restored or not restored ,and then it funded the inflationary costs for utilities and the cost to continue this year's salary increases. (tape 2, A, 168)

SENATOR ANDRIST: Going back to BSC and the -$113, 100--that is a reduction of what from what?

LAURA GLATT: That compares the first two sets of columns. BSC had to cut $807,900; that would have been the 5%, plus the cost to continue. They cut $807,900 in the 95% budget. Then when the board said our first priority is to restore the 5% general fund cut for BSC, that brought back essentially $694,794. What you see in the last column is the difference between those two.

SENATOR ANDRIST: Where do you expect this inflation to come from in the utility area?

LAURA GLATT: You may want to check with each campus. I know each campus works very diligently with their suppliers for each of the utilities to get an estimate from them as to where they see the prices going during the next 2 years.

SENATOR BOWMAN: The Governor asked for 95% of budget, column 1; column 2 shows restoration of a percentage of that back; column 3 reflects the difference. What is the purpose of cutting and then restoring most of the costs? If you're going to cut to free up money for salaries as UND evidently did, they decided they didn't need those programs restored or any other programs. Is that right?

LAURA GLATT: Essentially that was the Governor's message to us when he asked us to prepare the 95% budget. He viewed it, as I understand it, as an exercise to force us to take a hard look at our programs and make some decisions about what we choose to continue and what we want to reallocate to higher priority needs.

SENATOR SOLBERG: How does your technology plan fit in with your overall technology plan that you submitted to ISD last January? I would like to see how that proportionately lies in dollars appropriated and where. (tape 2, A, 540)

LAURA GLATT: We can get that to you.

SENATOR NETHING: Recessed the hearing until after Senate floor proceedings.

JASON BERNHARDT: North Dakota Student Association, testified in support of engrossed HB 1003. (Testimony attached #4A, Minot State University proclamation #4B, "System Overview", end of tab) (tape 2, A, 735-1176)

DALE ANDERSON: Greater ND Association, testified in support of engrossed HB 1003. (Testimony attached #5, "System Overview") (tape 1180-1620)

LAURA GLATT: Continued her presentation outlining changes made by the House in the testimony provided, beginning on page 44, of Analysis of 1999-2001..., red tab. (tape 2, A, 1639-2520)

SENATOR ST. AUBYN: What is the difference between the critical salary pool and the 5% pool?

LAURA GLATT: The 5% pool was similar to what the legislature did during the '97 session to some extent. Each campus in the subdivision of the bill had their own salary and wage line. In the '97 session you took the salary and wage line out of each subdivision and you pooled them all together and you gave it to the board and told them to decide how to allocate the money. Within the bill you added legislative intent that said the board couldn't give the institution less than 95% of what they had in the current biennium. So when the Governor put his budget together, he said theoretically you only had 5% flexibility anyway, so instead of pooling all of the money; he pooled 5% of the salary line item. That money was to support the continuation of people who are on the payroll today. The critical salary adjustment money is really new money that the Governor added to the budget. The purpose is to use it to address market and retention problems, salary inequity and recruiting.

SENATOR GRINDBERG: SB 2016 which was the Department of Emergency Management bill for the next biennium, they have an estimated $66M in flood related work to go on between 1999-2001. There was approximately $25M to UND ($18M for steam lines and $7M for cost overruns). Shouldn't that be reflected in here? I think the bill we passed out, I guess our thought was that we would take care of those needs that we knew going into the next biennium to address that rather than just expect a $2.5M deficiency payment at the end of the next biennium. Do we need to address that in here?

LAURA GLATT: It was our understanding that we were anticipated to submit a deficiency appropriation for any additional costs not covered in the deficiency appropriation this biennium. For any work going on during 1999-01, we would expect to submit a deficiency appropriation during the next session to cover those costs. A large part of that would be related to the State Fair, the work on the steam line. If you have another expectation, or want to handle it differently, we would be happy to visit about that.

SENATOR BOWMAN: You mentioned something about this NDSU funding this project and you now are finding another source from the federal government. Under state law, don't you have to use a certain percentage of private funds?

LAURA GLATT: There is no statutory requirement that there be any local match on these projects. Generally a local match has been required, it has been part of the appropriation bill. But, there is not permanent statute, it is certainly at your discretion whether you choose to fund a local match. When you funded this project during the last biennium, there was a local match requirement. When the Board submitted the project to OMB for funding, there was a local fund match. But, at that time we assumed we only had $1.8M in federal funds. Now it is our understanding based upon this letter from the department of agriculture that we can use these other federal funds to support the projects, so the Board has allowed the Campus to offset the local funds with the federal funds. (tape 2, B, 3728)

VCSU

VALLEY CITY STATE UNIVERSITY 3/1/99 (VCSU tab)

ELLEN CHAFFE: President of Mayville and Valley City State, testified in support of engrossed HB 1003. She presented the components of the partnership between Mayville and Valley City State (MaSu-VCSU tab) (tape 2, A, 4000-end) (tape 2, B, 130-500)

MAGGIE CLEMENS: President of Valley City State Student Senate, testified in support of HB 1003, and shared advantages of attending Valley City State University. (Testimony attachment #3, VCSU tab) (tape 2, B, 500-650)

JENNIFER FEIST: Economic Development Director for Valley City, Barnes County, testified in support of HB 1003. I would like to share the importance of Valley City State University to our community and to the State of North Dakota. VCSU is a basic industry in our region. It is a critical player in our economic development efforts. (Testimony attachment #4, VCSU tab) (tape 2, B, 1280)

STEVE BENSON: Vice President for Business Affairs for Mayville and VCSU, testified in support of HB 1003. He noted that $66,000 was taken from the Governor's salary item, and put into the Board salary pool. No change in our equipment allocation from the previous biennium. There will be an increase in student fees for the next biennium. (Testimony attachment #5, VCSU tab) (tape 2, B, 1280-2296)

SENATOR ROBINSON: Could you address the utility increases?

STEVE BENSON: The utility budget for VCSU is $900,000 and in the budget that is an increase of about 9% over this two year period. When we project our budget we always add increases.

MAYVILLE STATE UNIVERSITY 3/1/99 (MaSU tab)

ELLEN CHAFFEE: President, Mayville State University, presented testimony in support of funding for Mayville State. She stated most students come from and remain in ND after graduation. She also noted the incubation of a Web marketing business on the campus as well as other programs at Mayville State. We are the only University in the State that has a university head start program. (Testimony attached #1, MaSU tab) (tape 2, B, 2565-2985)

MaSU

SENATOR SOLBERG: The web page on Pride of Dakota, was that set up on Campus through your operation?

ELLEN CHAFFEE: That was done through Conmark (?), a business we're incubating and it is located on the campus. That was a private arrangement between a private business and the state of ND or whoever is sponsoring that.

AMY LAGGERQUIST and **AUDREY FREIT**: **Students of Mayville State University,** presented testimony indicating why students choose to attend Mayville State University. (Testimony attached #2A, 2B, MaSU tab).
RICHARD FORSGREN: Executive Director of Traill County Economic Development, testified in support of HB 1003. (Testimony attached #3, MaSU tab) (tape 3465-4144)

STEVE BENSON: Vice President for Business Affairs, presented an overview of the Mayville State University system budget. (Testimony attached #4, MaSU tab) (tape 4144-4790)

SENATOR ST. AUBYN: Where did the figure $760,000, page 9, for the boiler project come from?

STEVE BENSON: The $760,000 was a figure in our master plan for replacement of the boiler and to take out the underground tanks. OMB plays an important role in helping us determine these costs. (continued his testimony, p.10)

SENATOR BOWMAN: Is there any cooperation between other entities who are also experiencing similar boiler, etc. problems?

STEVE BENSON: Yes, we have worked together on some projects. The $760,000 also has an Emergency Clause on it. We shut down in April and start up in October, so we are on a time-line.

ELLEN CHAFFEE: The Emergency Clause did not pass the House. If that is something you would consider, we would certainly appreciate it.

PAUL KRAMER: (LC) The amendment the House Appropriations Committee put on, included the Emergency Claus. But, when it was acted on the Floor, it didn't pass by enough votes so the Emergency Claus failed. (tape 2, B, 6058)

SENATOR HOLMBERG: What is the status of the music program--are you offering majors, minors?

ELLEN CHAFFEE: We are just beginning to offer some classes. Most is privately funded. (tape 2, B, end)

TAPE 3, SIDE A

SENATOR GRINDBERG: Neither campus budget has a request for equipment?

ELLEN CHAFFEE and **STEVE BENSON:** There are no increases.

SENATOR SOLBERG: Have you done any projections for enrollment for the next 4 years?

ELLEN CHAFFEE: We have done some projections using software from the Board. Basically, this program shows some of the schools going to "0" enrollment in 10 years. The assumption is nothing changes that you still get your students from the same place and you're not recruiting, etc.

We're focusing on strategies to recruit students. We don't believe hard projections are possible in this environment.

SENATOR KRINGSTAD: Information provided by Laura this morning indicates the University System, revised '97-'99 projections, the average was 1,171 students. You just gave an enrollment at Valley City of 1,181; on February 17, the projections for the spring semester was 994. What is the enrollment?

ELLEN CHAFFEE: The official number for enrollment is based on the third week of the fall semester, and that provides the official number.

SENATOR NAADEN: Do offer summer classes for teachers.?

ELLEN CHAFFEE: Yes, however, our courses are not at a graduate level, or master's level.

SENATOR NETHING: Recessed the hearing on engrossed HB 1003 until 8:30 a.m., March 2.

SENATOR NETHING: Called the Appropriation Committee members to order, March 2. He called for a motion that the Legislative Council staff adjust the executive budget estimated general fund revenues included in the legislative budget status reports to reflect a reduction of $15,070,947 as recommended in the Office of Management and Budget report presented to the Senate and House Appropriations Committees in joint session on March 1, 1999.

SENATOR BOWMAN: Moved do pass
SENATOR GRINDBERG: Seconded the motion.
ROLL CALL: 13 Yeas; 1 Nay
MOTION CARRIED
Yeas: Nething, Solberg, Lindaas, Tallackson, Tomac, Robinson, Krauter, St. Aubyn, Grindberg, Holmberg, Kringstad, Bowman, Andrist
Nays: Naaden

3-2-99

SENATOR NETHING: Reopened the hearing on engrossed HB 1003, 8:30 a.m., March 2. (tape 1, A, 275)

BSC

BISMARCK STATE COLLEGE 3/2/99 (BSC Tab) (Tape 1, A, 440-4350)

DONNA THIGPEN: President, Bismarck State College, Presented an overview of Bismarck State College's program. (Testimony attached #1, BSC tab) (tape 1, A, 440-1160)

RUSS STAIGER: President, Bismarck/Mandan Development Association to testify in support of the BSC budget with any appropriate changes offered by President Thigpen. (Testimony attached #2, BSC tab) (tape 1, A, 1188-1550)

CATHY ANDERSON: BSC Sophomore in Hotel/Restaurant Management, on behalf of the BSC Student Body, to testify in support of funding for BSC. (Testimony attached #3, BSC tab) (tape 1, A, 1565-1970)

JUSTIN DEVER: BSC Sophomore in Electronics Technology, on behalf of the BSC Board of Governors, to present a student perspective of the quality education received from BSC. (Testimony attached #4, BSC tab) (tape 1, A, 2000-2245)

DAVE CLARK: Vice President of Operations, Corporate & Continuing Education. He noted BSC's fall enrollment of just under 2600 students, but also noted they educated an additional 500 secondary students on campus in the vocational/technical center. Approximately 96.5% of enrolled students are ND residents; 66% of those are Burleigh/Morton County. They do have students from 49 of the 53 counties in the state as noted on a map included in his testimony. He pointed out in the budget summary the partnerships BSC is involved in; noted the need for Schafer Hall renovation, and reviewed the House Amendments on pages 9-10 of the testimony. (Testimony attached #5, BSC Tab) (tape 1, A, 2245-3675)

SENATOR ST. AUBYN: How long has the facility supervisor position been vacant?

DAVE CLARK: This was a half-time position in our Vo Tech Center that became vacant about a year ago. We purposely left it vacant through the annual budget process because we have approximately 20 custodial positions. They all report to our Director of Physical Plant, which becomes cumbersome for him. What we wanted to do was to create one custodial supervisor and the custodians could report to this individual and take some of the burden off our plant director. We hadn't gotten to the task of filling that position. It is a much needed position at the College.

SENATOR ST. AUBYN: What is the status on the asbestos settlement?

DAVE CLARK: That is with WR GRADE (?). They did go through an unsuccessful arbitration within the last few months. It is going to court. I don't know what the current status is. The settlement would provide minimal dollars for us because the majority of our asbestos was with the other company. But, for some of the campuses I think it is pretty significant.

SENATOR SOLBERG: Are you looking at becoming more involved with technology, and how well is the graduate program from UND being utilized?

DONNA THIGPEN: In terms of numbers of students enrolled in the UND graduate program, I would just be making a guess. I would ask you to hold that question for them. In terms of increasing partnerships with business and industry, that is the direction we're heading. I foresee that is an area that is going to grow.

SENATOR SOLBERG: You indicated 70% of your students go on for further education. What would your projections be for the next 2-4 years?

DONNA THIGPEN: It would guess, but my guess would be that number will continue to increase because in our technical programs there are enrollment caps. Those enrollment caps are due to our lack of space. For example, we can only take so many students in welding because that is how many stations we've got. And, we use that from 7:30 a.m. to 10:00 p.m. So, there simply isn't the capacity to increase the enrollments in those programs. If there were, I feel fairly certain those numbers would increase rather rapidly.

SENATOR ANDRIST: Are you considering utilizing community resources, i.e. high schools, through IVN?

DONNA THIGPEN: I don't think there are any plans to expand the number of sites, that is a pretty costly thing to do. I believe where you're going to see the dramatic increase in being able to deliver education to the small rural communities, is what we're talking about with on-line courses. It is a cheaper, more efficient way to do it. Student results are just as good. I believe down the road 5-10 years from now, it will be more and more in that arena than it is in a system like IVN. (tape 1, A, 4350)

UND

UNIVERSITY OF NORTH DAKOTA 3/2/99 (UND Tab) (Tape 1, A, 4500-end; B, 0-4270)

KENNETH BAKER: President, University of North Dakota, presented an overview and indicated testimony would focus on the impact of the House Appropriation suggested changes. We will reference certain pages of the enclosed testimony as earlier prepared. The central theme UND has emphasized throughout this session has been to ask the legislature to support our efforts to help ourselves so we can serve the state better. You will find many examples of ways UND has and will continue to serve ND. (UND Tab) (Tape 1, A, 4500-4800)

ALICE BREKKE: Assistant to the President, and Director, Budget & Grants Administration, UND. The original budget for the 1997-99 biennium was developed in the spring 1996 assuming business as usual. Many challenges have ensued since that date, including dealing with the financial impact of the flood. She noted changes in student numbers and tuition income, and needed adjustments. She noted on page 8, a chart showing the Governor's recommended budget, as well as the House amendment changes. In addition, she pointed out the detailed notes on pages 9-10 of the testimony. (Testimony #1, UND Tab) (Tape 1, A, 4800-end; Tape 1, B, 0-65)

SENATOR BOWMAN: I'm trying to track the tuition you were talking about. You didn't want the funding from tuition included in the formula?

ALICE BREKKE: In the original language that came out in the executive recommendation, there was a section in the bill that referenced that in the budget we submitted for the next biennium, '01-'03, tuitition would not be included as part of that appropriation. That language was removed in the House approved version of the bill.

SENATOR GRINDBERG: In the Department of Emergency Management's Bill 2016, which we passed out of here, there was $66M in work projected in '99-'01 biennium; $25M was estimated for the Campus, I think $18M for replacement of steam lines and $7M in cost overruns. I'd like you to comment on this because I don't think it is in any of the capital improvement estimates in your current bill. One of the thoughts the Committee had, was one of the alarming amounts was $7M in cost overruns for the Campus. We thought if we could meld that into your bill and still go for the deficiency process, we'd be able to monitor those cost overruns.

ALICE BREKKE: First of all, the flood recovery work, is being performed on the Campus and is restricted by the definitions put together on the disaster survey reports, the DFR's, which FEMA has outlined for each of the components of that work. So, the work is strictly limited to what they have defined as flood repair and restoration relating to the facility. When you talk about cost overruns, one of the things that occurred when dealing with FEMA, those estimates go on the piece of paper very early after the flood. In some cases, it is not clear what the total magnitude of the damage might be that needs to be repaired. So, in some cases those estimates have proved to be very close, in other cases they were no where in the realm of what is reasonable to actually put the repairs in place that are necessary.

3-2-99

SENATOR GRINDBERG: If the bill comes in for $18M for new steam lines, and there is $7M for cost overruns for a total of $25M, the way it is set up now is UND would come to the deficiency process for 10% of that or $2.5M in the '01 session?

ALICE BREKKE: On the one hand that would be correct, but on the other hand in the estimates that we have put together that is the basis for what we have requested, the estimates, I believe, include what we know right now to be the total of what we will need. (tape 1, B, 350)

PEGGY LUCKY: Interim Vice President for Finance and Operations for UND. I'm not familiar, Senator Grindberg, with the $7M overrun that you're referring to. For clarification, the steam line project includes an improved DSR (?) for $25M; $18M of which we project to be spent in the next biennium. We anticipate we spent up to $7M up to June 30 of this year. The current deficiency appropriation includes the 10% match for expenditures through June 30 of '99. We were advised by OMB that the match on expenditures for flood recovery incurred July 1, '99 and later would be deferred to the next biennium, and we were advised to submit a deficiency appropriation for those costs. With the information we have compiled and submitted to this body in the deficiency appropriation, we have included 10% match on the total projected expenditures based upon everything we know at this time. What we know is what we've spent so far and what we anticipate it will take to complete the scope of work that has been approved by FEMA. Those total dollars are different than the approved DSR's. The DSR's are an estimate and many of them were written and approved back in June, July of 1997, and as work progressed and there was a more accurate assessment of the work that needed to be completed, projected totals were revised. (tape 1, B, 350-550)

SENATOR GRINDBERG: I can provide that sheet the Division of Emergency Management provided the subcommittee on 2016. But, I think you can appreciate what we're trying to do. If there are going to be costs incurred to be placed in the '99-'01 biennium, shouldn't it be reflected in your capital so that we have an understanding of where we're going, rather than waiting 2 years to see it again.

PEGGY LUCKY: Our budget was prepared based upon the guidelines and the advice we were given. The flood recovery costs, from a personal perspective, are not a part of our base and certainly we would not look for that to be a recurring kind of activity. If you would like us to take a different approach, we certainly can.

KEN BAKER: To reiterate the point, we are absolutely unaware of a $7M cost overrun. We have an approved DSR from FEMA for $25M to replace the steam lines at the University. That's in writing. The $7M is completely new to us. We'll be happy to look at those materials and try to mutually understand that. (tape 1, B, 600-675)

SENATOR GRINDBERG: The 10% cost share is not reflective. Part of it is in this current request. But, the majority in the next biennium is not reflected in your budget.

SENATOR SOLBERG: Let me see if I have this straight on your notes. What you've done is go from your 95% budget, put your add-ons back in your executive budget, and then what the House has done. Is that right? Each narrative will follow the process through?

ALICE BREKKE: You should be able to follow the line right across and see what the changes were.

SENATOR ST. AUBYN: Could we get copies of Alice's testimony.

ALICE BREKKE: I will be happy to do that for you and will get that to you.

SENATOR ST. AUBYN: Can you identify a little on the local funds, the $56,720,000 included what portion of local funds, the House included all local funds. I'm trying to differentiate.

ALICE BREKKE: The $56,720,000 follows the same methodology used for the current biennium and only includes a portion of the local funds. Excluded from that number would be auxiliary enterprises, i.e. bookstore, dining, housing, etc.. Grant and contract activity would be external sponsor awards which come into the Institution, and a variety of other types of local funds. Included in the $56+ then would be things like flight operations, various student fees, technology fee, continuing ed activities, are some of the bigger examples. The methodology for the '97-'99 biennium and, therefore, the same methodology used for '99-'01 requests, only reflected a portion of the local funds.

SENATOR ST. AUBYN: Is there a chart or a summary showing what this $282M is and $56M is?

ALICE BREKKE: There isn't anything in the materials I provided; however, it is certainly something I can follow up with.

SENATOR NETHING: Chet Nelson, (LC) did the House have that breakout on those funds, or did they just take a bottom line figure?

CHET NELSON: No, they just used a total figure.

SENATOR NETHING: Then, I think we should have that if you can provide it. (TAPE 1, b, 1000)

JOHN ETTLING: Academic Vice President, Provost, UND, highlighted some of the programming currently underway at UND as well as faculty salaries. (testimony, pages 19-20, UND tab) (tape 1, B, 1040)

SENATOR KRAUTER: On page 19 you made reference to $189,000 to the annual innovation pool, you said, "To help them sustain their programs." That caught me because it is potentially a program that on the edge.

JOHN ETTLING: I misspoke it, if that's what I said. This is one time money to go into, for example, in the College of Business Administration, Public Administration, they are ramping up a program in entrepreneurship. They're going to start with a certificate. They have oral approval to offer these programs next year. What I see this money could be used for example to provide

$180,000 or a portion thereof to the College of Business for one year only to get these courses started. At some point then, they would know from the beginning this is not money they would permanently have in their budget. But, it would get them past the first year until they pulled in resources or generated additional tuition dollars to sustain them.

SENATOR BOWMAN: As I follow this outline as far as your reallocation and restoration dollars, basically, you made cuts in quite a few areas or eliminated so you could come up with $600,000 and $2,600,000 for salary adjustments. So, your priorities basically went into the salary part. How soon will it be before you come back to ask for moneys to reinstate the programs you just cut? Are these program cuts permanent without affecting the quality of education up there?

JOHN ETTLING: It will enhance the quality of the programs we retain, or add. But, we are eliminating and combining programs in order to come up with this money. Some 46 positions at UND are gone or will be as of July 1.

SENATOR ST. AUBYN: It looks like $2M was taken out and you're pooling those dollars for faculty salary enhancement. A good share of those reductions are also in nonacademic areas?

JOHN ETTLING: Yes, the entire campus contributed to this reduction. We shut down the wrestling team, positions in plant services were lost. We took the decision last summer that we need to put these in instructional programs and enhance salaries for faculty members.

KEN BAKER: We had a special committee that made these recommendations. That committee heard from folks all over the campus and did ultimately make the recommendation that the reinvestment should be in faculty salaries because that is the area where we have the greatest need. (tape 1, B, 1700)

MARY KWITE: Social Studies Faculty Member, UND, shared insights on faculty commitment and successes with students. (Testimony pages 21-26, UND tab) (tape 1, B, 1900-2310)

BOB BOYD: Vice President, Student and Outreach Programs, UND, outlined the benefits derived from the establishment of the division. (Testimony pages 27-29 UND tab) (tape 1, B, 2310-2400)

JONATHAN SICKLER: Student Body President, UND. Testified in behalf of faculty salaries as an important element of providing a quality education. Our student government had the Bureau of Governmental Affairs conduct a survey in the past couple of weeks to find out why students came to UND. The number one reason by a pretty good margin was academic reputation. Regarding tuition, during the last legislative session, we made the partnership between the state and students much more explicit. We realize students need to cover the cost of their education, and realize the state also has an interest in doing that, and providing a share of that cost. We're asking for proportional increases. When the student tuition rate is increased by 5-6% and the state general fund is only increased by 2-3%, students have generally found that unacceptable. When you increase tuition that much without a state general fund increase, you're limiting the opportunities or abilities for students to pay for that education. The amount they get for paying that tuition has lessened. We ask the state to share their cost of the education system.

(tape 1, B, 2400-2865)

BOB BOYD: Presented an overview of student enrollment geographically, student numbers in different programs, as well as graduation success. (Testimony pages 30-36) In response to Dr. Thigpen's statement concerning the Internet becoming the way of the future, I see a combination thereof. Bismarck has involvement with UND 6 programs. The classes average 20 students per course in the UND/Bismarck classes. (Tape 1, B, 2935-3723)

SENATOR ROBINSON: You indicated in your testimony the Grand Forks Community was going to contribute money to UND.

BOB BOYD: We have received $100,000 from Grand Forks. We've taken those dollars and have requested an RFP from the various units that deal with enrollment management on our campus. Those applications are just now coming in and will be awarded within the next 2-3 weeks. I know one of them is to provide opportunities for our students to come on our campus that might not otherwise be able to.

PEGGY LUCKY: Referred Committee Members to page 46 and presented the capital project recommendations and noted Phase I will be funded during the '99-'01 biennium, Phase II and III will be requested in future bienniums. (Testimony page 46-59, UND Tab) (Tape 1, B, 3870-4150)

SENATOR ST. AUBYN: Of these, did the Governor accept the $2.55M? What is in the budget?

PEGGY LUCKY: The budget includes Phase I of each of the projects. The House did not make any adjustments to this line item.

UNIVERSITY OF ND SCHOOL OF MEDICINE & HEALTH SERVICES (UND School of Medicine & Health Services Tab) (Tape 1, B, 4315-end; Tape 2, A, 0-1655)

SENATOR NETHING: Opened the hearing on the UND Medicine & Health Services portion of HB 1003.

KENNETH BAKER: President, UND, outlined the format for the presentation, and noted 1) we don't overruns at UND, 2) Jonathan cited the student survey and it indicated over 95% of the students at the University are satisfied or very satisfied with UND, and 3) the enrollment for the fall of '99 look very strong. We are encouraged.

ALICE BREKKE: In support of the '99-'01 biennial report for the medical school, I have provided a summary on page M-2 with accompanying notes on page M-3, M-4. The '99-'01 biennial request was prepared with consistent with the 95% mandate and the optional adjustments per Board priority. The medical school took a different approach in meeting the requirements. For the medical school, the focus was on identifying opportunities for enhancement of revenue and some reduction of cost to allow for stable continuing support for existing programs. This strategy positioned the medical school to exercise opportunities for reinvestment above the '95% level. (tape 1, B, 4550-5080)

UND Med School

H. DAVE WILSON: MD, Dean, University of ND School of Medicine & Health Services. (Testimony Pages M-5 - M-24) (tape 1, B, 5080-end; tape 2, A, 0-250)

SENATOR ST. AUBYN: Were there discussions in the House on why they reduced positions?

H. DAVE WILSON: No.

SENATOR SOLBERG: Where are you with the Animal Research Facility and Morgue? (tape 2, A, 455)

H. DAVE WILSON: We have the Animal Research Facility money in hand. We've hired a construction manager so we are assured there will be no overruns. Regarding the Morgue, I believe we could provide this facility economically as well as providing a service to UND medical students. I'd also like to see the pathologist be a member of our staff.

SENATOR SOLBERG: Have you had any discussions concerning costs?

H. DAVE WILSON: We can have a fabulous suite for the State Medical Examiner for about $700,000. It would be in the basement of our medical school building, the old hospital. We do have a place and would like to have them if that is the decision they make.

SENATOR TALLACKSON: Where do your other funds come from?

H. DAVE WILSON: Tuition, our family practice doctors see patients and earn money by taking care of those patients, our residents see patients and we get paid from Medicare, Medicaid, our practice site in Minot delivers a lot of babies. We bring in grants and contracts which

unfortunately are down to about $4.5M because of the flood. New hirees would bring at least $1M in grants, etc.; the Nebraska individual would bring about $2.5M from the National Institute of Health grants.

SENATOR TALLACKSON: What is the flood recovery status?

KEN BAKER: We are close to 85-90% recovered. The steam distribution project is the last remaining project. We estimate that will take a minimum of 2-3 years to complete. We are still in the process of rebuilding the student population.

SENATOR SOLBERG: Would you comment on the proposals to move UND/Williston and UND/Lake Region to Community College status?

KEN BAKER: I'm in support of this and believe they will provide needed community workforce training. I've indicated to them if it doesn't work, they can come back as branches of UND.

SENATOR NAADEN: Do you provide any summer courses for training teachers in computers?

JOHN ETTLING: I'm not aware of summer programs exclusively. We have recently put into place cycle I with a new program called "Instructional Design and Technology." One of the constituencies it is pointed to are school teachers who want to upgrade their technological skills. specifically designated as such.

KEN BAKER: We do have extensive summer programming for teachers at UND. Some of those teachers are seeking master's degrees that involve technology.

GARVIN STEVENS: Dean, UND-Williston, noted the successful computer training the area Teacher Learning Center provided to 27 area teachers last Saturday.

SENATOR KRINGSTAD: I'd like to add that we do the same thing at BSC. That is an ongoing thing and it is offered during the summer months, also.

SENATOR ROBINSON: I want to add the discussion yesterday focused on graduate level courses and advanced training. That sometimes creates a problem if you're in a track where you need to pick up advanced graduate level courses.
Concluded this portion of HB 1003 (tape 2, A, 1385)

3-2-99

UND-WILLISTON 3/2/99 (Tab UND-W) (Tape 2, A, 1800-4060)

GARVIN STEVENS: Executive Dean, UND-Williston, with full anticipation of a name change to Williston State College. We've had a great union with UND, and like Pres. Baker said whatever comes of this legislation, either way we'll continue to operate as a strong 2-year college, and serve the state of ND. He presented an overview of UND-Williston is all about as related to its master plan, and particularly its infrastructure. (Testimony attached - UND-W Tab) (tape 1800-3130)

BRENDA WIGNESS: Director of Business Affairs, UND-Williston presented an overview of the budget, including House amendments. (UND-W Tab) (Tape 2, A, 3185-3790)

SENATOR ANDRIST: The House eliminated your Occupational Safety and Small Business Programs, but they restored your Agricultural and Accounting Programs?

BRENDA WIGNESS: That was based on our request. We were reallocating resources, and our campus decided to eliminate the Safety and Small Business Management Programs. In that process we also eliminated the Ag and Accounting Programs, but we restored those two. The Occupational Safety and Environmental Health Program has a service aspect. We do OCEA workshops and 8-courses, etc. We will still continue to do that. This is the 2-year program.

UND - Williston

GARVIN STEVENS: That was a response to the Governor's 95%. I found that after meeting with business and industry and the oil business they were more interested in the service part of the program and not necessarily the 18-month curriculum that created a 2-year degree.

SENATOR TOMAC: What the House did was on page 1, behind the green sheets, the last 2-3 items, the health package and 2 + 2, and then the .5% operating. Is that the only adjustment they made?

BRENDA WIGNESS: Yes.

GARVIN STEVENS: Concluded the testimony.

LAKE REGION-UND (Tab UND-LR) (Tape 2, A, 4440-end; B, 0-960)

SHARON ETEMAD: Executive Dean, CEO, Lake Region-UND, presented an overview of UND-Lake Region, including the budget. (Testimony UND-LR Tab) (Tape 2, A, 4995-end; B, 0-250)

ARMIN HANSON: Pres., UND-LR Foundation, noted the names of those who have helped raise $.5M to pay toward the auditorium which we feel will cost about $1M. The Devils Lake Community has supported this wholeheartedly.

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SHARON ETEMAD: Continued her presentation. (Tape 788)

SENATOR ROBINSON: Are the extensive repairs that have been made to the roads, parking lots, etc. holding up with the high water levels?

SHARON ETEMAD: We think we've done a good job with the engineering expertise available, and concluded the hearing. (tape 2, B, 960)

Lake Reg'm UND

MINOT STATE UNIVERSITY 3/2/99 (Tab MiSU) (Tape 2, B, 1061-5275)

H. ERIK SHAAR: Pres., Minot State University, highlighted budget areas, student enrollment decreases, including loss of Canadian students due to the value of the dollar. Testimony attached (MiSU Tab) In addition, he discussed the ramifications of the fire in Harmouth (?) Hall (Tape 2, B, 1061-end; Tape 3, A, 206)

SENATOR SOLBERG: Is the student forecasting tracking like you thought?

H. ERIK SHAAR: Yes, it is, but we are trying to influence that. It was tracking down. We've instituted high pressure on the staff to remedy that situation. We are getting the word out about Minot State. We were cited in *US News & World Report* as one of the nation's best colleges. (tape 2, B, 2345)

SENATOR ST. AUBYN: Did you bring the $2.8M renovation up to the House?

H. ERIK SHAAR: We did. The Governor drew his line just above our project as recommended by the Board.

SENATOR ST. AUBYN: Celeste, if this was a safety thing, was that a consideration of the Governor in those projects?

CELESTE KUBASTA: (OMB) When the Governor's budget was put together on capital projects, the priority was looking at the infrastructure. The Board had a $10M pool they had created for specific projects. The priority was going back to those and trying to deal with those issues where we are losing heat through the ground, so we tried to work on steam lines, roofs, electrical distribution systems, and those kinds of things. I think some of the emphasis originally on this project was placed on the remodeling of the building and so it hadn't made it into the infrastructure pool. So it went lower on the priorities, and of course the price tag. The bonding is tight in this biennium, so there wasn't room available for additional bonding. (tape 2, B, 2502)

SENATOR BOWMAN: In noting your declining enrollment, do you have comparable technology programs as BSC to allow the overflow could transfer to Minot?

H. ERIK SHAAR: Some programs we simply don't have. For example, we don't have 2-year programs. Those programs were moved to Bottineau. But, we could look at others program by program.

LARRY EIDE: Support Services, presented the budget, and noted House changes, page 3-11. (MiSU Tab) (tape 2, B, 2700-4540)

SENATOR HOLMBERG: A couple of sessions ago, you purchased on time, a telephone switch, and at that time the concern was are you going to get money for it or were you going to have to eat it? What is the status on that? Have we paid for that? Is that in the budget?

MSU

LARRY EIDE: Thanks to you, you had written into the minutes that was a continuing obligation for 7 years. We just finished the 4th year. That lease payment is $148,000/year and is in my utilities budget.

SENATOR KRAUTER: On January 27, we were given a listing of vacant FTE's. When I look at that list, it is quite a bit larger. I understand some were vacant 1 month, 9 months, etc. You said you gave the House a listing. How does that compare with the information we've been given and the information you gave the House? How do I reconcile that?

LARRY EIDE: We gave them a list of all of the vacancies at that time. They chose 3 to eliminate. That's the difference, that's why it doesn't reconcile.

SENATOR KRAUTER: When I look at what the University System gave us yesterday to start with, there it only indicates $35,270 in reduced salaries for vacant positions. Why is there a discrepancy?

LARRY EIDE: The $35,000 is general fund; the balance is from special funds.

SENATOR ST. AUBYN: What are you budgeting in '97-'99 in terms of FTE enrollment?

LARRY EIDE: Our original estimate for the biennium as we submitted our budget for the '97-'99 biennium, we had 3,045 FTE;s for the first year, and 2,820 for the second year. Now the revised numbers for the first year of the past biennium is 2,733 FTE, and 2,525 FTE.

SENATOR ST. AUBYN: On page 7 of your testimony where you talk about extraordinary repairs, where is the $500,000 and the $152,368,? If I understand this right this wasn't requested, but was provided by the Executive budget?

LARRY EIDE: The $398,098 is a formula driven number. It is the same exact number authorized this biennium. That's given to us by the Board staff. They do a calculation that is based on plant value, and cost of replacement. That is not one we select. When we were asked to do optional packages to the 95% budget request, we had the option to reinvest dollars or restore dollars. In our case, we were allowed to ask for $152,368 in addition to the $398,098. Everyone had that same opportunity. The numbers were different for each institution, but each of us had the opportunity to choose the options we wanted to put in the budget. The Board had its own priority list and we followed that. The $500,000 is the result of testimony I offered before OMB back in October. I said some day someone from Minot State College would stand before them or another committee and say that our boiler has just broken down and we can't heat our buildings. Last winter our coal boiler was down for 13 weeks. We had to switch to natural gas. Luckily we have enough horse power to do that in a normal winter, a mild winter. The boiler itself isn't in trouble, it's the coal delivery and ancillary systems. We're having tremendous problems even getting parts for that equipment. It's over 20 years old. When we were down for 13 weeks they actually had to go to a foundry and have some of those parts made for us. I guess I got OMB's attention. (tape 2, B, 5275)

MINOT STATE UNIVERSITY-BOTTINEAU CAMPUS 3/2/99 (MiSU-BC Tab) (tape 2, B, 5340-end; tape 3, A, 1500)

KATHLEEN CORAK SUND: Campus Dean, Minot State University-Bottineau, noted the energized, vitalized campus and its accomplishments, particularly noting increases in student enrollment. (Testimony MiSU-BC Tab) (Tape 2, B, 5340-end; tape 3, A, 0-540)

SENATOR GRINDBERG: Earlier we heard testimony from Devils Lake and how Cisco works together to make sure programs and things are done so everyone knows what is going on. Do we have other 2-year campuses doing the same type of thing?

KATHLEEN CORAK SUND: Yes, in fact we had an interesting discussion at C-Tech last November about the fact that for too many years we've been squelching duplication just for the sake of it. When, in fact, there are many cases the demand for programming far exceeds the supply--there are more students interested in this type of training than we are able to train at the time. C-Tech is the group that fast-tracks vocational programming, if you will. We've had animated discussion about how Cisco can help us meet some of these needs. We're not the only campus in the state with Cisco Regional Academy status, but we are the first one to bring this particular kind of networking into place. There are several other programs at the 2-year level with slightly different emphasis.

SENATOR ST. AUBYN: In regards to the information technology initiative itself , was this something presented to the Board? How does this figure in?

KATHLEEN CORAK SUND: The Bottineau Campus was encouraged by the Chancellor to begin to develop several types of vocational efforts over the years and to look for an opportunity to creatively bring them to fruition. At the request of the House we were asked to bring forth an initiative. This is the one we feel will bear the most fruit. With that invitation, we brought it forward. At the same time, we go through the procedures to complete Board approval. We expect to see that in the May meeting.

SENATOR KRINGSTAD: I picked up on what Dr. Shaar noted that some of the programs from Bottineau are located in Minot. What is the student count in Bottineau versus Minot? You're counting the Minot students in your count, too?

KATHLEEN CORAK SUND: Yes, they're in our head count. They're split a little differently for the purposes of facilities maintenance, etc., but they're in our full-time equivalent count. It is roughly 20-25% of our enrollment that are Minot based students.

SENATOR NETHING: As I look at your budget, Larry, there are only a couple of items there that the House adjusted in the Bottineau budget, is that correct?

LARRY EIDE: On page 12, you will note the budget and the differences from the Governor's budget. (tape 3, A, 840-1200)

MSU-Bottineau

SENATOR NETHING: I don't believe it is necessary to go through the rest of the budget. We haven't asked you to comment on the House amendments. Obviously you'd be pleased with the technology initiative, and the other one it seems to me is the salaries. I guess those are about the only areas the House touched, right?

LARRY EIDE: That's correct other than the one-half percent across the board that affected all of us.

SENATOR NETHING: On the technology initiative, how did that come about?

LARRY EIDE: As Dr. Corak explained it, she was asked to come into the House with an initiative, an enhancement to their budget. She's been working on at least 3 initiatives for a number of years since she's been there. When Minot State was assigned the responsibility of overseeing Bottineau, we were determined not to fail, and we were determined to make it an active institution. They have not had a new program in over 20 years. She came up with 3 ideas: the one that she suggested to the House is the one she just explained. The House funded it.

DAVID O'CONNELL: Senator, District 6, testified in support of the 'marriage' of Minot State and Bottineau. The morale on the Campus has never been as high. This extra incentive program can push it even higher. Last week I interviewed a student from Bottineau that is an accountant. I'm hopeful this weekend, I'll be able to hire that person. Senator Solberg has been very helpful to the Bottineau Campus as well. It is an excellent program.

SENATOR NETHING: Recessed the hearing on engrossed HB 1003 until 8:30 a.m., 3/3/99

NDSU

NORTH DAKOTA STATE UNIVERSITY 3/3/99 (NDSU Tab) (Tape 1, A, 172-6120)

DR. ALLAN G. FISCHER: **Interim President, North Dakota State University,** to testify in support of HB 1003 (testimony attached, section NDSU, tape 1, side A, meter 172-777).

R. CRAIG SCHNELL: **Vice President for Academic Affairs, North Dakota State University** to testify in support of HB 1003 (testimony attached, section NDSU, tape 1, side A, meter 812-2068).

SENATOR HOLMBERG: Even though this is not within your budget line item, what is the impact to NDSU on the cut of EPSCoRE funding of some $200,000?

R. CRAIG SCHNELL: EPSCoRE has been one of the most successful programs we've had in North Dakota. It's created a certain level of wealth to the Universities and the increased cooperation you see between UND, NDSU and some of the other institutions as well. The $200,000 cut actually doubles because this is used as a federal match. If we lose money in the State, then we lose dollar for dollar on the federal side. There's also an indirect cost in there which comes out to $1.4 for each dollar we lose.

SENATOR HOLMBERG: Going back to UND's high cost of getting National Accreditation for their Business School, maintaining that and also the costs involved in the attempt to have National Accreditation for the School of Communications. Could you provide the committee with cost estimates and the status of the move to receive National Accreditation for the Business School?

R. CRAIG SCHNELL: Accreditation is extremely important. It's a signal to your colleagues, etc., that you have a quality program. Accreditation says that we are and have these good standards. We've made it a goal to seek accreditation for every major program we can find. The direct costs at this point in time have been travel to meetings, etc., $5,000-$6,000 at the most. The expenses will be a little more this year, $8,000-$10,000 because of the self study. I wouldn't just credit these expenses to accreditation. Our Business School is increasing, we are going to need to add additional staff. Our MIS program has doubled in the last three years. Additional costs are worth the investment as our students seek national jobs.

SENATOR HOLMBERG: Certainly my questions are not to be viewed as disappointment at what NDSU is doing, my disappointment has been over the years with the Board of Higher Education. In my opinion, they are not focusing on a policy from the Board level.

R. CRAIG SCHNELL: I think that the Board's responsibility is to provide the best of everything that they can for the students and that's what accreditation is really about. So, I'm not sure I understand your disappointment because I tend to think the Board is doing the right thing in supporting the programs that we have.

SENATOR GRINDBERG: The equity issue has been in the pipeline for awhile and I believe we had some salary pool dollars during this present biennium that have not been distributed to try and address equity issue of salaries. Some of the things the House did, has stepped backwards. I

think one of the decisions we have to make, is to put that back into the Board office for the intent of equity with salaries. In your opinion, is that the correct direction in looking at those pool dollars through the Board office, and over time, a reallocation of those dollars that re-address the needs of the students of North Dakota no matter what institution they attend?

R. CRAIG SCHNELL: The equity question is a very difficult one. Overall in a recent equity study, there is a $40M shortfall in the whole system and each institution owns part of that. The problem comes in taking money from other shortfalls in each of the other institutions. We're hoping that we could get new dollars for dealing with the issue.

RICHARD RAYL: **Vice President for Business and Finance** (testimony attached, section NDSU) (tape 1, side A, meter 2993-3635).

SENATOR HOLMBERG: Was that Emergency Clause on the original bill and it did not get the two-thirds vote?

RICHARD RAYL: We asked for the Emergency Clause, as Dr. Fischer indicated. They made no contact with us during the subcommittee deliberations. We were not able to follow-up to make sure it was on there. I'm sure we're not the only University that would like to have that Emergency Clause. The University System did ask OMB to put the Emergency Clause in the capitol improvement line item. Legislative Council said that it couldn't be done broadly, but it could be handled bill-by-bill. The Governor's office and OMB did recommend an Emergency Clause for all capitol improvements.

CELESTE KUBASTA: **(OMB)** Mr. Rayl is correct, the Office of Management & Budget had originally put into OMB's bill a clause that would give emergency status to the capital improvement's line throughout the State. We had a number of requests, not just NDSU, that need to get started on their projects as soon as the session ends to get the contracts at good prices. Legislative Council informed us that it was not legal to put that clause into OMB's bill; therefore we come into each hearing and request that amount. I asked for that in the House and they decided not to put that on. Again, I would request that at least a portion of the capital improvement's line be kept as an Emergency Clause.

SENATOR ST. AUBYN: Celeste, did the House give you any indication what their problem was on this?

CELESTE KUBASTA: (OMB) It wasn't even discussed.

RICHARD RAYL: When we created our list for capital improvements for the budget, we do this in the Spring of the odd years-about nine months from the beginning of the fiscal year biennium, we create a laundry list of items that is a plan we work from. As we get into the cycle, because of emergencies and things of this nature, we follow the plan, but the plan my not be followed to the tee because things occur, the roof leakage in the Library, etc. According to the life cycle of the roof it is still in good condition, but it has a leak. Those dollars will be coming out of the capital improvement line item. Most of the money will and has been going into the

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infrastructure for the last four years. We do have renovations that we have been putting off that we will have to do.

JEREMY GREENE: **Student Body President, North Dakota State University** to testify in support of HB 1003 (testimony attached, section NDSU (tape 1, side A, meter 4039-4590).

SENATOR SOLBERG: You stated there was a vote of the Student Body, what was the vote?

JEREMY GREENE: Students voted in favor of the Center - 900 for; 600 against. We had the largest student voter turnout ever in the history of North Dakota State. We had a 17% turnout; the national average is 10%.

SENATOR ANDRIST: Does the plan for this Wellness Center propose to pay the Bonds with user fees or assessment to all students?

JEREMY GREENE: The Student Body voted to raise the Student Health and Wellness fee $38 per semester to pay for the revenue bond.

SENATOR ANDRIST: I was wondering if the 900 students would pay more for the 600 students that don't want to have it?

JEREMY GREENE: I'm not sure. The facility would be free for all students as are most student services. In 1986, the Legislature passed a resolution that State funds cannot go towards student services anymore. The only people that would be paying to use this service would be the faculty and the child care on a per use basis.

JERRY OLSON: **President of the North Dakota State College of Science** to testify in support of HB 1003 (testimony attached, section NDSU (tape 1, side A, meter 4880-5338).

ALLAN G. FISCHER: Concluded, page 20, we think NDSU is a great investment of your money (testimony attached, section NDSU (tape 1, side A, meter 5379-5673).

SENATOR ANDRIST: The Skills and Technology Training Center. You say you need $1M and the House gave you $500,000. You also know we have a difficult search for money. Is the $500,000 still useful if we can't come up with the full $750,000 or would we be better to delay the project?

JERRY OLSON: Phase I of the construction was provided during the last Legislative session, $750,000 on the understanding that we would raise an additional $750,000. Indeed in the efforts toward this we have raised $1.8M and phase I is completed. We need to move into phase II. As we prepare the bids and work with those architects, we ask them to establish a base bid and an alternate. Certainly, the $500,000 would not allow us to totally complete the base bid on phase II. We do need $750,000 to complete the base bid. The others are alternatives that would enhance the facility and allow us to serve our needs better.

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FOREST SERVICE 3/3/99 (Forest Service Tab) (Tape 1, A, 6125-end; B, 1-1888)

LARRY KOTCHMAN: **State Forester of the North Dakota Forest Service** to testify in support of HB 1003 (testimony attached, section Forest Service (tape 1, side A, meter 6125-end and side B, meter 1-1888).

SENATOR HOLMBERG: On one of the budget tours, there was an ADA outdoor rest room in the middle of a forest. You couldn't have gotten there on a wheelchair, is that continuing?

LARRY KOTCHMAN: This was under construction when you were there. The county put a bike trial in there and that is what we were waiting for. This will be corrected by this summer.

SENATOR ST. AUBYN: On the local funds, the House added $1.3M, what is that?

LARRY KOTCHMAN: The local funds include state land receipts, land leases and the largest amount is associated with our pass-through grant activities, such as the living snow fence grant. It wasn't included in the Executive recommendation. No local funds, state land collections and pass-through grant money was included.

CELESTE KUBASTA: **OMB;** This is the local funds that in the current biennium, the Legislature had a portion of the money included in the appropriation. The Executive recommendation had no local funds and the House put in all local funds of all the entities.

SENATOR KRAUTER: Doesn't the state land receipts go to a certain trust fund?

LARRY KOTCHMAN: Things that are on lease for example, would be segregated into a separate fund by the State Treasury for use by the State Forester. We also gather some things from campground receipts and other services we provide, which are from forest areas that are leased and there is not very many of them. They produce about $10,000 a year.

SENATOR KRAUTER: Are the Stewardship Incentive Grants from USDA Forest Service included in here?

LARRY KOTCHMAN: Yes, that would be included in the local funds number.

SENATOR KRAUTER: Why aren't those considered Federal dollars?

LARRY KOTCHMAN: For all the Higher Education entities, grants and contracts have been off budget and that's why it's treated like that.

SENATOR KRAUTER: How does Lincoln Oakes Nursery fit into all this, do we have duplication? I understand soil conservation, but if we can make things more run efficiently, why do you have two entities in the State?

Forest Service

LARRY KOTCHMAN: The relationship that exists between Towner State Nursery and Lincoln Oakes is a very old one. There is a memorandum between the Soil Conservation Districts and the State Forester that they would grow all the hardwood stock and we would grow the Evergreens. Lincoln Oakes facility is geared toward hardwood production and ours is geared towards conifers. Because the nursery business is very specialized it requires certain soil regimes and equipment. This is how it was determined on what is grown at the Nurseries.

SENATOR KRAUTER: The revenue received from this is in here?

LARRY KOTCHMAN: Revenue from our tree sales is included in Special Funds.

NORTH DAKOTA STATE COLLEGE OF SCIENCE 3/3/99 (Tab NDSCS) (Tape 1, B, 2595-end; Tape 2, A, 0-2100)

JERRY OLSON: **President of the North Dakota State School of Science** to testify in support of HB 1003 (testimony attached, section NDSCS (tape 1, side B, meter 2595-3908).

MIKE RENK: **Vice President for Administrative Affairs** to testify in support of HB 1003 (testimony attached, section NDSCS (tape 1, side B, meter 3915-4630 and 4750-5360).

SENATOR NETHING: Did you explain to the House that if they made their cuts that you would only be able to retain the first and second focus?

MIKE RENK: We did explain to the House we would take $50,000 out of here and the .5 was not asked at that time. The $117,000 was additional.

SENATOR NETHING: Did they know that was going to be focus number six?

MIKE RENK: We just said $50,000 and didn't specify any programs.

SENATOR KRAUTER: When I look at the cuts the House made and I look at the three items; salary, 5% operating, and $50,000 and then when I look at your focuses one through six, those aren't the same issues and they don't add up to salaries.

MIKE RENK: Tried to explain (Senator Nething explains below).

SENATOR NETHING: The .5 is a $117,225.

MIKE RENK: Yes, it is.

SENATOR NETHING: What you're saying, is that, the across the board cut, which in your case is $117,225, you would take that out of technology?

MIKE RENK: Yes.

SENATOR NETHING: The $50,000, they have already taken out of technology. So on pages 8 and 9, what you're saying is, if nothing is restored and it stands as it is, the only focuses that you will be able to go forward with are one, two and three.

MIKE RENK: That's correct.

BOB GETTE: **Vice President for Instructional Affairs** to testify in support of HB 1003 (testimony attached, section NDSCS, tape 1, side B, meter 5875-end and tape 2, side A, meter 1-681).

ND SCS

JERRY OLSON: **President State College of Science** to summarize (tape 2, side A, meter 698-842). We hope the message was - we work to our strength. We do need to balance the promise of preparing a trained work force with the resources. We have provided in the appendix the reassignments that have been made over a wide number of years. We do try to use hard information to make our judgments and our decisions on. We have included a listing reflecting those reassignments. The 95% budget we went through this spring was not new to us, but it did affect us. The enrollment trends provided do show that we do have peaks and valleys and we do adjust staff to accommodate the needs. We hear from businesses, industries and communities to facilitate the needed programs. As Community Colleges have expanded, many have demonstrated that they can provide a skilled work force for our labor market. Our institution, since 1903, has specialized in this. We have over 50,000 graduates and we think we have demonstrated that we can do it in the long haul. Thank you very much.

SENATOR GRINDBERG: My belief is that our Nation has had the priorities in the wrong areas, as far as resources put into Higher Education when the Labor Department projections say that 80% of our careers are in the technical area - two year degree programs. There hasn't been a lot of shift in that philosophy and I believe now there are some things shifting to repriortize where our resources should go in the next millennium with Higher Education. You're held in high regards in the national community with North Central Association and other organizations. You bring back good expertise, what's going on Nationally. Do you see any kind of a trend leading State Legislatures, Boards of Higher Education, etc. to start recognizing these needs that have been in front of us for nearly twenty years?

JERRY OLSON: I don't think there is any question about this on a National basis and that has probably lead to a lot of the expansion in Community Colleges. There are now 1250 Community Colleges and they are preparing that workforce training across the country. The Bush report, that came out a few years ago on the North Dakota workforce, clearly emphasized the need for Higher Education to look at ways of expanding those efforts. We believe that should be a high priority for us in the years to come. If 80% of the jobs require a two-year Associate Degree and not a four-year degree, we simply have to look at some other ways of funding to do that.

SENATOR BOWMAN: With the current budget the way it is, the programs that have been successful for your institution, are those programs going to be affected a lot or are you going to be able to save those programs so you can continue the excellence in those particular parts of your budget?

JERRY OLSON: Over the years when we were having growth years, we were able to save all the programs because we used our extra tuition money. We went to the Emergency Commission and had those dollars reappropriated to us to do that. Once we had to begin to cap programs, and the enrollment growth leveled off and we no longer had the excess income, we had to look at saving our best programs. We set up criteria to evaluate all of them and unfortunately, three of them fell at the bottom: Accounting, Graphic Arts and Science Tech. If this trend continues, there are others that will have to go.

SENATOR ANDRIST: I have never been a fan of reciprocal tuition agreements. It seems to me that being situated in the corner of the state would affect your tuition revenue quite adversely, is this true or do you feel it helps you?

JERRY OLSON: We have consistently 450 students coming from Minnesota to our campus. Those agreements have been beneficial. We are able to attract a good number from Minnesota, South Dakota and Montana and this is enhanced by those agreements.

SENATOR ANDRIST: On those programs, when you are running full, is priority given to North Dakota Students?

JERRY OLSON: We will give priority to North Dakota students.

SENATOR ST. AUBYN: Do you have an overall chart to show the enrollment of the total programs?

JERRY OLSON: We can provide.

SENATOR SOLBERG: In the last budget, the NDSU Skills & Technology Training Center, phase II of the construction. Where are we at now and where do you see the School of Science in this?

JERRY OLSON: Six months to a year after the graduates are out in the workforce, they need to be retrained. New technology comes online and that's where the Skills Center fits into this. If HB 1443 passes and is funded, establishing regional training centers, then we as a regional center would have the opportunity to not only work with preparatory students, but retraining students. We would be looking for sites to do that. That is how we became involved and that's how it fits in. We have been trying to do this for a number of years without any funding. We are interested as it is in the best interest for our graduates and the best interest for our workforce.

SENATOR ROBINSON: How many students did you have to turn away this fall?

JERRY OLSON: As of the first day, 170 students. Currently, for example, we are not accepting any more students into our Electrical Program next fall.

SENATOR KRAUTER: Can you give me statistics of which programs you are currently capping off?

JERRY OLSON: We will provide a list.

SENATOR KRAUTER: During the budget tour, we discussed the faculty being paid less than a graduate student, is this still an issue?

JERRY OLSON: In those growth programs, it's a very serious problem. We really need to move that 2% back up to 3% to maximize the market to simply be able, for example, in the diesel technology area, to keep it staffed fully with competent people. It is a very serious problem.

SENATOR KRINGSTAD: You mentioned Architectural Drafting was full, you had 129 students in 1998, and in 1995 you had 154 - I don't understand.

BOB GETTE: We have identified some part-time salary dollars. We had an adjunct faculty member that we utilize when the load increases. We built in a way to be flexible in that program. Some of the other programs, we don't have enough part-time salary money to be that flexible.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE 3/3/99 (NDUS Office Tab) (Tape 2, A, 2100-end; B, 0-4400)

LARRY ISAAK: **Chancellor, NDUS** (testimony attached, section NDUS office (tape 2, side A, meter 2100-2197).

SENATOR SOLBERG: On the professional student's exchange program, what's the percent of the students that come back to North Dakota and is it pretty stable in all the categories we fund?

LARRY ISAAK: I believe 60%. I will need to provide the rest of the data.

SENATOR TALLACKSON: Will you comment on the salary pool?

LARRY ISAAK: The salary pool in column 2, $16.9M, that pool was 5% of the campus budgets. The Governor took 5% of the campus budgets and put into a pool for the Board to allocate, it is not salary increase dollars, it is 5% of the base budgets of the campus's salary line. The House actions took the money out of the pool and put it back into the campus budgets, the way the Governor had removed it. The critical salary pool, $2.685M, is the amount of dollars that were in the campus budgets for critical salary adjustments, a pool similar to what was appropriated last time. The House took that money that was in the individual campus budgets and pooled it for the Board to allocate.

SENATOR ANDRIST: The Professional Student Exchange program. I was under the impression that those Optometry students and Med students have to pay back some of that money if they don't locate in North Dakota?

LARRY ISAAK: That was the case, but that provision by statute was repealed by the Legislature in 1983.

SENATOR ST. AUBYN: In the salary pool, is the 2 & 2 increase reflected above?

PAUL KRAMER: **(LC)** The compensation package of 3 and 3; all of that money went to the campus, even the portion that related to the funding that was put in the pool, was still with the campus. So when we reduced it from 3 and 3 to 2 and 2, we didn't even have to look at the pool because all the salary compensation money was in the campus budget. So it was reduced there and when the pool was moved back, it had no bearing on changing the 3 and 3 and the 2 and 2.

University System Office

SENATOR ST. AUBYN: So the campuses originally had 95% plus the 3 and 3.

PAUL KRAMER: They had the 95% and all the funding for the 3 and 3.

SENATOR ST. AUBYN: So was the original intent to redistribute it to the campuses anyway?

CELESTE KUBASTA: **(OMB)** The last biennium, the Senate Appropriations pooled the salary dollars for Higher Education and put in a number of restrictions. One of those restrictions was that 95% of the money must be retained in accordance with the way it had been previously

distributed, leaving 5% of that money in that pool to be distributed at the Board's discretion rather that pooling 100% of the money and saying that 5% is really the Board discretion.

SENATOR BOWMAN: Why do we have to put any percent in until after we know what we can put in?

LARRY ISAAK: That is the Governor's recommendation.

SENATOR NAADEN: What would you want?

LARRY ISAAK: The recommendation of the President of the Board, which I support is to pool all salary dollars as you did last biennium.

SENATOR NAADEN: Make 95% of them mandatory?
LARRY ISAAK: If that's the will of the committee putting those parameters around, we will accept that.

KATHY McDonnell: **Director of Finance** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side A, meter 4115-4686).

PHIL BOUDJEK: **EPSCoR Program,** to testify in support of HB 1003 (testimony attached, section NDUS office) (tape 2, side A, meter 4800-6116).

SENATOR BOWMAN: Who gets the $1.7M, does it go for people to write grants?

PHIL BOUDJEK: Most of the money goes to assistants and associates. 70% of those have been on our campuses for five years or less to get them started. Once they're on their own they do very well. We have very few repeat funds in our program.

SENATOR BOWMAN: I've heard kids come back with a Doctorate's Degree in Teaching, but went into research. Now we have a student teacher. Was the Doctorate Degree Teacher being paid to teach or paid to research and how does that benefit us?

PHIL BOUDJEK: The EPSCoR Program does not bear on the teaching mission of the University. Our program is dedicated solely to building the research infrastructure.

SENATOR TALLACKSON: In a lot of cases the research grants go with the professor, is that the case here, and when the professor moves out of the State does it go with him?

PHIL BOUDJEK: Yes, and that is a real problem that has developed over the years. When somebody from the EPSCoR State hits on their second grant, they are viewed as prime and can be moved to another University. I'm not sure how much we can change that, but we are doing better. Success has a price.

JOE CICHY: **Representing the North Dakota Dental Association** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side B, meter 300-498).

SENATOR NETHING: Did you get a chance to talk to the House before they made that reduction?

JOE CICHY: Yes, we did testify before the House and provided essentially the same testimony.

KATHLEEN MANGSKAU: **Oral Health Program Director in the Division of Maternal and Child Health at the North Dakota Department of Health** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side B, meter 565-678).

PEGGY WIPF: **Director of Financial Aid** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side B, meter 800-1490).

SENATOR NETHING: Did the House cut any of this program?

PEGGY WIPF: No.

SENATOR ST. AUBYN: If we accept the House Amendments, how do you determine which of those programs would be affected?

PEGGY WIPF: Overall to each Profession proportionately and also taking into account the number of Vet and Dentistry students in Minnesota.

SENATOR SOLBERG: The $214,000 carryover, is there something in the law that allows carryover in this fund?

PEGGY WIPF: Yes, and this is in section 5 of the Engrossed Bill.

SENATOR TALLACKSON: Why don't you send all the Dentist students to Minnesota if they don't charge us?

LARRY ISAAK: This program began many years ago before there was a Minnesota option. Students started attending different schools for dentistry. We used to pay a support fee to Minnesota. When the reciprocity agreement was negotiated, we got them to agree to take North Dakota students in Vet and Dentistry at the same rate they charge Minnesota students and also to accept them on the same basis they accept Minnesota students. The other reason is that it does give the students an option. Not all students want to go into a specialty.

SENATOR NETHING: What is the Perkins Loan and why did the House eliminate it?

PEGGY WIPF: It is a 1/3 State and 2/3 match of Federal dollars. This is referred to as a campus based aid program. We help with the State support that is needed to get the Federal dollars. I am not sure why the House cut it.

SENATOR ST. AUBYN: Does this mean the State would put in $103,000 and the Federal will give them $206,000 which is a total of $309,000 available for loans? As those loans are paid off, do you have to reimburse the Federal for their share?

PEGGY WIPF: Yes, that is available for loans. That goes into a revolving fund and those are rewarded out again.

SENATOR ST. AUBYN: So this fund will continue to grow, and how long has this been available?

PEGGY WIPF: The fund will continue to grow and it's been around for about twenty years.

SENATOR ST. AUBYN: What's the eligibility for it?

PEGGY WIPF: It is based on financial need.

SENATOR ST. AUBYN: Has there been more need than the dollars available?

PEGGY WIPF: Yes, this is one program that is being targeted for reduction at the Federal level also. It's been reduced twice in the past couple years.

SENATOR ST. AUBYN: If this is reduced, it is going to reduce the availability of some students financial aid?

PEGGY WIPF: Correct.

SENATOR GRINDBERG: In the attached WICHE report, it talked about 1999/2000 academic year, PEL grants are going to go from $3,000 to $4,500 is that accurate? How many of our students receive a PEL grant?

PEGGY WIPF: The authority is to allow for $4,500. The reality is that it is not going to increase more than $150 to $400. The dollars are not there. We have around 13,000 students for about $21M.

SENATOR GRINDBERG: So the process in Washington has not changed?

PEGGY WIPF: No, and it's a budget process. Ideally we would like to be there to keep pace with tuition.

SENATOR NETHING: What about Perkins?

PEGGY WIPF: The number of North Dakotans who were able to receive a Perkins loan for 1997/1998 totaled 4000 students, public, private and tribal. The average loan amount was $1,400 for a total distribution of $6.2M.

SENATOR KRAUTER: On number 5, Students Receiving State Grant Dollars Awarded. Can you provide the fiscal years, 1997/1998 and 1998/1999, the breakdown by institution, the dollar amounts that were received of the $1.6M? What public, private and Native American institutions received and the dollar amounts?

PEGGY WIPF: I do have that and will provide it to you.

SENATOR TALLACKSON: Any fraud with these loans or grants?

PEGGY WIPF: More so out of the Country.

LARRY ISAAK: North Dakota has the lowest default rate in the Nation, .1%.

SENATOR NAADEN: We wouldn't be doing away with Perkins Grants there would just not be $300,000 of new money?

PEGGY WIPF: You are correct.

MICHEL HILLMAN: **Vice Chancellor for Academic Affairs** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side B, meter 2765-2990).

EDDIE DUNN: **Executive Director College Technical Education Council** to testify in support of HB 1003 (testimony attached, section NDUS (tape 2, side B, meter 3040-3120).

LARRY ISAAK: Concluding remarks (tape 2, side B, meter 3122-3460). We recognize the support you have given the University System throughout the years and it has been very good. You have stood by the system, you've done the best you can with limited resources and we really do appreciate that and understand. The Legislature has been asking us to focus, focus, focus. The last couple of years, we have reallocated several million dollars, through the 95% process. You have seen the schedules of what's been reallocated. In that process, 168 positions were defunded. Overall this budget request in front of you, the Governor's budget which we ask you to restore, would reduce FTE's by 67. We have also reallocated to help ourselves on salary increases to the tune of $3M this past biennium. In addition, we experienced revenue shortfalls of $8M across the system. We did not spend anymore and did not come back to request you to pick that up as a result of those enrollment declines. Students have accepted tuition increases of up to $500 over a four-year period, plus special fees. We believe we've done what the Legislature has wanted us to do - to address the University System and move us towards making many major changes and we are going to continue to do that. It is our sincere hope that as you look at this budget request, and consider restoring the Governor's budget, that you will take all of these significant actions into perspective. I think we have tried to do a good job and be worthy stewards of the resources. We've reallocated wherever we can to make us a more focused University System and your actions on this bill can send us a very positive message, if you do in fact restore the funds that were cut by the Governor. That would indicate that these significant efforts are recognized and well worth it.

SENATOR TOMAC: On the contingent funds that the House pooled and then took out $200,000. I'm not sure I understand what a Higher Ed contingent fund is or what the Board office does with a capital improvement contingent fund?

LARRY ISAAK: The Board in the past has had three or four different pools relating to capital improvements. Those pool moneys go back to the campuses and the Board allocates those back based on requests for projects. The contingent fund is used to cover some things that are unexpected or fund some special needs that arise or that the Board wants to do. For example, this biennium, we funded half the costs of the person put into place to implement common course numbering on our campuses. That contingent fund, when started several years ago, was a $1M appropriation and for the past four or five biennium's, declined to $200,000. The Governor recommended one pool for capital projects that was $400,000. He also recommended the contingent line appropriation of $200,000. The House combined those two line items and cut it to $400,000 and placed it in one line item.

SENATOR KRAUTER: I thought the common course number was an issue that was taken care of already. Is this an ongoing type of a process?
LARRY ISAAK: Yes, we've really geared it up in the last two years. We will probably have to continue to do that. With courses changing or eliminated or the contents being changed, I think it's going to be a continuing process.

ANDREW VARVEL: **UND Alumnus** To testify on HB 1003 (testimony attached, section NDUS, tape 2, side B, meter 3845-4063).

NANCY KOPP: **Representing the North Dakota Optometric Association as well as the North Dakota Veterinary Association** to testify in support of HB 1003 that provides funding for the Professional Student Exchange program (tape 2, side B, meter 4070-4240). The North Dakota students pursuing this career are finding it increasingly more difficult to make ends meet. When they are entering into the practices with debt load in excess of $100,000 and a starting annual income of $35-$40,000. Both Associations on a State and National level do what they can to provide educational scholarships and also find that applicants far outnumber the recipients. At the present time, there is a shortage in some areas of the State, primarily in rural communities. It is unfortunate that our State cannot provide Doctorate programs for this. The Professional Student Exchange Program does provide some financial assistance and encouragement that there can be a bright future practicing in North Dakota. I would ask for your favorable consideration in adoption of HB 1003.

DICKINSON STATE 3/3/99 (DSU Tab) (Tape 2, B, 4430-end; Tape 3, A, 0-1800)

RICHARD D. BRAUHIN: **Interim President, Dickinson State University** to testify in support of HB 1003 (testimony attached, section DSU (tape 2, side B, meter 4430-4830).

ALVIN BINSTOCK: **Vice President for Business Affairs** to testify in support of HB 1003 (testimony attached, section DSU (tape 2, side B, meter 4907-end and tape 3, side A, meter 1-1000).

SENATOR ST. AUBYN: Was there any discussion with the House as to the vacant position?

DSC

ALVIN BINSTOCK: No, there wasn't. We met with a committee of two, we identified vacant positions and gave scenarios of each one.

SENATOR ST. AUBYN: Can you explain the Dual Credit Course Funding? You mentioned they cut it 50%. Was this discussed with the House subcommittee also?

RICHARD D. BRAUHIN: The program itself was explained to them, the potential for it being cut was not a topic of discussion. During the last years since we started dual credit, we basically have paid instructors to teach those classes, primarily adjunct instructors. Last year, we basically paid out $52,000 in salary for one year. Out of that we took in terms of tuition collection, $76,000. We took the dollars we had through salary saving positions we had not been able to fill and put that into the dual credit situation, such as the position that was vacant here and others we could not fill at that time. When we put together the budget for the next biennium, we went back in and asked for approximately $103,000, which is twice what it cost us this last year. That's why we asked for the dual credit amount up front. It curtails that program in half, which would mean instead of providing thirty-five courses in a year, we would only be able to provide seventeen.

SENATOR ST. AUBYN: What is the dual credit course?

RICHARD D. BRAUHIN: It's a situation where college courses are taught at High Schools and the High School gives High School credit for that course. It allows students that are primarily seniors to start on their college career by getting some credit on general education courses such as freshman compositions, calculus, etc.. Most often, we find in talking with Superintendents in smaller High Schools that a lot of students in their senior year do not have enough course work to keep them busy, this was a way to provide that jump start on college.

SENATOR KRAUTER: Continuing on dual credit. Your request was $105,600 and it was cut in half. In the current biennium there was no direct appropriation or direct funding for dual credit, it was taken out of tuition and savings in the other salary positions, correct?

RICHARD D. BRAUHIN: That is exactly correct.

SENATOR KRAUTER: When you were presenting your 95% budget, you eliminated the truck driving training program?

RICHARD D. BRAUHIN: Yes, we did.

SENATOR KRAUTER: Can you give us some background as far as numbers of enrollment and what it cost and what brought you to the decision to eliminate the program?

RICHARD D. BRAUHIN: When we were asked by the Governor to go through the 95% budget, we were also asked to look at programs that were not efficient in terms of cost expenditure. We analyzed all the programs. In our institution, Truck Driving as we call it, which is a Highway Transportation Specialist, is the single most expensive program on campus. Over the last five years, our enrollments have gone from approximately forty down to twenty-five a year. That program cost $185 a credit hour. Our second most expensive program is nursing at $138 per credit hour. The average at Dickinson State is $97, with our least expensive program being $50 per credit hour. We felt it was a program we could do without and that it would be best fitted to be located elsewhere in the State, in larger more populus areas. That's why we identified that as a program to cut, not that we wanted to cut it.

SENATOR KRAUTER: What is the total amount that was cut?

ALVIN BINSTOCK: Distributed dollars were infused in this program by the Department of Vocational Education. The net effect of the dollars that were actually cut, were in the neighborhood of $130,000 a year. If we were to retain this program at Dickinson State we'd be looking at the recapture of a minimum of $225,000 to continue the program. Vocational Education was supporting the program at $34,500 annually.

SENATOR BOWMAN: I'm concerned with increasing tuition another 2% when we're in an area where we're seeing declining grain prices and extreme pressure on the Agricultural Communities. Do you have any fear at all that you might see the numbers start to drop if you increase tuition?

RICHARD D. BRAUHIN: Yes, we do have a fear that our enrollment may drop. We need to raise the tuition to meet the expenses of the cost incurred to deliver the educational services and maintain the quality that we have. We are in the area of the State that has the highest number of students with the most need in terms of grants and etc.. A lot of this is because many of our students come from farms and ranches with a lot of assets and no cash flow.

ALVIN BINSTOCK: It's ironic, at the same time we're concerned about raising tuition 2%, our same student body comes in and raises their own fees to have additional intra murals, dances and support activities within their student center.

PRAIRIE PUBLIC BROADCASTING 3/3/99 (Prairie Pub. Tab) (Tape 3, A, 1900-end; B, 0-336)

SENATOR ANDRIST: **State Senator from District 2**, to testify in support of HB 1003 (testimony attached, section System Overview (tape 3, side A, meter 1900-2016). I'm a member of the Board of Directors of Public Television. You're going to hear so much in the next three biennium's about the conversation to digital television. It's a whole new and exciting science.

KATHLEEN PAVELKO: **President of Prairie Public Broadcasting** (testimony attached, section System Overview (tape 3, side A, meter 2100-4065).

SENATOR ST. AUBYN: The $2.2M, is this in addition to the existing appropriation?

KATHLEEN PAVELKO: The $2.2M is in addition to the operating appropriation, a one time capital request.

SENATOR ST. AUBYN: The current network we have built out there, did the State pay for the entire part of that originally or was that through membership?

KATHLEEN PAVELKO: The network we have now was built by a combination of Federal and State funds. Approximately half of it was State funds and the remainder was Federal funds with a considerable mix of individual and corporate contributions as well. We anticipate that same mix of funding to be in place for the digital rebuild as well.

SENATOR ST. AUBYN: Page 4, you talk about your funding mix. Could membership, businesses and all that also contribute to this to get this lower than the State paying half?

KATHLEEN PAVELKO: The funding mix on page 4 refers to our operating appropriation. All of the capital equipment for Prairie Public Television and Prairie Public Radio has been primarily funded by a combination of Federal and State grants. Is it possible for individuals or corporations to pay a share of this cost? The amount is so large that it is not realistic to expect that a capital campaign with individuals and corporations would be able to raise $10.4M. In addition, we have not presented to you additional costs that will not be eligible for Federal funds at all. We are planning about a $1.5M capital campaign with individuals and those funds will be used to cover costs the Federal Government will not. An example, the Federal Government will provide matching money for transmitters, antennas and production equipment. They will not provide any matching money to renovate the buildings and the transmitter buildings that the equipment goes into. Some of that renovation will be required during the process. We intend to go to our members and businesses to ask them for $1.5-$2M to pay for those unmatchable costs.

PPB

SENATOR ST. AUBYN: Are the operational costs more expensive versus the existing network that the State is paying 9%?

KATHLEEN PAVELKO: We anticipate that the long term operating costs for the network for digital will be about the same as they are for analog. There is a time period between the sign on

3-3-99

of the digital signals and the time we are required to turn off the analog signal, we will be double broadcasting. We'll have two transmitters going until the Federal Government permits us to turn it off. During that period, five to seven years, we will have higher electricity costs. We are already planning to reallocate funds of our own to cover that short term increase in costs. Once we are broadcasting only in digital, we anticipate a roughly similar cost of operation.

SENATOR BOWMAN: How long have we known about this, and does this work with the technology plan that we're putting in place? We're spending a tremendous amount of dollars trying to inter link everything. Are these in competition with each other?

KATHLEEN PAVELKO: I see a close connection between the technology plans of Prairie Public and what I understand to be the evolving technology plan for the State in SB 2043. We're hopeful that Prairie Public will have a continuing voice on the Information Technology Board so that Prairie Public Services can be developed in parallel with the State's needs. The Prairie Public Broadcast System with the Educational aspects I described, will link in with the other technology plans of the State. For example, the technology plan of the State, is to build a Statewide data network that will carry audio, video and etc.. That network will go only where the network goes, a fiber connection. What Prairie Public does is take that closed loop system, which goes from designated place to designated place, and allows us to reach citizens in every home, school and workplace. You don't have to have a specific line to your house or workplace to make it work. That's why I see it as a complimentary technology and not a duplicative one. It is my heartfelt hope that Prairie Public will be a part of the Information Technology Board so that our services stay very close to State needs.

SENATOR TOMAC: In 1977, I remember the fight we had to put Prairie Public into place. Things have changed a lot in the past 22 years to the point that most of my neighbors now have a digital dish and have alternative programming at their fingertips for a very low cost. Is there really a need for Public Television at this point?

KATHLEEN PAVELKO: There are many more choices now than 22 years ago. There remains only one noncommercial choice. Only one where you can be absolutely sure that your children will not be exposed to violent or difficult programming. Also, those choices that you've referred to are not local choices they are nationally or internationally available and do not carry any content specific to North Dakota or the Prairie Region.

SENATOR TOMAC: I struggle with that, you may have changed something in the last two months and etc.. To be honest, I don't frequent the channel much. I would challenge the noncommercial a little bit, the advertisements are almost commercial in nature, which I understand needs to be. I was surfing Sunday evening at 11:00 p.m., before I had my dish, and on Prairie Public was the gay weather report. I was trying to determine as I watched, how someone who is gay would have a different weather report than someone who wasn't. The program was obviously focused on a lifestyle that is something I didn't approve of. You suggest that this is something that everybody can watch, is that program still their and are those programs still available?

KATHLEEN PAVELKO: You have me at a disadvantage, I don't know the specific programming you are referring to. When I say that programs are appropriate for children, we devote seven to eight hours every day to children from 7 a.m. to 5 p.m.. Programs that are on later in the evening, particularly quite late in the evening, may be targeted towards adult rather than children. As far as this particular program, I can investigate what it might have been.

SENATOR TOMAC: I don't know if the program is still on anymore, I just remember that incident and astounded me that Prairie Public had that type of program. Some of the content of the program further astounded me because I wasn't again sure how a weather report is different from one individual to the next. I am concerned and maybe Senator St. Aubyn can answer because he's on the Information Technology plan. Do you understand how these two compliment each other, I see more of a duplicate than a compliment at this point.

SENATOR NETHING: Maybe we can talk about that later. Senator St. Aubyn was asking a question about private investment and my thought was that he was asking about private television entities opposed to raising the money in a campaign drive. Where do the local network stations get involved in this?

KATHLEEN PAVELKO: Commercial stations face the same Federal requirements that we do. We've had extensive discussions with a number of our commercial colleagues in the State about their plans to make this transition and ways that we can work together to reduce costs. Retina Television and Prairie Public Broadcasting, for example, already share quite a lot of technical intra structure. For example, if we are going to build towers to carry a microwave link from Bismarck to Williston, we have one currently, we share that link so we don't have to build two sets of towers. We fully intend to continue that kind of shared facility in the digital world wherever possible. Those are figured into our overall plan. In terms of cost, Meter Broadcasting before it was sold, had estimated it would cost $20M for it's five station network to make the conversion to digital television. We're estimating that we'll be able to convert eight transmitters for $23-$24M. The costs are roughly comparable and we will be working with our commercial colleagues to reduce costs wherever we can.

SENATOR NETHING: Is there any opportunity for them to do a joint venture with you?

KATHLEEN PAVELKO: It is possible to share some parts of the infrastructure, but the Federal Communications Commission would not allow us, for example, to share transmitters. Within the limits of the Federal law, we intend to partner.

SENATOR NETHING: Will they be contributing in a dollar sense towards this $24M?

KATHLEEN PAVELKO: I anticipate their contribution will take the form of the reduced costs. It would cost us more than the $23-$24M. For example, if we had to build a string of towers between Bismarck and Williston without the participation of a commercial broadcaster, we'd have to seek funding for 100% of that cost from various sources. If they'll partner with us, we can reduce the cost and share that linkage.

SENATOR NETHING: I know were talking about a single type of infrastructure. How far are we from using satellite to do this same kind of opportunity?

KATHLEEN PAVELKO: We've looked into three major delivery alternatives for Prairie Public Broadcasting signa: satellite, fiber and microwave interconnection. Remember, we still have transmitters broadcasting the signal over the air. The question is how do you get the signal to those transmitters? We have found that a microwave connection, at this point, is by far the least expensive in capital and operating costs. A satellite transponder to carry the Prairie Public signal would cost $1M a year to rent not including regular operating costs. We feel it's not a cost effective option for us so we've not presented that as a possibility. The interconnection portion of this project is $5.5-$6M, it has a life span of 20-25 years and annual out of pocket operating costs of $65,000. Microwave is a known technology, we are experts in using it and we anticipate that it's the most cost effective choice for us.

SENATOR KRINGSTAD: You talk about schools and institutions utilizing this system for multipurposes. What's the cost factor going to be for schools or whoever uses it?

KATHLEEN PAVELKO: $100 per hour. This cost would be shared with the people using the system. This compares to an $800 per hour operating for satellite.

SENATOR TALLACKSON: You mentioned one of your options was fiber optics, we've just finished the completing of a loop of fiber optics in North Dakota. Will this replace that?

KATHLEEN PAVELKO: We did investigate fiber as well, and we discovered the annual cost to lease the fiber time would be approximately ten times more than using a microwave interconnection system. The other problem with the existing fiber loop goes from city to city. We need to reach transmitters that are located at little hill tops and on buttes. So, that fiber doesn't exist and would have to be specially built which would be very expensive.

SENATOR TALLACKSON: Around Grand Forks, they're building digital towers for telephones, that would be different that this?

KATHLEEN PAVELKO: Cellular phone companies need towers to put their equipment on. Many times they take advantage of existing towers including ours and those of commercial broadcasters. It's a whole lot cheaper to rent space than it is to build them. I understand some cell companies are expanding so rapidly that they are also building some of their own towers to meet their own needs.

SENATOR ANDRIST: When you say the operating cost are $100 per hour, if there is eight different people using parts of this at one time, is that $100 each or that's the total?

KATHLEEN PAVELKO: We're not at that level of detail, but I do believe that it would be divided among the users, whatever that operating cost is.

SENATOR NETHING: Closed the hearing on engrossed HB 1003. (tape 3, B, 336)

3/31/99 tape 1, B, 2965-5965

SENATOR NETHING: Reopened the hearing on engrossed HB 1003.

SENATOR ST. AUBYN: Presented and explained proposed amendment 98003.0305, and moved do pass.
SENATOR BOWMAN: Seconded the motion.

DISCUSSION: Senator Tomac raised questions about the skills training center, and while he felt the center was an excellent idea, but raised the question of whether it was a function of higher education or economic development; and if this is a capital improvement project. He felt with the shortage of funds should we be spending ¾ of a million dollars for the 12th university. **Senator Robinson** voiced appreciation to the committee for their work. **Senator Krauter,** Senator St. Aubyn made reference to board initiatives, these are referenced as a line item. **Senator Andrist** also raised questions about priorities in terms of some of the needs of crumbling steam lines, crumbling roofs, etc. **Senator St. Aubyn** looks at this as a joint venture between ND State college of Science and NDSU, and was never was intended as a 'Fargo Project'. It is skills enhancement. The goal is that it will be self-supporting with fees that are contracted through them. There is a great need for training and retraining in today's job market.

ROLL CALL: Voice vote approved do pass, with Senator Tomac dissenting, the amendment to engrossed HB 1003.
CARRIER: SENATOR ST. AUBYN

SENATOR ST. AUBYN: Moved do pass engrossed HB 1003, as amended.
SENATOR SOLBERG: Seconded the motion.
ROLL CALL: 14 yeas; 0 nays; 0 absent & not voting.
MOTION CARRIED TO DO PASS ENGROSSED HB 1003, AS AMENDED.
CARRIER: SENATOR ST. AUBYN
SENATOR NETHING: Closed the hearing on engrossed HB 1003.

Skills training center

Prepared by the Legislative Council staff for
Senator St. Aubyn
March 31, 1999

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after "system" insert "; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

Salaries and wages		$342,117,813
Technology		21,948,467
Restoration pool		1,178,000
Total salaries, wages, technology, and restoration		$365,244,280
Estimated income:		
Bismarck state college	$7,339,776	
University of North Dakota - Lake Region	1,453,806	
University of North Dakota - Williston	2,300,265	
University of North Dakota	52,633,093	
North Dakota state university	48,866,414	
North Dakota state college of science	9,485,836	
Dickinson state university	6,146,576	
Mayville state university	2,908,718	
Minot state university	11,501,851	
Valley City state university	3,893,786	
Minot state university - Bottineau	1,364,817	
University of North Dakota medical center	10,812,782	
Forest service	663,040	
Less institutional estimated income		159,370,760
General fund appropriation		$205,873,520

Subdivision 2.
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Operating expenses	$760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	2,296,000
Total operating funds	$14,089,073
Less estimated income	4,933,900
General fund appropriation	$9,155,173

Subdivision 3.
BISMARCK STATE COLLEGE

Operating expenses	$4,893,212
Equipment	367,187

Capital improvements	958,835
Total operating funds	$6,219,234
Less estimated income	450,000
General fund appropriation	$5,769,234
Local funds appropriation	$11,370,000
Total all funds appropriation	$17,589,234

Subdivision 4.

UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Operating expenses	$1,338,042
Equipment	150,338
Capital improvements	1,094,318
Total operating funds	$2,582,698
Less estimated income	495,000
General fund appropriation	$2,087,698
Local funds appropriation	$6,403,766
Total all funds appropriation	$8,986,464

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA - WILLISTON

Operating expenses	$1,521,116
Equipment	249,596
Capital improvements	88,790
Total operating funds	$1,859,502
Less estimated income	
General fund appropriation	$1,859,502
Local funds appropriation	$1,653,000
Total all funds appropriation	$3,512,502

Subdivision 6.

UNIVERSITY OF NORTH DAKOTA

Operating expenses	$27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	1,462,223
Total operating funds	$35,554,905
Less estimated income	
General fund appropriation	$35,554,905
Local funds appropriation	$282,733,609
Total all funds appropriation	$318,288,514

Subdivision 7.

NORTH DAKOTA STATE UNIVERSITY

Operating expenses	$21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	1,535,000
Total operating funds	$33,631,846
Less estimated income	7,037,500
General fund appropriation	$26,594,346
Local funds appropriation	$111,620,179
Total all funds appropriation	$145,252,025

Subdivision 8.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Operating expenses	$6,605,363
Equipment	1,494,368
Capital improvements	635,885
Total operating funds	$8,735,616
Less estimated income	

General fund appropriation	$8,735,616
Local funds appropriation	$15,580,000
Total all funds appropriation	$24,315,616

Subdivision 9.

DICKINSON STATE UNIVERSITY

Operating expenses	$4,074,962
Equipment	390,000
Capital improvements	693,962
Total operating funds	$5,158,924
Less estimated income	
General fund appropriation	$5,158,924
Local funds appropriation	$8,221,397
Total all funds appropriation	$13,380,321

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Operating expenses	$2,211,150
Equipment	170,500
Capital improvements	931,671
Total operating funds	$3,313,321
Less estimated income	
General fund appropriation	$3,313,321
Local funds appropriation	$7,400,000
Total all funds appropriation	$10,713,321

Subdivision 11.

MINOT STATE UNIVERSITY

Operating expenses	$6,043,525
Equipment	917,929
Capital improvements	1,050,466
Total operating funds	$8,011,920
Less estimated income	
General fund appropriation	$8,011,920
Local funds appropriation	$19,003,936
Total all funds appropriation	$27,015,856

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Operating expenses	$2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	68,714
Total operating funds	$4,345,898
Less estimated income	
General fund appropriation	$4,345,898
Local funds appropriation	$8,820,000
Total all funds appropriation	$13,165,898

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Operating expenses	$1,063,035
Equipment	147,500
Capital improvements	218,130
Total operating funds	$1,428,665
Less estimated income	60,000
General fund appropriation	$1,368,665
Local funds appropriation	$2,124,426
Total all funds appropriation	$3,553,091

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Operating expenses	$423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	147,486
Total operating funds	$715,639
Less estimated income	195,966
General fund appropriation	$519,673
Local funds appropriation	$1,336,082
Total all funds appropriation	$2,051,721

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Operating expenses	$7,502,327
Equipment	547,915
Total operating funds	$8,050,242
Less estimated income	
General fund appropriation	$8,050,242
Local funds appropriation	$47,592,145
Total all funds appropriation	$55,642,387
Grand total general fund appropriation H.B. 1003	$326,398,637
Grand total estimated income appropriation H.B. 1003	$172,543,126
Grand total local funds appropriation H.B. 1003	$523,858,540
Grand total all funds appropriation H.B. 1003	$1,022,800,303"

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 31

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "**FUNDS**" with "**FUND APPROPRIATIONS**"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of $200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of $495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer

network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. SALARY POOL. The salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the salary appropriation pool in subdivision 1 of section 1, the state board of higher education shall allocate a minimum of ninety-five percent of the 1997-99 salary and wage appropriation to the institutions and entities in subdivisions 2 through 15 of section 1. The board is encouraged to allocate the funds to achieve the reinvestment of funds included in the 1999-2001 biennium entity budget requests. The board may, at its discretion, allocate funds to address equity funding issues and additional salary increases beyond legislative appropriations although it is recognized by the legislative assembly that significant additional funds or reallocations between campuses are necessary to fully address the equity funding and salary increase issues.

SECTION 17. ALLOCATION OF RESTORATION LINE. The restoration line in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the restoration line in subdivision 1 of section 1, the board of higher education is strongly encouraged to consider allocating the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 19. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 20. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 21. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 22 of this Act, it is the intent of the fifty-sixth legislative assembly that during the 1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 18 of this Act.

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

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.

4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.

5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.

6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.

2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.

3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.

4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.

6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.

8. The commission may establish and maintain offices in one or more of the compacting states.

9. The commission may establish committees and hire staff as necessary to carry out its functions.

10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.

2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare

reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.

3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.

2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.

4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.

2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.

3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

SECTION 23. Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:

   a. The governor or the governor's designee.

   b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.

   c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.

2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.

3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 24. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

SENATE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231
Senate changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	182,747,053	(4,825,123)	(9,251,940)	(2,979,991)	(3,040,568)	(47,214,067)
Funding source change for increased land department revenue distributions						(141,022)
Total Senate changes	$205,873,520	($4,625,123)	($9,207,641)	($2,982,432)	($3,060,344)	($59,927,326)
Senate version (general fund)	$205,873,520	$9,155,173	$5,769,234	$2,087,698	$1,859,502	$35,554,905

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY

Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
House changes	1,331,066	649,764	215,047	223,528	748,976	262,372
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(37,717,319)	(14,510,720)	($8,089,566)	(5,340,344)	($17,583,483)	($7,260,842)
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Senate changes	($47,138,452)	($14,596,178)	($8,095,416)	($5,371,873)	($17,589,333)	($7,288,041)
Senate version (other funds)	$26,594,346	$8,735,616	$5,158,924	$3,313,321	$8,011,920	$4,345,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes	319,477	53,203	892,349	(7,521,080)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error				
Utility reductions				(554,323)
Remove information technology initiative added by the House	($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			$142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system	(2,617,594)	(1,107,078)	(21,208,418)	

salary pool						
Funding source change for increased land department revenue distributions	(5,850)			(505,130)		
Total Senate changes	($2,823,444)	($1,107,078)	($21,065,969)	$994,870		
Senate version (other funds)	$1,368,665	$519,673	$8,050,242	$326,398,637		

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$4,933,900	$7,789,776	$1,948,806	$2,300,265	$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	$159,370,760		($7,339,776)	($1,453,806)	($2,300,265)	($52,633,093)
Funding source change for increased land department revenue distributions						141,022
Total Senate changes:	$159,370,760	$0	($7,339,776)	($1,453,806)	($2,300,265)	($52,492,071)
Senate version (other funds)	$159,370,760	$4,933,900	$11,820,000	$6,898,766	$1,653,000	$282,733,609

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed						

by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	($48,866,414)	($9,485,836)	($6,146,576)	($2,908,718)	($11,501,851)	($3,893,786)
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Senate changes	($48,660,640)	($9,402,742)	($6,140,726)	($2,878,227)	($11,496,001)	($3,866,587)
Senate version (other funds)	$118,657,679	$15,580,000	$8,221,397	$7,400,000	$19,003,936	$8,820,000

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes	2,152,561	1,336,082	(545,582)	469,747,452
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Senate changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			($521,503)	($521,503)
Utility reductions				
Remove information technology initiative added by the House	($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Restore all of the Skills Center funding removed by the House				
Provide for a systemwide restoration pool				
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(1,364,817)	($663,040)	(10,812,782)	
Funding source change for increased land department revenue distributions	5,850			505,130
Total Senate changes	($1,387,102)	($663,040)	($11,334,285)	($44,508)
Senate version (other funds)	$2,184,426	$1,532,048	$47,592,145	$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873
House changes		(15,076,229)	11,834,155	6,523,865	1,801,684	280,860,038
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911
Senate changes:						
Restore EPSCoR		$200,000				

funding						
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	342,117,813	(4,825,123)	(16,591,716)	(4,433,797)	(5,340,833)	(99,847,160)
Funding source change for increased land department revenue distributions						
Total Senate changes	$365,244,280	($4,625,123)	($16,547,417)	($4,436,238)	($5,360,609)	($112,419,397)
Senate version (total funds)	$365,244,280	$14,089,073	$17,589,234	$8,986,464	$3,512,502	$318,288,514

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(86,583,733)	(23,996,556)	($14,236,142)	(8,249,062)	($29,085,334)	($11,154,628)
Funding source change for increased land department revenue distributions						
Total Senate changes	($95,799,092)	($23,998,920)	($14,236,142)	($8,250,100)	($29,085,334)	($11,154,628)
Senate version (total funds)	$145,252,025	$24,315,616	$13,380,321	$10,713,321	$27,015,856	$13,165,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
House changes	2,472,038	1,389,285	346,767	462,226,372
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			($521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(3,982,411)	($1,770,118)	(32,021,200)	
Funding source change for increased land department revenue distributions				
Total Senate changes	($4,210,546)	($1,770,118)	($32,400,254)	$950,362
Senate version (total funds)	$3,553,091	$2,051,721	$55,642,387	$1,022,800,303

This amendment also:

- Adds a section providing that funding for the Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.
- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.
- Adds sections providing directive regarding the allocations to be made from the technology and salary pools and the restoration line.
- Adds a section providing for a Legislative Council study of the funding of higher education.
- Adds a section directing that any utility savings be used for repair or maintenance items.
- Adds a section providing for the additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

98003.0305
Title.0400

Prepared by the Legislative Council staff for
Senator St. Aubyn
March 31, 1999

4/3
3/31/99
1 of 14

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 1, line 2, after "system" insert "; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

Salaries and wages		$342,117,813
Technology		21,948,467
Restoration pool		1,178,000
Total salaries, wages, technology, and restoration		$365,244,280
Estimated income:		
Bismarck state college	$7,339,776	
University of North Dakota - Lake Region	1,453,806	
University of North Dakota - Williston	2,300,265	
University of North Dakota	52,633,093	
North Dakota state university	48,866,414	
North Dakota state college of science	9,485,836	
Dickinson state university	6,146,576	
Mayville state university	2,908,718	
Minot state university	11,501,851	
Valley City state university	3,893,786	
Minot state university - Bottineau	1,364,817	
University of North Dakota medical center	10,812,782	
Forest service	663,040	
Less institutional estimated income		159,370,760
General fund appropriation		$205,873,520

Subdivision 2.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Operating expenses	$760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	2,296,000
Total operating funds	$14,089,073
Less estimated income	4,933,900
General fund appropriation	$9,155,173

Subdivision 3.

BISMARCK STATE COLLEGE

Operating expenses	$4,893,212
Equipment	367,187

Capital improvements	958,835
Total operating funds	$6,219,234
Less estimated income	450,000
General fund appropriation	$5,769,234
Local funds appropriation	$11,370,000
Total all funds appropriation	$17,589,234

Subdivision 4.
UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Operating expenses	$1,338,042
Equipment	150,338
Capital improvements	1,094,318
Total operating funds	$2,582,698
Less estimated income	495,000
General fund appropriation	$2,087,698
Local funds appropriation	$6,403,766
Total all funds appropriation	$8,986,464

Subdivision 5.
UNIVERSITY OF NORTH DAKOTA - WILLISTON

Operating expenses	$1,521,116
Equipment	249,596
Capital improvements	88,790
Total operating funds	$1,859,502
Less estimated income	
General fund appropriation	$1,859,502
Local funds appropriation	$1,653,000
Total all funds appropriation	$3,512,502

Subdivision 6.
UNIVERSITY OF NORTH DAKOTA

Operating expenses	$27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	1,462,223
Total operating funds	$35,554,905
Less estimated income	
General fund appropriation	$35,554,905
Local funds appropriation	$282,733,609
Total all funds appropriation	$318,288,514

Subdivision 7.
NORTH DAKOTA STATE UNIVERSITY

Operating expenses	$21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	1,535,000
Total operating funds	$33,631,846
Less estimated income	7,037,500
General fund appropriation	$26,594,346
Local funds appropriation	$111,620,179
Total all funds appropriation	$145,252,025

Subdivision 8.
NORTH DAKOTA STATE COLLEGE OF SCIENCE

Operating expenses	$6,605,363
Equipment	1,494,368
Capital improvements	635,885
Total operating funds	$8,735,616
Less estimated income	

General fund appropriation	$8,735,616
Local funds appropriation	$15,580,000
Total all funds appropriation	$24,315,616

Subdivision 9.

DICKINSON STATE UNIVERSITY

Operating expenses	$4,074,962
Equipment	390,000
Capital improvements	693,962
Total operating funds	$5,158,924
Less estimated income	
General fund appropriation	$5,158,924
Local funds appropriation	$8,221,397
Total all funds appropriation	$13,380,321

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Operating expenses	$2,211,150
Equipment	170,500
Capital improvements	931,671
Total operating funds	$3,313,321
Less estimated income	
General fund appropriation	$3,313,321
Local funds appropriation	$7,400,000
Total all funds appropriation	$10,713,321

Subdivision 11.

MINOT STATE UNIVERSITY

Operating expenses	$6,043,525
Equipment	917,929
Capital improvements	1,050,466
Total operating funds	$8,011,920
Less estimated income	
General fund appropriation	$8,011,920
Local funds appropriation	$19,003,936
Total all funds appropriation	$27,015,856

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Operating expenses	$2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	68,714
Total operating funds	$4,345,898
Less estimated income	
General fund appropriation	$4,345,898
Local funds appropriation	$8,820,000
Total all funds appropriation	$13,165,898

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Operating expenses	$1,063,035
Equipment	147,500
Capital improvements	218,130
Total operating funds	$1,428,665
Less estimated income	60,000
General fund appropriation	$1,368,665
Local funds appropriation	$2,124,426
Total all funds appropriation	$3,553,091

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Operating expenses	$423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	147,486
Total operating funds	$715,639
Less estimated income	195,966
General fund appropriation	$519,673
Local funds appropriation	$1,336,082
Total all funds appropriation	$2,051,721

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Operating expenses	$7,502,327
Equipment	547,915
Total operating funds	$8,050,242
Less estimated income	
General fund appropriation	$8,050,242
Local funds appropriation	$47,592,145
Total all funds appropriation	$55,642,387
Grand total general fund appropriation H.B. 1003	$326,398,637
Grand total estimated income appropriation H.B. 1003	$172,543,126
Grand total local funds appropriation H.B. 1003	$523,858,540
Grand total all funds appropriation H.B. 1003	$1,022,800,303"

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 2, remove lines 1 through 31

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 3, remove lines 1 through 31

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 4, remove lines 1 through 31

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 5, remove lines 1 through 31

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 6, remove lines 1 through 31

SENATE AMENDMENTS TO ENGR. HB 1003 APPROP. 3/31/99

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

5 of 1

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "**FUNDS**" with "**FUND APPROPRIATIONS**"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of $200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of $495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer

network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. SALARY POOL. The salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the salary appropriation pool in subdivision 1 of section 1, the state board of higher education shall allocate a minimum of ninety-five percent of the 1997-99 salary and wage appropriation to the institutions and entities in subdivisions 2 through 15 of section 1. The board is encouraged to allocate the funds to achieve the reinvestment of funds included in the 1999-2001 biennium entity budget requests. The board may, at its discretion, allocate funds to address equity funding issues and additional salary increases beyond legislative appropriations although it is recognized by the legislative assembly that significant additional funds or reallocations between campuses are necessary to fully address the equity funding and salary increase issues.

SECTION 17. ALLOCATION OF RESTORATION LINE. The restoration line in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the restoration line in subdivision 1 of section 1, the board of higher education is strongly encouraged to consider allocating the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 19. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 20. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 21. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 22 of this Act, it is the intent of the fifty-sixth legislative assembly that during the 1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 18 of this Act.

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

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.

4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.

5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.

6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.

2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.

3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.

4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.

6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.

8. The commission may establish and maintain offices in one or more of the compacting states.

9. The commission may establish committees and hire staff as necessary to carry out its functions.

10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.

2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare

reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.

3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.

2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.

4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.

2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.

3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:

   a. The governor or the governor's designee.

   b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.

   c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.

2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.

3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 23. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

SENATE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231
Senate changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	182,747,053	(4,825,123)	(9,251,940)	(2,979,991)	(3,040,568)	(47,214,067)
Funding source change for increased land department revenue distributions						(141,022)
Total Senate changes	$205,873,520	($4,625,123)	($9,207,641)	($2,982,432)	($3,060,344)	($59,927,326)
Senate version (general fund)	$205,873,520	$9,155,173	$5,769,234	$2,087,698	$1,859 ,502	$35,554,905

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
House changes	1,331,066	649,764	215,047	223,528	748,976	262,372
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939
Senate changes:						
Restore EPSCoR						

funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(37,717,319)	(14,510,720)	($8,089,566)	(5,340,344)	($17,583,483)	($7,260,842)
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Senate changes	($47,138,452)	($14,596,178)	($8,095,416)	($5,371,873)	($17,589,333)	($7,288,041)
Senate version (other funds)	$26,594,346	$8,735,616	$5,158,924	$3,313,321	$8,011,920	$4,345,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes	319,477	53,203	892,349	(7,521,080)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error				
Utility reductions				(554,323)
Remove information technology initiative added by the House	($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			$142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(2,617,594)	(1,107,078)	(21,208,418)	
Funding source change for increased land department revenue distributions	(5,850)			(505,130)
Total Senate changes	($2,823,444)	($1,107,078)	($21,065,969)	$994,870
Senate version	$1,368,665	$519,673	$8,050,242	$326,398,637

(other funds)

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$4,933,900	$7,789,776	$1,948,806	$2,300,265	$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	$159,370,760		($7,339,776)	($1,453,806)	($2,300,265)	($52,633,093)
Funding source change for increased land department revenue distributions						141,022
Total Senate changes:	$159,370,760	$0	($7,339,776)	($1,453,806)	($2,300,265)	($52,492,071)
Senate version (other funds)	$159,370,760	$4,933,900	$11,820,000	$6,898,766	$1,653,000	$282,733,609

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed						

by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	($48,866,414)	($9,485,836)	($6,146,576)	($2,908,718)	($11,501,851)	($3,893,786)
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Senate changes	($48,660,640)	($9,402,742)	($6,140,726)	($2,878,227)	($11,496,001)	($3,866,587)
Senate version (other funds)	$118,657,679	$15,580,000	$8,221,397	$7,400,000	$19,003,936	$8,820,000

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes	2,152,561	1,336,082	(545,582)	469,747,452
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Senate changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			($521,503)	($521,503)
Utility reductions				
Remove information technology initiative added by the House	($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Restore all of the Skills Center funding removed by the House				
Provide for a systemwide restoration pool				
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(1,364,817)	($663,040)	(10,812,782)	
Funding source change for increased land department revenue distributions	5,850			505,130
Total Senate changes	($1,387,102)	($663,040)	($11,334,285)	($44,508)
Senate version (other funds)	$2,184,426	$1,532,048	$47,592,145	$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873
House changes		(15,076,229)	11,834,155	6,523,865	1,801,684	280,860,038
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911
Senate changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan						

error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	342,117,813	(4,825,123)	(16,591,716)	(4,433,797)	(5,340,833)	(99,847,160)
Funding source change for increased land department revenue distributions						
Total Senate changes	$365,244,280	($4,625,123)	($16,547,417)	($4,436,238)	($5,360,609)	($112,419,397)
Senate version (total funds)	$365,244,280	$14,089,073	$17,589,234	$8,986,464	$3,512,502	$318,288,514

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(86,583,733)	(23,996,556)	($14,236,142)	(8,249,062)	($29,085,334)	($11,154,628)
Funding source change for increased land department revenue distributions						
Total Senate changes	($95,799,092)	($23,998,920)	($14,236,142)	($8,250,100)	($29,085,334)	($11,154,628)
Senate version (total funds)	$145,252,025	$24,315,616	$13,380,321	$10,713,321	$27,015,856	$13,165,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569

House changes	2,472,038	1,389,285	346,767	462,226,372
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			($521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(3,982,411)	($1,770,118)	(32,021,200)	
Funding source change for increased land department revenue distributions				
Total Senate changes	($4,210,546)	($1,770,118)	($32,400,254)	$950,362
Senate version (total funds)	$3,553,091	$2,051,721	$55,642,387	$1,022,800,303

This amendment also:

- Adds a section providing that funding for the Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.
- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.
- Adds sections providing directive regarding the allocations to be made from the technology and salary pools and the restoration line.
- Adds a section providing for a Legislative Council study of the funding of higher education.
- Adds a section directing that any utility savings be used for repair or maintenance items.
- Adds a section providing for the additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

Date: 3-31-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Engrossed HB 1003

Senate APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 98003.0305

Action Taken Do Pass As Amended

Motion Made By Senator St. Aubyn Seconded By Senator Bowman

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman					
Senator Naaden, Vice Chairman					
Senator Solberg					
Senator Lindaas					
Senator Tallackson					
Senator Tomac		✓			
Senator Robinson					
Senator Krauter					
Senator St. Aubyn					
Senator Grindberg					
Senator Holmberg					
Senator Kringstad					
Senator Bowman					
Senator Andrist					

Total (Yes) Voice Vote - passed No _____

Absent _____

Floor Assignment Senator _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-31-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Engrossed HB 1003

Senate APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 98003.0305

Action Taken DO PASS AS AMENDED

Motion Made By Senator St. Aubyn Seconded By Senator Solberg

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman	✓				
Senator Naaden, Vice Chairman	✓				
Senator Solberg	✓				
Senator Lindaas	✓				
Senator Tallackson	✓				
Senator Tomac	✓				
Senator Robinson	✓				
Senator Krauter	✓				
Senator St. Aubyn	✓				
Senator Grindberg	✓				
Senator Holmberg	✓				
Senator Kringstad	✓				
Senator Bowman	✓				
Senator Andrist	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Senator St. Aubyn

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1003, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, after "system" insert "; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

Salaries and wages		$342,117,813
Technology		21,948,467
Restoration pool		1,178,000
Total salaries, wages, technology, and restoration		$365,244,280
Estimated income:		
Bismarck state college	$7,339,776	
University of North Dakota - Lake Region	1,453,806	
University of North Dakota - Williston	2,300,265	
University of North Dakota	52,633,093	
North Dakota state university	48,866,414	
North Dakota state college of science	9,485,836	
Dickinson state university	6,146,576	
Mayville state university	2,908,718	
Minot state university	11,501,851	
Valley City state university	3,893,786	
Minot state university - Bottineau	1,364,817	
University of North Dakota medical center	10,812,782	
Forest service	663,040	
Less institutional estimated income		159,370,760
General fund appropriation		$205,873,520

Subdivision 2.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Operating expenses	$760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	2,296,000
Total operating funds	$14,089,073
Less estimated income	4,933,900
General fund appropriation	$9,155,173

Subdivision 3.

BISMARCK STATE COLLEGE

Operating expenses	$4,893,212
Equipment	367,187

Capital improvements	958,835
Total operating funds	$6,219,234
Less estimated income	450,000
General fund appropriation	$5,769,234
Local funds appropriation	$11,370,000
Total all funds appropriation	$17,589,234

Subdivision 4.
UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Operating expenses	$1,338,042
Equipment	150,338
Capital improvements	1,094,318
Total operating funds	$2,582,698
Less estimated income	495,000
General fund appropriation	$2,087,698
Local funds appropriation	$6,403,766
Total all funds appropriation	$8,986,464

Subdivision 5.
UNIVERSITY OF NORTH DAKOTA - WILLISTON

Operating expenses	$1,521,116
Equipment	249,596
Capital improvements	88,790
Total operating funds	$1,859,502
Less estimated income	
General fund appropriation	$1,859,502
Local funds appropriation	$1,653,000
Total all funds appropriation	$3,512,502

Subdivision 6.
UNIVERSITY OF NORTH DAKOTA

Operating expenses	$27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	1,462,223
Total operating funds	$35,554,905
Less estimated income	
General fund appropriation	$35,554,905
Local funds appropriation	$282,733,609
Total all funds appropriation	$318,288,514

Subdivision 7.
NORTH DAKOTA STATE UNIVERSITY

Operating expenses	$21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	1,535,000
Total operating funds	$33,631,846
Less estimated income	7,037,500
General fund appropriation	$26,594,346
Local funds appropriation	$111,620,179
Total all funds appropriation	$145,252,025

Subdivision 8.
NORTH DAKOTA STATE COLLEGE OF SCIENCE

Operating expenses	$6,605,363
Equipment	1,494,368

Capital improvements	635,885
Total operating funds	$8,735,616
Less estimated income	
General fund appropriation	$8,735,616
Local funds appropriation	$15,580,000
Total all funds appropriation	$24,315,616

Subdivision 9.

DICKINSON STATE UNIVERSITY

Operating expenses	$4,074,962
Equipment	390,000
Capital improvements	693,962
Total operating funds	$5,158,924
Less estimated income	
General fund appropriation	$5,158,924
Local funds appropriation	$8,221,397
Total all funds appropriation	$13,380,321

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Operating expenses	$2,211,150
Equipment	170,500
Capital improvements	931,671
Total operating funds	$3,313,321
Less estimated income	
General fund appropriation	$3,313,321
Local funds appropriation	$7,400,000
Total all funds appropriation	$10,713,321

Subdivision 11.

MINOT STATE UNIVERSITY

Operating expenses	$6,043,525
Equipment	917,929
Capital improvements	1,050,466
Total operating funds	$8,011,920
Less estimated income	
General fund appropriation	$8,011,920
Local funds appropriation	$19,003,936
Total all funds appropriation	$27,015,856

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Operating expenses	$2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	68,714
Total operating funds	$4,345,898
Less estimated income	
General fund appropriation	$4,345,898
Local funds appropriation	$8,820,000
Total all funds appropriation	$13,165,898

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Operating expenses	$1,063,035
Equipment	147,500

Capital improvements	218,130
Total operating funds	$1,428,665
Less estimated income	60,000
General fund appropriation	$1,368,665
Local funds appropriation	$2,124,426
Total all funds appropriation	$3,553,091

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Operating expenses	$423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	147,486
Total operating funds	$715,639
Less estimated income	195,966
General fund appropriation	$519,673
Local funds appropriation	$1,336,082
Total all funds appropriation	$2,051,721

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Operating expenses	$7,502,327
Equipment	547,915
Total operating funds	$8,050,242
Less estimated income	
General fund appropriation	$8,050,242
Local funds appropriation	$47,592,145
Total all funds appropriation	$55,642,387
Grand total general fund appropriation H.B. 1003	$326,398,637
Grand total estimated income appropriation H.B. 1003	$172,543,126
Grand total local funds appropriation H.B. 1003	$523,858,540
Grand total all funds appropriation H.B. 1003	$1,022,800,303"

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 31

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "**FUNDS**" with "**FUND APPROPRIATIONS**"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of $200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of $495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. SALARY POOL. The salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making

allocations from the salary appropriation pool in subdivision 1 of section 1, the state board of higher education shall allocate a minimum of ninety-five percent of the 1997-99 salary and wage appropriation to the institutions and entities in subdivisions 2 through 15 of section 1. The board is encouraged to allocate the funds to achieve the reinvestment of funds included in the 1999-2001 biennium entity budget requests. The board may, at its discretion, allocate funds to address equity funding issues and additional salary increases beyond legislative appropriations although it is recognized by the legislative assembly that significant additional funds or reallocations between campuses are necessary to fully address the equity funding and salary increase issues.

SECTION 17. ALLOCATION OF RESTORATION LINE. The restoration line in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the restoration line in subdivision 1 of section 1, the board of higher education is strongly encouraged to consider allocating the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 19. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 20. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 21. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 22 of this Act, it is the intent of the fifty-sixth legislative assembly that during the 1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 18 of this Act.

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

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of

furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.

4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.

5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.

6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.

2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.

3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required

by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.

4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.

6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.

8. The commission may establish and maintain offices in one or more of the compacting states.

9. The commission may establish committees and hire staff as necessary to carry out its functions.

10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.

2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft

and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.

3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.

2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.

4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.

2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.

3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:

   a. The governor or the governor's designee.

   b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.

   c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.

2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.

3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 23. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

SENATE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231
Senate changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	182,747,053	(4,825,123)	(9,251,940)	(2,979,991)	(3,040,568)	(47,214,067)
Funding source change for increased land department revenue distributions						(141,022)
Total Senate changes	$205,873,520	($4,625,123)	($9,207,641)	($2,982,432)	($3,060,344)	($59,927,326)
Senate version (general fund)	$205,873,520	$9,155,173	$5,769,234	$2,087,698	$1,859 ,502	$35,554,905

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567

House changes	1,331,066	649,764	215,047	223,528	748,976	262,372
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(37,717,319)	(14,510,720)	($8,089,566)	(5,340,344)	($17,583,483)	($7,260,842)
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Senate changes	($47,138,452)	($14,596,178)	($8,095,416)	($5,371,873)	($17,589,333)	($7,288,041)
Senate version (other funds)	$26,594,346	$8,735,616	$5,158,924	$3,313,321	$8,011,920	$4,345,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes	319,477	53,203	892,349	(7,521,080)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error				
Utility reductions				(554,323)
Remove information technology initiative added by the House	($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			$142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system	(2,617,594)	(1,107,078)	(21,208,418)	

salary pool						
Funding source change for increased land department revenue distributions	(5,850)			(505,130)		
Total Senate changes	($2,823,444)	($1,107,078)	($21,065,969)	$994,870		
Senate version (other funds)	$1,368,665	$519,673	$8,050,242	$326,398,637		

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$4,933,900	$7,789,776	$1,948,806	$2,300,265	$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	$159,370,760		($7,339,776)	($1,453,806)	($2,300,265)	($52,633,093)
Funding source change for increased land department revenue distributions						141,022
Total Senate changes:	$159,370,760	$0	($7,339,776)	($1,453,806)	($2,300,265)	($52,492,071)
Senate version (other funds)	$159,370,760	$4,933,900	$11,820,000	$6,898,766	$1,653,000	$282,733,609

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of						

the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	($48,866,414)	($9,485,836)	($6,146,576)	($2,908,718)	($11,501,851)	($3,893,786)
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Senate changes	($48,660,640)	($9,402,742)	($6,140,726)	($2,878,227)	($11,496,001)	($3,866,587)
Senate version (other funds)	$118,657,679	$15,580,000	$8,221,397	$7,400,000	$19,003,936	$8,820,000

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes	2,152,561	1,336,082	(545,582)	469,747,452
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Senate changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			($521,503)	($521,503)
Utility reductions				
Remove information technology initiative added by the House	($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Restore all of the Skills Center funding removed by the House				
Provide for a systemwide restoration pool				
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(1,364,817)	($663,040)	(10,812,782)	
Funding source change for increased land department revenue distributions	5,850			505,130
Total Senate changes	($1,387,102)	($663,040)	($11,334,285)	($44,508)
Senate version (other funds)	$2,184,426	$1,532,048	$47,592,145	$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA

Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873
House changes		(15,076,229)	11,834,155	6,523,865	1,801,684	280,860,038
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911
Senate changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide restoration pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	342,117,813	(4,825,123)	(16,591,716)	(4,433,797)	(5,340,833)	(99,847,160)
Funding source change for increased land department revenue distributions						
Total Senate changes	$365,244,280	($4,625,123)	($16,547,417)	($4,436,238)	($5,360,609)	($112,419,397)
Senate version (total funds)	$365,244,280	$14,089,073	$17,589,234	$8,986,464	$3,512,502	$318,288,514

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system	(86,583,733)	(23,996,556)	($14,236,142)	(8,249,062)	($29,085,334)	($11,154,628)

salary pool						
Funding source change for increased land department revenue distributions						
Total Senate changes	($95,799,092)	($23,998,920)	($14,236,142)	($8,250,100)	($29,085,334)	($11,154,628)
Senate version (total funds)	$145,252,025	$24,315,616	$13,380,321	$10,713,321	$27,015,856	$13,165,898

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
House changes	2,472,038	1,389,285	346,767	462,226,372
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Senate changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			($521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(3,982,411)	($1,770,118)	(32,021,200)	
Funding source change for increased land department revenue distributions				
Total Senate changes	($4,210,546)	($1,770,118)	($32,400,254)	$950,362
Senate version (total funds)	$3,553,091	$2,051,721	$55,642,387	$1,022,800,303

This amendment also:

- Adds a section providing that funding for the Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.
- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.
- Adds sections providing directive regarding the allocations to be made from the technology and salary pools and the restoration line.
- Adds a section providing for a Legislative Council study of the funding of higher education.
- Adds a section directing that any utility savings be used for repair or maintenance items.

- Adds a section providing for the additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

1999 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1003

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

Appropriations Committee

❑ Conference Committee

Hearing Date April 7, 1999

Tape Number	Side A	Side B	Meter #
2	x		0-30.0
Committee Clerk Signature	Carey Davis		

Minutes:

CHAIRMAN WENTZ opened the meeting on HB 1003.
2A: 0.5 SEN. ST AUBYN said the Senate spent much time on the issue of equity, and explained their amendments.
2A: 3.2 REP. WENTZ asked if redistributing land department dollars had been done consistently. Sen. St. Aubyn said it has not.
2A: 4.5 SEN. ST AUBYN said the Senate had a problem with the House cutting EPSCOR and the Schafer Hall hallway project. There are not enough funds provided for maintenance or improvements the way it is.
2A: 5.5 PAUL KRAMER, Legislative Council, explained that the Senate put money back from the pools.
2A: 6.8 SEN. ST AUBYN continued his explanation of the amendments. The left $1.78 million in the pool and asked the board office to consider equity issues when distributing the fudns.
2A: 9.2 SEN. ST AUBYN discussed the utility areas. They converted to BTUs and adjusted for average winters. They would utilize those dollars saved for capital improvements.
2A: 12.3 REP. WENTZ asked if NDSU plans to put money into the Skills Center. Sen. St. Aubyn replied that they have raised $1.8 million for it already.
2A: 13.4 REP. CARLSON asked how much the House had reduced it before it went over to the Senate. Sen. St. Aubyn replied that the House had reduced it from $750,000 to $500,000. The Senate then restored it. Rep. Carlson asked where the difference would come from. Paul Kramer replied that the $150,000 difference was federal funds.
2A: 14.7 SEN. BOWMAN said they would get enough money to get the project going and then they would have to keep it going without general fund dollars.
2A: 15.2 SEN. KRAUTER noted that this was not a unanimous decision in the Senate. The minority did not feel the Skills Center was a priority.
2A: 15.9 SEN. ST AUBYN continued his explanation of the amendments. He said that accreditation of programs puts a toll on budgets. The amendments ask the state board of higher education to carefully look at that.
2A: 17.2 REP. WENTZ asked if specific programs were discussed. Sen. St. Aubyn mentioned the business program at NDSU.
2A: 18.0 REP. CARLSON asked what the total was in the technology pool. Sen. St. Aubyn responded that it is $35 million.
2A: 20.2 REP. WENTZ asked if the language regarding the pooling of funds mandates 95%, then why shouldn't it just be given back to the campuses. Sen. St. Aubyn replied that the issue was having a system budget versus 11 campus budgets.
2A: 23.3 REP. CARLSON referred to the language in section 17, and said that "strongly encourage" does not direct anything. Sen. St. Aubyn said they wanted to give the message, but did not want to put a big hardship on the NDUS with no flexibility.

2A: 30.4 REP. CARLSON said the House took out .5% in operating, and asked what happened to it in the Senate. Sen. St Aubyn replied that the Senate did not touch it. The House took .5% across the board, but selectively reduced a couple of campuses even further. The Senate did not feel that was right.

The meeting was adjourned.

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

Appropriations Committee

☐ Conference Committee

Hearing Date April 8, 1999

Tape Number	Side A	Side B	Meter #
2	x		0-40.0
Committee Clerk Signature	Cathy Davis		

Minutes:

CHAIRMAN WENTZ opened the meeting on HB 1003 with all members present.
2A: 0.6 PAUL KRAMER, Legislative Council, explained the spreadsheet with the Senate changes.
2A: 3.8 REP. CARLSON: The pay package of 2&2 is out of here, and I thought that amounted to $4.3 million. Originally total reductions by the House were what?
2A: 4.1 PAUL: $7.5 million.
2A: 4.5 REP. CARLSON: Could you further explain the land department distribution. Did I just hear you say that you reduced the general fund contribution by the same amount?
2A: 4.6 PAUL: A few years ago there was a change made where some of the earnings from the funds held by the land department for the institutions were invested into the permanent trust fund. What they're doing this biennium is distributing 100% of the earnings instead of reinvesting them. That totaled $505,000 for higher education. What was done was when we added in the estimated income of $505,000, we made a corresponding general fund reduction. So they didn't actually get that money on top of everything else. It was just a switch.
2A: 5.3 REP. WENTZ: I have a question regarding the salary and wages line item. Is that fully funded so we can meet our obligation to give everyone a minimum $35 and then a 2&2.
2A: 5.6 PAUL: No. It was funded at 2&2, but it was not funded with the $35 also.
2A: 6.0 REP. WENTZ: Was that a discussion in the Senate?
2A: 6.5 SEN. ST AUBYN: Yes, it was. But we discussed it very little. Paul, do you recall the amount that was needed to make higher ed whole?
2A: 6.2 PAUL: A little over $500,000.
2A: 6.4 SEN. ST AUBYN: Some of the discussions we've had, more leadership is something that needs to be addressed systemwide. I don't know how we could selectively say we're going to do something to one campus, but not others.
2A: 6.9 REP. WENTZ: I agree. I know that's something we'll get comments on during the interim.
2A: 7.0 SEN. ST AUBYN: Did the House discuss it?
2A: 7.1 REP. WENTZ: I don't recall.
2A: 7.2 SEN. ST AUBYN: I know we discussed it in general. One suggestion was to reduce the 35 accordingly from the 3%. When we reduced it from 3% to 2% that's a 1/3 reduction, and then possibly reduce the 35 by 1/3. I know in our caucus there wasn't a lot of support for that. They felt the 35 was kind of a minimum.
2A: 8.1 REP. WENTZ: We could take some of these items one by one and see where the differences are. Let's start with the salary pools. In the House we allocated them out to the various campuses, and the Senate put them back into a pool.
2A: 8.7 REP. CARLSON: The House started out with several things we thought were important after we listened to all the testimony. One was to leave all the salaries at the campuses. We were pretty much unanimous about that.

As we looked at the salary from last time, there were winners and losers. They basically have the bodies and the people out there, but then we give them 95% of their salaries and the board office determines where the rest of them go. I know it's a difficult spot for the campuses to talk about. But if you ask them without a bunch of people around, they would prefer to have control of their salaries. I still feel strongly that 100% of that should not be pooled at the board office. They should be out at the campuses. We took the $2.6 million of the critical salary pool that had been assigned to the campuses, and we moved that to the board office. We felt it was their discretion to look over the system. If there are hiring problems, if there are some way below the market, and there are bonuses for signing people, that they have the flexibility to deal with that upon request. I'm still at the stage where I'm not comfortable with moving 100% of the salaries and wages back to the board office. I'd like to hear the Senators' response to that.
2A: 9.8 SEN. KRAUTER: I'm trying to find it in the wording about the 95%. As I recall in our hearing, we were never given any information that the current way wasn't working.
2A: 10.4 REP. CARLSON: If you look at that sheet there were winners and losers. What we're in essence doing is we're creating another pool of the salaries that they should be getting at the campuses.
2A: 10.6 SEN. ST AUBYN: How do you define winners and losers? Those that got money and those that didn't? I think it's very important that we give the board the flexibility if we're going to make some serious changes within higher education. If we want to maintain status quo, then we might as well distribute all the money and forget about NDUS. We've established this system. How do you determine winners and losers?
2A: 11.3 REP. CARLSON: The money. They lost the money. You have a body that has with it a certain amount of costs in dollars. If you don't get the money for the body, and the body remains in the chair, you have to find it somewhere else in your budget. Now if that's your definition of winners and losers, maybe it is. It seems very unusual to me that someone gives you 38 FTEs, but only gives you the funds for 35. In the end you don't get money for the 38. I don't know that we do it anyplace else, and I don't know why we do it there. It's just the salaries. If you want to pool for equity, let's talk about equity. This is wages. When we appropriate we do it based on the cost of those bodies. We don't appropriate for five extra.
2A: 12.1 SEN. ST AUBYN: Salaries are part of the equity. I don't know if you understand what's involved with the formula. It's very complex, taking in a lot of different factors. Equity does involve salaries.
2A: 12.5 REP. WENTZ: Are you referring to the Equity study?
2A: 12.5 SEN. ST AUBYN: Well, no. He made the comment about the equity. He said we're not talking about the equity, we're talking about the salaries. Well the salaries are part of the equity. You look at higher education. What part of the budget is salaries? The board had some very unusual circumstances during the last biennium. They had to deal with those at the same time. At the same time they lost tuition income. If we're not going to allow them to work as a system, I think we're going to individual campuses again. Is it your idea to give the campuses the full 100%?
2A: 13.4 REP. WENTZ: I think that was our idea. We felt that the campuses should get 100%, and then if we need another pool to take care of some of those other questions then that should be a separate pool. That's what we called the equity pool.
2A: 13.7 SEN. KRAUTER: I'd like to get that information. If we're saying there's so many FTEs there, and we appropriated 95%, and the other 5% was discretionary and they didn't get that, I'd like to see that.
2A: 14.2 REP. CARLSON: I can get that information.
2A: 14.4 SEN. ST AUBYN: That's exactly the point. That's why we've done that. We've asked the board to have some flexibility and allow for special circumstances within the system. If the idea of the 5% was to give them back equally, then we would've just given them the whole 100%.
2A: 14.8 REP. CARLSON: We're not arguing that point. We're saying that if you have salary dollars appropriated on bodies, and you only end up with 95%, you only get 3% more, and you're 2% short, and nothing else changed in your budget, those dollars should've gone what they were meant for as salaries. Our philosophy is that if it's a line item that we budget, and we're going to deal with equity, that's not the pool where you get the equity from.
2A: 15.1 SEN. ST AUBYN: What's so frustrating is that on one hand you're saying you don't care what happened the time before, but then you're saying there's winners and losers. There aren't when everyone got the 95% and that's what was promised.
2A: 15.3 REP. CARLSON: We don't agree on that at all. They were promised 100%, they got 95%, and maybe we'll give you the other 5%.
2A: 15.5 SEN. ST AUBYN: I'd like to see the proof that they were promised 100%.

2A: 15.6 REP. CARLSON: That's an assumption. Bodies cost so much money. We appropriate so much per person in every budget. Then why don't we hold back 5% of the salary dollars in every other agency because they might not need it all? We could use it for equity.
2A: 16.2 SEN. ST AUBYN: What other agencies have a governing board?
2A: 16.4 REP. WENTZ: I think we have a difference of philosophy between the two houses.
2A: 16.6 SEN. ST AUBYN: I'd like to have Paul Kramer identify in the current statute what it says about the 95%.
2A: 16.8 REP. WENTZ: I don't think we have a difference of opinion on what it says.
2A: 16.9 SEN. ST AUBYN: I think we do because I keep hearing that there's winners and losers. The statement was made that they were promised 100%.
2A: 17.0 PAUL KRAMER: The language in the appropriation bill for this current biennium stated that "The institutions of higher education shall receive salaries and wages for the 97-99 biennium that are at least 95% of the salaries and wages of the 95-97 biennium."
2A: 17.3 SEN. BOWMAN: When you first set up your line items for salaries and wages that would be based on FTEs. But when the enrollment comes in and there isn't the enrollment to justify the FTEs, do we fund the line item for the FTE even if the FTE isn't going to be needed? If indeed we give them 100% to use that money for the FTE, does that give them the permission to use one less FTE and increase the salary for all of them? Or does that money stay someplace where it could go to another campus that has an increase in an FTE for a program that's necessary? I would think that if you give them the 95% that would give them some flexibility to move money to a different campus if there's a need for another FTE.
2A: 18.8 SEN. ST AUBYN: It's obvious then that the House's contention is that 100% of the salary line item must go to the campuses. Is that what your feeling is then?
2A: 19.0 REP. WENTZ: It does mine, and I think it does the rest of the House as well. What else? Are we going to have a major difference on the restoration of the EpScor funding?
2A: 19.6 SEN. ST AUBYN: I would just like to question what the philosophy was on the reductions. Why was EpScor reduced, and was the House aware of the effect?
2A: 19.9 REP. CARLSON: There were some of us that didn't think it was smart to take that out. They felt there were plenty of excess funds, we could get plenty of matching funds with it, and the majority said to go along with it. There were some of us that didn't think we should take away funds where there was a large match with it.
2A: 20.4 SEN. ST AUBYN: I might just mention that it was not an increase over the current level, it was actually the base level.
2A: 20.5 REP. WENTZ: Ok, so that won't be an area of contention. The new technology program, the $200,000 reduction. Is that something we can talk about or need to talk about?
2A: 20.6 SEN. ST AUBYN: Our philosophy was not the merit of good or bad of the program, it was more that it didn't go through the proper approval sequences. Actually, I'm very supportive of the program. The board does have money in board initiatives, that if the board elected to fund it they could do so in board initiatives. But we felt that if we're going to do that, I can guarantee that every campus is going to have their own special initiative over and above the executive recommendation.
2A: 21.2 REP. WENTZ: In the House we supported it because they had presented the idea to the C-Tech committee in the Chancellor's office and go what they interpreted as a go-ahead from that committee, but had not yet gone the next step to make the formal presentation to the board. Their thinking was that if they were to get that go-ahead and not have the money to implement it, and it looked as if it was going to be a green light the whole way.
2A: 21.7 SEN. BOWMAN: I also agree that if they went through with the beginning processes of this, and it is definitely a program that higher education wants to look at, if the money is available they'll have to make their case. It's easier to make the case if they've done the preliminaries. And if they've done that, they've just got to go through a couple more hoops to get to that final step. The most important thing is that the money is there to justify that. But there will also be other people coming in for the same justification. It then takes some decision making by the Board of Higher Education. I think that's where it should be.
2A: 22.3 REP. WENTZ: We wanted the money to be there because it looked as if it would be approved at the June meeting. It would be a shame if they had to wait another two years to get the program off and running. Perhaps if there is a pool for board initiatives that would be an option for them. Ok, we reduced the operating expenses and you restored a portion. Is that a major area of discussion?
2A: 22.9 SEN. ST AUBYN: Just to explain that, we couldn't find any justification for the reductions. We didn't find any information on it. The board office didn't seem to know anything either. All the campuses were already

affected by the .5% across the board. We weren't sure why two campuses were singled out, and yet no others received any additional operating expense reductions. It just seemed strange, all of a sudden the $250,000 and $220,000. We couldn't figure out what the justification was.

2A: 23.6 REP. CARLSON: I'm in agreement with that. There were several motions in our committee to try to add those numbers back in after we took the .5%. I think what you've done is to try and equalize what a few of us felt was unequal. Probably the only things we felt were unequal in our budget process was that we took them twice on the same item.

2A: 24.1 SEN. ST AUBYN: We took the utility reductions, and that's where we tried to distribute part of those singly selected cuts in those areas and also capital improvements. We tried to restore at least a portion of each of them.

2A: 24.7 REP. WENTZ: We reduced funding for the Skills Training Center and you restored that. Is that going to be a major item of discussion? Capital improvement funding? We reduced it and you restored a portion.

2A: 25.0 SEN. ST AUBYN: That was the same reasoning. We weren't sure why two campuses were selectively reduced. The board office didn't seem to have any rationale as to why that was done. One of the things we continually face is that there isn't enough capital improvements to keep up the campuses the way it is, and so we felt it was very important to restore at least a portion of that. We'd be willing to listen if there was reasoning.

2A: 25.7 REP. NICHOLS: Can you tell me a little bit about how you arrived at the utility funding numbers you had.

2A: 26.0 SEN. ST AUBYN: We asked for a history of the utility usage and the square footage for each campus for the last three years, and also the degree days as a weather factor in terms of how harsh of winters we had. We converted everything over to BTUs and tried to come up with an average winter for each of the campuses, and the number of degree days. We looked at their actual usage, adjusted for an average winter and also adjusted for additional square footage they might have. For example, NDSU had a significant square footage and UND had a minor one.

2A: 27.0 REP. WENTZ: I think our areas of contention are going to be with the pools.

2A: 27.3 REP. NICHOLS: I think very strongly that the members of the House felt this change was the correct thing to do. A couple sessions ago we had an equity adjustment at Minot State because of how they ranked with regard to the other campuses. That's one way of changing something that's not quite correct. Maybe we need to look at some type of fund, if not now then in the future, that allows the adjustments to be made outside of the salary line item. If it's possible to find something on that order now, maybe we should do that.

2A: 28.3 SEN. ST AUBYN: That's kind of what we had recommended in having the restoration line. The other thing is just the study itself. Let's use Minot for an example. Minot had a major reduction in enrollment. If we were to take our formulas as they are, we would have had to reduce the funding they were to have gotten. That's part of that 95%. Sometimes they use that to help those campuses that lost a lot of tuition dollars.

2A: 29.7 REP. WENTZ: The problem with the formula is that it doesn't recognize a decrease in enrollment, and the fact that it does not necessarily decrease the overhead costs.

2A: 29.9 SEN. ST AUBYN: I think it takes an average of 3 or 4 years, average enrollment. It does try to help a little in that area, but you can have that problem. Would it help at all instead of guaranteeing the 95%, give them the 95%? Why put it in the board office, guarantee them, and then redistribute it? Or is the House very firm that the full 100% has to be in?

2A: 30.7 REP. WENTZ: That might be something we could consider. We might have a compromise on that.

2A: 30.8 REP. CARLSON: I think the Senate must understand that we're not adverse to the pools and the equity concept. We differ with where the wages should be placed. I looked at the equity report, and I read it. I go back to the one that says "Budget Requests for University System", it includes special allocation for NDSU of $6 million to begin to address the issue of equity. This specific item was not funded in the Governor's budget. How much money do we need to get it there? In reality, it's going to be a long term process because the numbers are so big and so spread between the universities. In fact, we like the pool concept. We would have created more if we could have found the ability to do that because we'd like the board to have some of those flexibilities. We felt wages wasn't the place to do it. We also had a problem with the fact that there are $9 million in new tuition increases that they allowed. That doesn't come into many conversations that they had quite a large chunk of new money to deal with in terms of tuition. Those things all became part of our decision when we looked at it. I do have some concerns about providing a system-wide restoration pool. I'd like some explanation on that $1.178 million that got added back in there.

2A: 32.4 SEN. ST AUBYN: That was another area that we discussed about dealing with this equity issue. Rep. Carlson's exactly right that $6 million would not take care of the equity issue for NDSU. If we take the current system, apply the formula, how much more money do we need? It was $47 million if I recall, to get everyone equal to the current formula. We tried to shift the existing dollars and do it. We would've really crippled some campuses at this point. That was our concept of having the restoration line to deal with the equity issues to some small degree. Look at those campuses and try to assign some equity dollars to them. The other thing is the 95%. The Governor asked all agencies to provide a 95% budget. Then he asked was how they would restore the other 5% if they had it. I think UND did a very good job on their reallocation plan. The only problem I have on that whole exercise is that the board should've taken that one step further. That should've been a system-wide thing. Maybe we need to look at the 5% system-wide. We're not looking at a system-wide thing that we can make some significant, permanent changes.
2A: 34.5 REP. CARLSON: Section 17 of the bill deals with restoration. Number one, the money is at best a token effort. Secondly, it really doesn't give them enough direction to do anything. That's the problem I'm having with it. We've increased their budget and yet we feel the need to add another $1.178 million when we're all done. The budget increase is bigger than K-12. Why are we doing this when 100% of the kids in K-12 are from North Dakota, and 40% of the kids in higher ed are from somewhere else? We disproportionately increase the spending, and then we put in a pool besides, and give them the tuition besides. K-12 didn't have that option.
2A: 35.6 SEN. ST AUBYN: Are you saying the general fund appropriation is more?
2A: 35.8 REP. CARLSON: The general fund increase for higher ed is more than the increase for K-12. I'll stand to be corrected if I'm wrong, but I think we discussed that at the time we did it.
2A: 35.9 SEN. ST AUBYN: But if you look at the percentage of the general fund that has gone to the different government, actually K-12 is significantly higher when you talk about percentage of the general funds and the increases over a period of time. Actually higher ed has taken a continual drop.
2A: 36.5 SEN. KRAUTER: Just so we know where we're going here, what do you have listed as far as issues that are on the table and need to be resolved?
2A: 36.7 REP. WENTZ: I don't know if I got all of them, but one is the salary pool. Pooling it in the board office versus allocating it right out to the campuses. Along with that is the critical salary pool, which was our response to some of the things that you hoped to answer with the 5% remaining in the board office. Then we had some questions about the restoration pool. Is that correct Rep. Carlson?
2A: 37.3 REP. CARLSON: Yes, we do.
2A: 37.5 SEN. KRAUTER: The C-Tech approval for the Bottineau initiative. And we glossed over the Skills Training Center real quick. I didn't catch anyone's indication on that.
2A: 38.0 REP. WENTZ: I didn't sense it was an issue bothering anyone.
2A: 38.2 REP. CARLSON: There were some members in our committee that wanted that lowered. Being from Fargo it's a very hard issue to want to jump onto.
2A: 38.4 REP. WENTZ: We'll discuss that some more. Anything else?
2A: 38.7 SEN. ST AUBYN: Just a question. The critical pool salaries I recall, was actually in each campus. It was part of their salary. It was really part of their campus salaries.
2A: 39.0 PAUL KRAMER: It was a separate line item.
2A: 39.2 SEN. ST AUBYN: Right, it isn't part of the campus salary line item. What we did was take everything, lump it together, and pool that. We may not be that far off. I don't know how much that amounts to in terms of the critical pool. So if we were to say we're going to give 100% of the regular thing, and pool the critical, maybe we're not that far off. Maybe legislative council could do some calculations and figure that out.

The meeting was adjourned.

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

Appropriations Committee

☐ Conference Committee

Hearing Date April 9, 1999

Tape Number	Side A	Side B	Meter #
1	x		16.0-end
1		x	0-3.5
Committee Clerk Signature	Casey Davis		

Minutes:

CHAIRMAN WENTZ opened the meeting on HB 1003.

1A: 16.5 Rep. Carlson: Yesterday one of the things we talked about was the salary pools, and we suggested that we try and break it down. If you look at the sheet here, and talk about the total wages that were pooled in salaries, $342,117,813. The general fund portion of the salary pool is $182,700,000. Then we got established in the House version a, where we took money that had been at each campus for critical salary adjustments, we moved that into a critical salary pool. That was $2.6 million. So we got down to the base salary of $180 million. Then yesterday we talked about what would happen if we didn't pool 5%, but rather 4%, 3%, 2% or 1%. You can see the numbers reflected there. On my recommendation Paul kept the critical salary pool separate because I think that's a completely different issue that we were addressing at that point in time.

1A: 17.7 Sen. St. Aubyn: Paul, you had showed us a book that showed the pool distribution last time. I was wondering if I could see that again, in terms of the amount that was in there. How much was the 5%?

1A: 18.4 Paul Kramer, Legislative Council: The 5% wasn't identified separately last time because they pooled 100%, and the guidelines said that 95% had to be given back. We had no reason to track it separately.

1A: 18.6 Sen. St. Aubyn: At that time there was $750,000 that went for the Fargo Skills Center. What's the $100,000 legislative pool reduction for Ag Extension undesignated position?

1A: 19.0 Paul Kramer: That was a reduction made to the pool for an unspecified position. They had the flexibility to decide where it was.

1A: 19.3 Sen. St. Aubyn: I was wondering what Rep. Carlson's recommendation would be then.

1A: 19.6 Rep. Carlson: I've been doing some work on this, and my thought was 2% of the money to be pooled. But I have another use for that money as I look at it. A lot of it came from our discussion yesterday when we talked about equity, and we talked about campuses that are below the baseline. My thought was that if we're really attempting to do something with equity, that 2% should be used to address the equity issue for those campuses that fall below that line. That money should be targeted by the board to use for equity, whether it be 4, 5, or 6 campuses. Separate of the critical salary pool, I want you to understand that.

1A: 21.8 Sen. Krauter: You're talking about the salary equity? We're not confusing this with the equity in the whole formula, the funding of programs, correct?

1A: 22.2 Rep. Carlson: My limitation would not have been just with the salaries. It would be to deal with the equity among the campuses.

1A: 22.3 Sen. St. Aubyn: Rep. Carlson, how would you propose distribution among those? I look at the system-wide average, and that would mean UND-LR, UND-Williston, NDSU, NDSCS, DSU, and VCSU. But they're at different percentages. How would you distribute the money equitably at that point? The lowest one, UND-LR is at 81%, DSU is at 88.6%. How would you distribute the dollars?

1A: 23.3 Rep. Carlson: If you go back to the criteria they've established, the board has identified what they presume to be equity to arrive at these numbers. It should be their responsibility to deal with those areas within their equity study to distribute that money where it is needed the most to bring them back to an equitable level. I don't think that should be our decision.
1A: 25.0 Sen. St. Aubyn: Paul, do you know how you would equitably distribute that? You couldn't do it per student necessarily. Laura do you have a suggestion of how you would do that?
1A: 25.5 Laura Glatt, NDUS: There's a number of options of how you could do it. Certainly the system average has been referred to. I'm not sure that's a good indicator because NDSU and UND raise the average so much because of their size. We could look at equity between similar types of institutions. We could look at equity across the system. I don't think there would be any attempt to try to bring everyone to the same figure. There are normally going to be funding differences. Some, because of their size have greater economies of scale. Some, because of their mission have higher costs. What we struggle with is that there's always going to be a gap. The question is how large the gap is going to be. I want to point out that if you dedicate the whole 2% to equity, you have to understand that the institutions that don't benefit from that, that is a cut to their base. That will mean fairly significant cuts to those other institutions.
1A: 27.5 Sen. Bowman: Prorating something back is not that hard to do as long as you know what you're going to prorate. If it's going to be the total budget of that campus, and you can figure the percentages out and give them back that percentage, it's not going to be a whole lot for those smaller campuses. Most of it's going to go to NDSU I would guess. So to throw the top off, it may throw off the base.
1A: 28.6 Rep. Nichols: I had a question for Laura as far as what they had done with regard to equity in the past, if it had always been out of funds above and beyond the salary pool. I know we did this a couple terms ago, and there was a proposal in the original budget to do that. Was it always out of additional funds above the salaries?
1A: 29.1 Laura Glatt: Yes.
1A: 29.2 Rep. Carlson: The driving question we've had since the day our committee took up the issue of the higher ed budget way back in January, was the question of equity. We've had everybody that feels they're below the line come to us. Their solution is two-fold: either redistribute the money a little bit, or give them a lot more money. Giving them a lot more money isn't an option. This is an attempt at creating an opportunity to give them some sort of equity. There are winners and losers, but we're attempting to bring it more to the line.
1A: 30.0 Sen. St. Aubyn: I don't disagree with a lot of this discussion, but we have a constitutionally provided board that's responsible for these campuses. We need to give them the authority to try to figure out what's in the best interest of the Board of Higher Education and try to figure out how to equitably distribute those funds. For us to categorically say how it's going to be distributed, I feel real uncomfortable. Equity is more than just the equity formulas. There may be a campus with an unusual circumstance such as a significant drop in enrollment. UND is a good example. They had a significant loss in tuition because of the flood. That's why I propose leaving some flexibility for the board to make some of those decisions.
1A: 31.3 Rep. Carlson: I'm not disagreeing with Sen. St. Aubyn. I don't want to decide where the money goes. I want to make sure there's a source of money. I think we need to give the board the tools. I agree there are special circumstances that shouldn't be legislated. In the case of 2% it's $3.6 million and it would do something toward the equity issue. It's at their discretion how to deal with that.
1A: 32.6 Sen. St. Aubyn: I guess I was confused because I thought you meant the top five would be getting it. That's the reason I was saying that there are other circumstances. Let's let the board decide those circumstances.
1A: 33.3 Rep. Carlson: I could buy into the whole system-wide thing, because there are other circumstances. But I do think that when you got all done that a lot of the equity things would go to the bottom four or five. If these studies are true, the money would mostly go there anyway. I want to target it to equity.
1A: 33.9 Sen. St. Aubyn: We have three pools at this point. We talked about merging those into one pool, actually two pools because of the technology pool, too. But there's the percentage reduction, plus the critical salary pool, and the restoration pool. We talked about merging those together and giving the board the flexibility to deal with equity and other special program needs with those funds. Is that your preference to lump them together, or do you want a specific pool?
1A: 34.9 Rep. Carlson: Rep. Wentz and I talked a little bit about this, and our consensus was that we would like to leave the critical salary pool stand by itself. That is a copy of what was done last time, where it was used only for critical salary needs of getting the right staff and keeping them.
1A: 35.3 Sen. St. Aubyn: Then the other two could possibly be lumped together?

1A: 35.5 Rep. Carlson: That would be my thought.
1A: 35.8 Sen. St. Aubyn: I would have no problems with that, but I would encourage flexibility for the board in there. We can work on the language. I wouldn't have a problem with having the critical salary pool as a dedicated pool. I don't know what the rest of the Senators think.
1A: 36.5 Sen. Krauter: I like the function whereby 98% goes directly to the campus and the other 2% is pooled with the restoration line. If we can get the wording so it's defined that we address the equity issues, I'm concerned that we're really addressing those bottom four. But if the board knows that the intent of the legislature is to really work hard at it, then I'll be comfortable with that.
1A: 37.3 Rep. Carlson: In Section 17 of the bill, that "strongly encouraged" just doesn't seem to be the right words to me. I don't think it says it strong enough. I think "mandate" would be just wonderful. On one other issue I'd like to talk about today, in the bonding bills that went through we funded some things at NDSCS that were critical issues to them. That was removed by the Senate in the bonding bill. I think we should open discussion as long as the only other funding mechanism is this bill. I spoke against bonding for maintenance, so I thought it only fair that I bring it up for discussion.
1A: 38.9 Sen. St. Aubyn: We talked about the importance of doing that. Rep. Koppang and Sen. Thane have been talking to us at length about that. Our concern was that we didn't want to bond for maintenance. I visited with House and Senate majority leaders, and they basically indicated to me that we can go ahead and appropriate $2 million toward the steamline repairs and roofing replacement. They've given us an amendment from Rep. Koppang and Sen. Thane for doing that. I would offer it for discussion at this point. (Amendment 98003.0311). The amendment looks like it just talks about steamline repairs, but the intent was for flexibility that they could use those dollars within their priorities.
1A: 41.7 Sen. Bowman: We want to make sure they dedicate this toward that. I don't want them to use it on something else and say the steamlines can make it another year. We recognize that as their #1 priority for maintenance.
1A: 43.0 Sen. St. Aubyn: In terms of the language I don't want to limit it to steamline repairs. It should be steamlines, roof, or electrical. Paul, wouldn't you just add this to their capital improvement line? We could put a section in that says the $2 million is dedicated for that.
1A: 43.7 Paul Kramer: Yes, the intent can be put in.
1A: 45.0 Rep. Carlson: Does that mean it goes in the critical repairs/capital improvements, with intent language that says what it's for?
1A: 45.2 Sen. St. Aubyn: Yes.
1A: 45.5 Rep. Carlson: If we could go back to the line System-wide Restoration Pool, I'd like further explanation from the Senate on that. I'm confused why $.178 came out of that.
1A: 46.1 Sen. St. Aubyn: We started out with $1.5 million. From that we funded some of the other items. What was left after we restored some of those other areas was $1.178 million. We funded the Skills Center, Schafer Hall at BSU.
1A: 47.3 Rep. Carlson: Where did the $1.5 million come from that you started with?
1A: 47.4 Sen. St. Aubyn: That was a leadership recommendation of what we could proceed with.
1A: 47.7 Rep. Wentz: Was there any discussion of using some of that money to restore part or all of that .5% reduction across the board?
1A: 48.0 Sen. St. Aubyn: We elected to have the board decide. There are some other reductions in the budget that we were not able to fully restore. If they felt the best option would be across the board, they could do that. We didn't know how we could determine where those restorations should be.
1A: 49.0 Sen. Bowman: We thought this would be the pool where you could come in and justify the $200,000 program at Bottineau and things like that. The board could prioritize whatever campus projects they think are important. It could be used for technology or whatever.
1A: 49.9 Sen. St. Aubyn: Because we do have inequities within the base to start with, the .5% sounds equitable but it really isn't. Again, that's up to the board to determine priorities.
1A: 50.8 Rep. Carlson: Two more clarifications. The $500,000 was reduced from the general fund side, right? That was a wash. It was just a different funding source from within the budget. The other was the utilities. Where did that reappear?
1A: 51.8 Sen. St. Aubyn: We redistributed in two areas. One was proportionately a restoration of the capital improvements that were removed, and proportionately the additional operating expenses that were removed. For

example NDSU and the UND Medical School had the additional operating expenses taken out over and above the .5%. $250,000 was restored back in the capital improvement area, and $304,323 in the operating expense.
1B: 1.0 Sen. St. Aubyn: At UND under the capital improvements $244,036 was taken out and we restored $154,831. At NDSU $150,000 was taken out and we restored $95,169. In the operating, at NDSU $250,000 was taken out and we restored $161,874. At UND Med School $220,000 was taken out and $142,449 was restored. So even after you've done that, the two schools still have a net reduction that the other schools did not have.
1B: 1.4 Rep. Carlson: Have the technology pools always been in the board office?

1B: 1.6 Paul Kramer: Last session was the first time. Previously they were at NDSU and UND.
1B: 1.7 Rep. Carlson: They've always been in the board office?
1B: 1.9 Sen. St. Aubyn: The board is trying to consolidate those functions out of the board office but yet they are still operated at the campuses. We're just maintaining the same system we're currently under. It's HECN, IVN, ODIN, the computer centers at UND and NDSU. That's not a change.
1B: 2.7 Sen. Bowman: That's going to be part of our study. The technology and how it all ties together. So we can get a handle on where the dollars actually go in technology.

The meeting was adjourned.

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

Appropriations Committee

❑ Conference Committee

Hearing Date April 10, 1999

Tape Number	Side A	Side B	Meter #
1		x	50.0-end
2	x		0-end
2		x	0-7.0
Committee Clerk Signature	Casey Davis		

Minutes:

HB 1003

Chairman Wentz opened the meeting on HB 1003.
1b: 50.4 Paul Kramer, Legislative Council: Go to the amendments first, and the spreadsheet shows you the numbers. The first pool is no longera salary and wages pool, it's now an equity and special needs pool. That is made up of $1.178 million, plus the 2% of the general fund base salaries, which is $3,602,322. All of the special fund salaries and the remaining 98% of the general funds was moved back to the individual institutions. The technology pool didn't change. The critical salary pool is now broken out separately. The rest of the numbers are going to be remaining exactly the same. We put $2 million into capital improvements at Wahpeton. The other change I included was Section 19. It talks about the legislative council study of tribal colleges. It hasn't been discussed here yet, but I put it in so that you don't forget to talk about it, as it was one of the things the Senate put in.
2a: 0.5 Rep. Wentz: Let's take the new set of amendments and go through the sections starting with section 13 and discuss them. Is there any objection to that?
2a: 0.7 Sen. St. Aubyn: We went through all those originally. The only thing different is Section 19.
2a: 0.9 Rep. Wentz: Maybe we can go through each section and eliminate the ones we are in agreement on. Section 13 is the Skills Training Center. Is there a consensus on that?
2a: 1.4 Rep. Carlson: That's puts it at $750,000 right?
2a: 1.5 Sen. St. Aubyn: No. The $750,000 is an appropriation.
2a: 1.6 Rep. Carlson: So this is the language that says we're not going to give them anymore money after this. The $250,000 puts them back to $750,000.
2a: 1.7 Sen. Krauter: It's important that it says in there that the money will only be used for renovation.
2a: 1.8 Rep. Wentz: I don't believe we had any discussion remaining on Section 14. Section 15, the technology pool. Rep. Carlson you wanted to spend some more time on that one.
2a: 2.0 Rep. Carlson: I'm still a little bit concerned about the amount of money. We never really did get to the bottom of it. I don't object to the pool, but if I understand it that pool of $21 million still leaves us about $14 million of projects around the system. We really didn't get much of a handle on it.
2a: 2.8 Sen. St. Aubyn: We have the same concerns. One of the things I feel a lot more comfortable about is that one of the amendments to SB 2043 tied the technology to the funding. When they submit their technology budget it will say specifically how that's tied together. When OMB decidese in preparation for the governor's budget, if they reduce that from their submittal, that will tell specifically what needs to be reduced from the technology plan. From there we would do the same thing. We'd go right to the technology plan and identify that. The other $14 million isn't projects per se, it's operational costs, equipment, etc. A lot of it is even computers within departments.

2a: 4.1 Rep. Nichols: Do all universities submit their plans and then at the board level they decide how things will be done, so it is coordinated? That's the reason for pooling and how do they go about doing that? Is that based on a plan put together by all the universities?
2a: 4.6 Sen. St. Aubyn: This is how it's currently funded with the technology pool. The idea is that the major parts of the technology system are not at the individual campuses. This is the HECN, ODIN, IVN, and the computer centers at NDSU and UND. Higher education wants a better handle on that.
2a: 5.0 Rep. Carlson: Which one is the State Library system that is going to be phased out and they need to look for a new one?
2a: 5.1 Sen. St. Aubyn: That's ODIN.
2a: 5.2 Rep. Carlson: So for now it'll still be in place. At our last meeting that was probably four years away yet.
2a: 5.4 Sen. St. Aubyn: It did not look like it was going to occur during the current biennium.
2a: 5.6 Rep. Carlson: The reason I bring it up is that at some point in time there will be a significant amount of money required for that.
2a: 5.9 Rep. Wentz: Section 16, the critical salary pool.
2a: 6.0 Sen. St. Aubyn: I don't think we were talking about the critical salary pool as being the equity thing. I think it was more to address critical salary issues within higher education. I don't know if the language should talk about equity.
2a: 6.6 Paul Kramer, Legislative Council: We could take out the words "equity funding", and then in the last three lines put in similar language to the governor's.
2a: 7.4 Rep. Carlson: I think that addresses what we talked about yesterday. When you talk about the $35 minimum and the 2&2 they don't always match. This gives them the opportunity to do some matching. I agree equity doesn't belong in there.
2a: 7.5 Rep. Wentz: Section 17, the Equity and Special Needs pool.
2a: 7.6 Rep. Carlson: I have some comments on that. I'd be interested to see what the response from the Senate will be. I have 2% of the general fund salary base pool, plus the $1.178 million restoration. The 2% is $3.602 million. I'm not comfortable with the $1.178 added in there as the restoration money. When we did our budget we took the .5% across, and that basically reinstated the .5%. When we looked at the budgets there were three or four campuses that had absolutely no reduction of any kind. One had an enhancement and the others had various levels of enhancement. I thought that was a logical way to take that across the board with the .5% in operating. I would prefer that $3.6 being the pool and remove that $1.178.
2a: 8.8 Sen. St. Aubyn: I would really resist that. There were some other reductions that were made that were not restored either. There were some reductions to the technology somewhere. There were other reductions made that have not been restored. We would have liked to restore everything, but we thought it best to leave it to the board to determine what is best in terms of restoration or other special needs. They gave us a priority, but all of a sudden the total dollars didn't cover it.
2a: 9.7 Rep. Carlson: That's true. Maybe there's a couple particular items that we should deal with, and then go with the .5% across the board for everybody else. I don't think it addresses equity at all if we leave the others in place. Overall in looking at the budgets we had lots of discussion about what level this funding should end up at. Should we end up at 8% increase, 5.9%, or 6.8%? But overall it was a significant increase for the system. I think the way we handled it with the .5% was equitable. To restore the $1.178 to the pool doesn't help those people that had things taken beyond the .5%. So if we need to review those let's review them. I think we've done some good work with these pools, and we just need to pick a number that everybody's happy with because we're all on board with the concept.
2a: 10.7 Rep. Wentz: I have a different opinion on that $1.178. I would like to see us go some distance toward restoring that .5% that we removed in the House. Rather than just remove the $1.178 from the restoration fund.
2a: 11.1 Sen. St. Aubyn: The discussion we've had up to this point shows exactly why I think it needs to be pooled. We all have our own opinions, but is it necessarily what the board would like. The more we take out of the pool, the less chance we have to adjust equity issues. I think it's been very apparent that there are some equity issues out there that need to be addressed. Certainly we could take the $1.178 and spread it across the offset the .5%, but it also means the inability to take those funds to help some of the institutions with equity and other special needs programs.
2a: 11.8 Rep. Wentz: When you say special needs, what particularly do you have in mind?
2a: 11.9 Sen. St. Aubyn: I have no idea. My point is based on the equity report that we got.

other funds to augment their budget that some of the larger campuses do. The equity study doesn't take that into account. That's why I'm thinking the .5% restoration would be the most equitable. Then all the campuses would get something back.
2a: 13.3 Sen. St. Aubyn: Maybe that's one of the issues they take into account when the board distributes the money. Some don't have that ability. We have a constitutionally provided board whose responsibility it is to administer higher education. I really feel we need to give them some of that authority.
2a: 13.6 Rep. Wentz: I would agree with you if I felt that past practice had demonstrated that concern, but I think we have very much a two tiered system in higher education. My concern is for the smaller campuses that I don't think have the same support that they should have, and the same encouragement. I don't think they are treated equitably.
2a: 14.3 Rep. Wentz: Let's come back to Section 17 after we ponder it for a bit. Section 18 is the Interim Study. Is there any concern there?
2a: 14.4 Rep. Carlson: Have we done that before or is that all new? Is that a Senate addition to the bill?
2a: 14.6 Sen. St. Aubyn: The last major study we had on all this was the Malon Commission during the 81-83 biennium. That was a little different than this.
2a: 15.5 Rep. Wentz: Section 19. That was the floor amendment and we haven't had it before us yet.
2a: 15.7 Sen. St. Aubyn: This was something that was offered to basically study the whole concept of the tribally controlled colleges in the state. We keep getting this every session, and we thought it was important to find out whether it is a state obligation to provide a grant program or not.
2a: 16.4 Rep. Wentz: Any comments on Section 19?
2a: 16.5 Rep. Carlson: The wording says "utility savings must be used for maintenance for capital projects expenditures". I'm confused about the wording because we took the money that was saved and we rerouted it into capital improvements and operating expenses at a couple campuses, right?
2a: 17.0 Sen. St. Aubyn: We built the budget based on average winters. If we have a milder winter they realize savings. Those dollars should be plugged back into maintenance.
2a: 18.3 Rep. Nichols: With regard to the capital project expenditures, would this be critical repair needs or things that we're way behind on?
2a: 18.1 Sen. St. Aubyn: Yes, it would be an addition to their existing maintenance and capital budgets. We're saying they can use those dollars for maintenance or capital improvements.
2a: 19.7 Rep. Wentz: Section 21, Land Board Distribution.
2a: 19.5 Sen. St. Aubyn: That was the language in several bills wherever the money has been distributed.
2a: 19.5 Rep. Wentz: Section 22 contains the language for the Midwestern Regional Higher Education compact.
2a: 19.6 Sen. St. Aubyn: Actually 22 and 23. 23 is actually the compact. 22 is a limiting factor that they may not include participation in the student exchange program under that.
2a: 19.9 Rep. Wentz: And Section 24 is the Emergency Clause.
2a: 20.0 Sen. St. Aubyn: That gives them a little bit more time to work on their capital improvements during the summer. They would start immediately on those.
2a: 20.1 Rep. Wentz: It appears from our discussion that we need some more discussion on the equity and special needs pools, Section 17.
2a: 21.8 Rep. Carlson: I like the concept, it's just a matter of figuring out what the right number is. We can argue over my school getting cut to much and yours didn't. We have to just kind of look at it and decide if the money is in the right place and what we should do with it. There's probably programs we didn't fund and should have. But we've got to make priorities and set them all down. I'm trying to decide if I'm comfortable with where we're going, and whether it's 2%, 2.5%, or 3%.
2a: 22.1 Sen. St. Aubyn: I could personally go along with the 2% pool as long as we're considering the $1.178 as part of that. I'd be willing to go the 2% with the restoration.
2a: 23.2 Rep. Wentz: Is the language adequate or satisfactory?
2a: 23.3 Rep. Carlson: I'd also feel better if someone could read to me the way it's going to sound when its amended.
2a: 23.5 Paul Kramer (Read the amendment with changes as discussed)
2a: 24.5 Sen. St. Aubyn: Paul, has there been language used before for critical salary pools?
2a: 24.6 Paul Kramer: Last session there was a pool of about $3.2 million and I don't recall if it was critical salary pool or market and equity pool.

2a: 25.0 Rep. Carlson: We added $2 million in the budget for maintenance and repairs at the science school. Didn't we want some intent language that the only thing they could use that money for was steamlines, roof repairs, I haven't seen that.
2a: 25.4 Sen. St. Aubyn: I believe that's in the explanation of the amendments.
2a: 25.5 Rep. Carlson: Is that clear enough or do we need to do more to that? I don't want them to come back with all the pictures next time and the same roofs are still leaking.
2a: 25.9 Sen. St. Aubyn: On page 17 of the amendments it's in the description. It really shows what the intent is.
2a: 26.3 Rep. Nichols: The $200,000 the House put in for MSU Bottineau was taken out by the Senate. I think to some extent Bottineau was forgotten when they put together any of the work retraining programs that were done. I'm just wondering if there's anything we should look at for some intent here, or is this something we shouldn't address?
2a: 27.3 Rep. Wentz: I think it's something we should address.
2a: 27.5 Sen. St. Aubyn: I go back to my original philosophy on this. Like any other new program we're going to start, that should be a process developed and a decision of the board. The process is pretty extensive to get approval. There are a lot of factors to be evaluated. I think it's a bad precedent for the legislature to circumvent that process and say we're going to do this one program. It would be saying that anyone who wants a new program and can't get it through the State Board of Higher Education could go through the legislature.
2a: 28.5 Rep. Wentz: We discussed it at length to. It is a program that is in process. They've made one appearance before the C-Tech committee, which is the first step. Because of a mixup of some kind they didn't proceed immediately with the paperwork that was necessary to move it on to the Board of Higher Education as quickly as it should have progressed. That is in process now. Should it be approved by the Board of Higher Education, then we would need money to fund it this biennium. Bottineau is a school that has not had any new initiative for 20 years. As Rep. Nichols mentioned, they were the one campus that was not included in the workforce training initiative. They did not even have someone on the board that put together this program. We felt there was justification there in singling out the Bottineau campus for some special recognition or initiative, because the other campuses have been singled out in the workforce training program, and they are going to get regular funding for that. I think Measure 1 had an extremely demoralizing effect on the Bottineau community, and there's nothing wrong with giving them a little help with a one time initiative. I feel strongly that Bottineau needs to be recognized in some way for all of those reasons. If the board has this special pool of funding that they can use for worthwhile new initiatives that's great. I would like some assurance though that Bottineau would be one of those that would be considered. I'm not willing to just trust.
2a: 30.7 Sen. Bowman: It seems to me that if that's your concern, then we need to say that all projects submitted to the board have to be looked at. If you go around management to get what you want, pretty soon it all breaks down. But if you're going to build confidence in the system, then you have to trust that the initiative is worthy to be presented in front of the board. Then the board has to look at it very seriously because of the need. The money is in there to satisfy the need if it is one of their priorities.
2a: 31.5 Rep. Wentz: I think the system went around Bottineau in the workforce training study.
2a: 31.6 Sen. Bowman: Was Bottineau part of the system though? Did they present their case to get involved, and were just rejected?
2a: 31.8 Rep. Wentz: There were never included. There was no representative from Bottineau that was on that statewide board that put together the initiative. There were representatives from the other four regions, or two year schools, but not Bottineau. There wasn't opportunity to put forth an argument for including the school or what they can do in the program. I've been told that Bottineau will play a role in it, but I remain skeptical. That was some of the rationale we used in the House.
2a: 32.5 Sen. St. Aubyn: I don't think there is a direct appropriation to the other four institutions you're talking about. There's no guarantee. It's not an ongoing thing. The only thing on that particular program was that they were going to be the hub's coordinating. That does not mean that other institutions would not be players in providing services.
2a: 33.4 Rep. Wentz: Exactly. But the fact that they were designated as one of the hubs involved in the planning process, and one institution was not, seems to say something to me. Something needs to be said in defense of that other institution. This seems a very small way to make a gesture of support.
2a: 34.1 Sen. St. Aubyn: What if the funding for the other one doesn't come through or the program stops, does that mean that Bottineau's initiative should stop? I really fail to see any similarity between these. I still feel very

strongly that there is funding for board initiatives at $3.2 million. If this program is a good program, the board is certainly going to analyze it and determine that there is merit in doing it.
2a: 34.9 Rep. Wentz: I'm not as trusting in that as you are.
2a: 35.1 Sen. Krauter: Maybe we need to look at something in these board initiatives as far as language that would give us some kind of legislative intent or consideration to the workforce training that's been done in the workforce training that's been done in the two year campuses, and identify other two year campuses that haven't received that.
2a: 35.8 Sen. St. Aubyn: I good portion of that, $1.3 or $1.4 million, was actually for the SAGE program, the computer program for administrative functions on the campus. That was a big chunk that was coming out of there.
2a: 39.5 Rep. Carlson: On the equity and special needs pool, we would be comfortable at the 2% and the $1.178 added into it, making the total $4,780,322. We would like to see some language in that pool that they address the program at Bottineau, then we would leave off the $200,000 for the Bottineau enhancement. I would like to see a reduction on the NDSU side. They had a $350,000 reduction in there for salaries and wages for vacant positions. I'd like that number to read $230,000. It did not merit having that kind of reduction plus taking 2% of their salaries for this pool.
2a: 43.0 Sen. St. Aubyn: So you're adding to the budget?
2a: 43.1 Rep. Carlson: Yes, I'm adding $120,000 to the budget. That's exactly what it would be.
2a: 43.2 Sen. Bowman: What are we accomplishing?
2a: 43.3 Rep. Carlson: If you talk about inequitable, what was done to the vacant FTEs was very inequitable. I'm not falling on my sword for this, but I don't think it was fair when we did it. In addition now we're taking 2% of the salaries for a pool which they may or may not get back.
2a: 44.0 Sen. St. Aubyn: I could do the same thing with the medical school. One position that was vacant and removed was a department chair, and they're in the process of hiring for that. The House made those reductions selectively, and now we're selectively picking one of them. That's part of the deal when we're pooling those dollars and the critical salaries. If the board wants to do those they have the authority to do it, but I'm uncomfortable doing it.
2a: 45.5 Rep. Carlson: I was uncomfortable about creating a restoration pool where you just pick $1.5 million to enhance back to the budget, and then spread it out over the system. The concept is no different. I'm willing to say that that is ok. You didn't like the .5% we did across the board, and you put $1.5 back in the pool. When we did our work there was some real disagreement about where those numbers should end up. I was not in agreement that one campus should be singled out when it has the same amount of FTEs as the next campus. One has 0, and one has $350,000 reduced. I'm saying we did it wrong in the House in the first place.
2a: 46.5 Sen. Bowman: They don't plan on filling the position at DSU?
2a: 47.0 Rep. Carlson: The position was saved, the funding was removed.
2a: 47.1 Sen. St. Aubyn: They'll need it. They are using the money for other people to fill in for Bill Goetz.
2a: 47.4 Rep. Carlson: This is a biennium old. There was a little difference there.
2a: 47.7 Sen. St. Aubyn: Going back to the 1.1, I can see Rep. Carlson's disagreement, but this is something that potentially could help all campuses. Your one restoration, that wasn't the only one that had cuts in the salary area, you're only helping one campus. I don't see that it's comparable.
2a: 48.3 Rep. Carlson: There were only two campuses that had anything done to them in operating - UND and NDSU. You chose to take money to restore those because they were inequitable. I feel that you should have gone up one more line on the sheet. There are five campuses out of eleven that even addressed FTEs.
2a: 49.1 Sen. St. Aubyn: When we restored the operating and the capital it was from internal funds. We took it from utilities. We did that consistently across the board and we tried to redistribute it to categories in the same area. We tried to help those two institutions that had cuts in operating over and above everyone else.
2a: 52.0 Sen. Krauter: If we're going to start picking out one campus to start putting dollars back it doesn't really sound that fair. I'm concerned that if we're going to put $120,000 back into one campus, then maybe we should take that $120,000 and proportionately put it back.
2b: 0.4 Rep. Wentz: What do we agree on?
2b: 0.6 Sen. St. Aubyn: I'm puzzled a little bit because every time we have a meeting I think we're pretty close, and then there's a new little wrinkle in it. So I'm not really sure now. I really object to that concept. As far as adding language that they shall consider the Bottineau project, I probably wouldn't have a problem with it if I saw the language. I have a real problem to mandate it. From what I understood on Dickinson State, they hire adjunct staff to

maintain the position. They are still using the funding. If we're going to restore the funding level we should do it across the board proportionately.
2b: 1.9 Rep. Carlson: I'm not in disagreement with you over singling out one. My point is that I said from the first day saying it was not equitable. I was not going to sit here and not try to make it more equitable as we went through the process.
2a: 2.1 Rep. Wentz: Rep. Carlson will you accept the fact that it probably is not going to be accepted by the committee?
2b: 2.2 Rep. Carlson: Unless Sen. St. Aubyn has a revelation.
2b: 2.3 Rep. Wentz: Can we accept Section 17 with the 2% in there?
2b: 2.5 Sen. St. Aubyn: I can. So we're actually going to have the technology pool, the critical salary pool, and the other pool for equity and special needs.
2b: 3.3 Rep. Wentz: Is the language ok in Section 17? Do we want to give them a bit more flexibility?
2b: 3.6 Rep. Carlson: I like the strong language there.
2b: 3.8 Rep. Wentz: Do we want to add anything to the language to give them some flexibility and also funding special system initiatives that might arrive?
2b: 4.0 Sen. St. Aubyn: I think the language is there because it talks about special academic program needs.
2b: 4.2 Rep. Wentz: Do you think that's broad enough?
2b: 4.4 Larry Isaak, Chancellor of NDUS: I think this special academic program needs is broad enough. We still have the initiative pool and the critical salary pool, so I think we can work with that.
2b: 5.0 Rep. Wentz: Sen. St. Aubyn, you are willing to look at language that would strongly encourage but not mandate the Bottineau project?
2b: 5.3 Sen. St. Aubyn: Yes. But if we limit it to Section 17 that means that it's the only funding source they could use. You'd be better off in the long run to leave it somewhere else so they're not limited to that. So if the board elects to use the board initiatives pools or this they still have the dollars available. You could even put it in there that they could use either pool.
2b: 6.0 Paul Kramer: What I would end up doing is adding a new section saying that either pool could be used for this.

The meeting was adjourned.

1999 CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. 1003

Appropriations Committee

❑ Conference Committee

Hearing Date April 12, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-35.0
Committee Clerk Signature	Casey Dair		

Minutes:

Chairman Wentz opened the meeting on HB 1003.
1a: 0.4 Paul Kramer, Legislative Council: The changes from the last set of amendments to this set are on page 6, Section 16, the critical salary pool. That is the section where we changed the wording so it is now market and equity. Section 17 we left in tact. Section 18 is a new section. It is the Minot State Bottineau technology initiative. What we put in there is that the Board of Higher Education is strongly encouraged to consider allocating $200,000 from either the equity and special needs pool or the board initiatives fund. Those are the only changes made to the last set of amendments.
1a: 1.2 Sen. St. Aubyn: On Section 16, it seems like it needs "for" market and equity.
1a: 1.3 Sen. Bowman: It reads real hard.
1a: 1.6 Paul Kramer: (Will change wording to make it more clear).
1a: 2.7 Sen. St. Aubyn: Laura Glatt had sent some amendments. Do you have those?
1a: 3.0 Rep. Carlson: It talks about the fact that the NDUS, the med school and the Forest Service should be excluded from that line basically. That was about $490,000.
1a: 3.5 Paul Kramer: They want to take the 2% for those three entities out of the pool and put it back into the three entities. If you do that we'll also need to change the reference in Section 17.
1a: 4.0 Rep. Carlson: Why would the Medical Center be out of that?
1a: 4.4 Sen. St. Aubyn: They are not on a specific formula budget that the others have adopted. They don't operate the same. They have a capped enrollment and a lot of other factors.
1a: 4.7 Rep. Wentz: Would that address your concern Laura?
1a: 4.8 Laura Glatt, NDUS: Yes it would, thank you.
1a: 4.9 Rep. Carlson: I have another question about Section 14. Maybe Sen. St. Aubyn could explain the language and what is meant by all that.
1a: 5.0 Sen. St. Aubyn: It was an amendment offered to the subcommittee working on this, basically asking the board to carefully look at accredited programs and to direct campuses offering similar programs to cooperate jointly in offering them. Accreditation is very expensive to attain, and once you attain it you have to maintain it.
1a: 6.0 Rep. Carlson: My concern is that NDSU in the last several years has been looking at a business program. I'm not sure if I'm in favor or against that, but I want to know if the language limits them from exploring the concept. I think it limits them. If you think NDSU wants to have an extension of UND's business school, I think we're all kidding ourselves that it would happen. I don't disagree with the concept, but it's so broad that if a growing college wants to do something it's not good language. I read it as being restrictive for a growing college to continue to grow.

1a: 6.8 Sen. St. Aubyn: It really doesn't. All it asks them to do is to consider all the factors in going for an accredited program. It's not saying that they can't. It doesn't limit them in any way, shape, or form. Actually the Chancellor reviewed this and made several changes to it.
1a: 7.4 Rep. Nichols: Do they have a standard procedure they look at with regard to these types of things? I would think they'd have some type of procedure right now.
1a: 7.7 Laura Glatt: When a campus submits a new program request to the board, there are a number of areas they must respond to in their proposal including cost, compatability, quality, enrollment. One of the central questions is whether there is another institution offering the program. We have a matrix whereby if another institution is offering the program, we ask the campus to look at whether or not they can jointly offer it. If they give a documented set of reasons why it is not feasible, then we go on to the next step of seriously considering allowing them to start the program.
1a: 10.0 Rep. Carlson: I'm not in favor of proliferating a bunch of programs around the state.
1a: 10.7 Rep. Wentz: Paul, could you tell me the dollars in the critical salary pool and the equity and special needs pool?
1a: 10.8 Paul Kramer: The critical salary pool is $2,230,092. The equity and special needs pool is $4,780,322. That's the one that will be reduced with the funds sent back to the three entities.
1a: 11.9 Rep. Carlson: A large chunk of that has gone to SAGE?
1a: 12.1 Laura Glatt: We are going to have to invest in our current system. We would take the $1.5 million and invest it in the current system. That money essentially isn't available for other initiatives.
1a: 12.7 Sen. St. Aubyn: I was under the understanding that we were going to start part of SAGE with the $1.5 million. How are we ever going to get to $22 million for SAGE?
1a: 13.0 Laura Glatt: Our opinion is that it's not going to happen any time soon. The dilemma we have is that we have a highly integrated system right now. That makes replacement very difficult. You have to replace the whole thing at once. A scale-down approach is not viable. A phase-in approach is not viable. We're really concerned about the reliability of the program.
1a: 14.8 Sen. Bowman: If you recognize that you're not going to be able to go along with this program, isn't it in your budget for technology to service those areas? Or were you counting on getting the $1 million from this new program to put in there? How did you come up with that to begin with? If you know you're going to have to fix something that should be in your ongoing technology budget.
1a: 15.4 Laura Glatt: In the budget request we requested the $1.5 million that we had saved, and a general fund appropriation of $6.5 million. That project would be funded over the next 4 bienniums. The executive recommendation didn't fund the $6.5 in general funds. All we have is the $1.5 we saved on our own.
1a: 17.6 Sen. Bowman: Do you have an analysis of where the $1.5 million is going to go? That seems like quite a lot of money to patch a couple of computers or programs or whatever you have to fix.
1a: 18.0 Laura Glatt: We do have the fundamental reliability problem. The other thing we need to address is that our current system was developed years ago. We don't have the ability for our students to gain access to our information system. A student that wants to go out on the web and register can't. They cannot go on the web and get their grades. That's what they want. Especially those students that never set foot on the campus.
1a: 20.1 Sen. Krauter: The part that gets frustrating is when you see board initiatives you think it's new things. Now you find out that out of the $2.2 million, $1.5 is basically for maintenance of computer technology. So should that be in board initiatives or operating.
1a: 20.5 Sen. St. Aubyn: I concur with what Sen. Krauter said to a degree. That was really a modification from what they submitted. The governor captured those dollars and said they were to use for board initiatives.
1a: 21.1 Sen. Krauter: The frustration is that it went through the Senate chamber and we didn't catch it. We could've made the change. It went through the House chamber and it didn't happen. Now all of a sudden we realize that the $2.2 is really only $700,000. I understand what the governor and the board did, but it's frustrating as we come to the conference committee.
1a: 22.8 Sen. St. Aubyn: I would move that the Senate recede from its amendments, and amend with these conference committee amendments, including the changes we suggested on Section 16 and the adjustments on the equity and special needs pool.
1a: 23.0 Rep. Carlson: Second.
1a: 26.1 Rep. Carlson: In Section 17 we need to make sure we all understand what the pool will be used for. Do we need a broad definition?

1a: 36.9 Sen. St. Aubyn: They're going to need the flexibility.
1a: 30.5 Sen. Bowman: They would have the flexibility with this to look at equity *and* special programs, right?
1a: 30.7 Laura Glatt: Yes. The broader interpretation would allow that.
1a: 32.1 Rep. Carlson: I'm ok with that.
1a: 32.5 A roll call vote was taken and the motion carried unanimously.

98003.0314
Title. 0600

Prepared by the Legislative Council staff for
Conference Committee
April 12, 1999

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1169-1183 and 1271 and 1272 of the House Journal and pages 1009-1022 and 1034 and 1035 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after "system" insert "; to provide for legislative council studies; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

Equity and special needs pool	$4,290,128
Technology pool	21,948,467
Critical salary pool	2,630,992
General fund appropriation	$28,869,587

Subdivision 2.
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Salaries and wages	$2,194,131
Operating expenses	760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	2,296,000
Total operating funds	$16,283,204
Less estimated income	4,933,900
General fund appropriation	$11,349,304

Subdivision 3.
BISMARCK STATE COLLEGE

Salaries and wages	$16,406,677
Operating expenses	4,893,212
Equipment	367,187
Capital improvements	958,835
Total operating funds	$22,625,911
Less estimated income	7,789,776
General fund appropriation	$14,836,135
Local funds appropriation	$11,370,000
Total all funds appropriation	$33,995,911

Subdivision 4.
UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Salaries and wages	$4,374,197
Operating expenses	1,338,042
Equipment	150,338
Capital improvements	1,094,318
Total operating funds	$6,956,895
Less estimated income	1,948,806
General fund appropriation	$5,008,089
Local funds appropriation	$6,403,766
Total all funds appropriation	$13,360,661

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA - WILLISTON

Salaries and wages	$5,280,022
Operating expenses	1,521,116
Equipment	249,596
Capital improvements	88,790
Total operating funds	$7,139,524
Less estimated income	2,300,265
General fund appropriation	$4,839,259
Local funds appropriation	$1,653,000
Total all funds appropriation	$8,792,524

Subdivision 6.

UNIVERSITY OF NORTH DAKOTA

Salaries and wages	$98,902,879
Operating expenses	27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	1,462,223
Total operating funds	$134,457,784
Less estimated income	52,633,093
General fund appropriation	$81,824,691
Local funds appropriation	$282,733,609
Total all funds appropriation	$417,191,393

Subdivision 7.

NORTH DAKOTA STATE UNIVERSITY

Salaries and wages	$85,829,387
Operating expenses	21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	1,535,000
Total operating funds	$119,461,233
Less estimated income	55,903,914
General fund appropriation	$63,557,319
Local funds appropriation	$111,620,179
Total all funds appropriation	$231,081,412

Subdivision 8.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Salaries and wages	$23,706,342
Operating expenses	6,605,363
Equipment	1,494,368
Capital improvements	2,635,885
Total operating funds	$34,441,958
Less estimated income	9,485,836
General fund appropriation	$24,956,122
Local funds appropriation	$15,580,000
Total all funds appropriation	$50,021,958

Subdivision 9.

DICKINSON STATE UNIVERSITY

Salaries and wages	$14,074,351
Operating expenses	4,074,962
Equipment	390,000
Capital improvements	693,962
Total operating funds	$19,233,275
Less estimated income	6,146,576
General fund appropriation	$13,086,699
Local funds appropriation	$8,221,397
Total all funds appropriation	$27,454,672

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Salaries and wages	$8,142,255
Operating expenses	2,211,150
Equipment	170,500
Capital improvements	931,671
Total operating funds	$11,455,576
Less estimated income	2,908,718
General fund appropriation	$8,546,858
Local funds appropriation	$7,400,000
Total all funds appropriation	$18,855,576

Subdivision 11.

MINOT STATE UNIVERSITY

Salaries and wages	$28,733,664
Operating expenses	6,043,525
Equipment	917,929
Capital improvements	1,050,466
Total operating funds	$36,745,584
Less estimated income	11,501,851
General fund appropriation	$25,243,733
Local funds appropriation	$19,003,936
Total all funds appropriation	$55,749,520

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Salaries and wages	$11,009,411
Operating expenses	2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	68,714
Total operating funds	$15,355,309
Less estimated income	3,893,786
General fund appropriation	$11,461,523
Local funds appropriation	$8,820,000
Total all funds appropriation	$24,175,309

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Salaries and wages	$3,930,059
Operating expenses	1,063,035
Equipment	147,500
Capital improvements	218,130
Total operating funds	$5,358,724
Less estimated income	1,424,817
General fund appropriation	$3,933,907

Local funds appropriation	$2,124,426
Total all funds appropriation	$7,483,150

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Salaries and wages	$1,770,118
Operating expenses	423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	147,486
Total operating funds	$2,485,757
Less estimated income	859,006
General fund appropriation	$1,626,751
Local funds appropriation	$1,336,082
Total all funds appropriation	$3,821,839

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Salaries and wages	$32,021,200
Operating expenses	7,502,327
Equipment	547,915
Total operating funds	$40,071,442
Less estimated income	10,812,782
General fund appropriation	$29,258,660
Local funds appropriation	$47,592,145
Total all funds appropriation	$87,663,587
Grand total general fund appropriation H.B. 1003	$328,398,637
Grand total estimated income appropriation H.B. 1003	$172,543,126
Grand total local funds appropriation H.B. 1003	$523,858,540
Grand total all funds appropriation H.B. 1003	$1,024,800,303"

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 31

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "**FUNDS**" with "**FUND APPROPRIATIONS**"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of $200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of $495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in

subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. CRITICAL SALARY POOL. The critical salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the critical salary pool in subdivision 1 of section 1, the state board of higher education shall allocate funds to address additional salary increases beyond legislative appropriations, for market and equity issues.

SECTION 17. EQUITY AND SPECIAL NEEDS POOL. The equity and special needs pool in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 3 through 13 of section 1 as determined by the board of higher education. When making allocations from the equity and special needs pool in subdivision 1 of section 1, the board of higher education shall allocate the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. MINOT STATE UNIVERSITY - BOTTINEAU INFORMATION TECHNOLOGY INITIATIVE. The board of higher education is strongly encouraged to consider allocating $200,000 from either the equity and special needs pool or the board initiatives funding to Minot state university - Bottineau for Minot state university - Bottineau's information technology initiative.

SECTION 19. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 20. LEGISLATIVE COUNCIL STUDY - TRIBAL COLLEGES. The legislative council shall consider studying the tribally controlled colleges in this state and the United Tribes technical college, including a review of funding sources and the number of Indian and non-Indian students attending each college, for the purpose of determining the desirability and feasibility of a grant program to assist the colleges in providing education to students who are less than one-quarter Indian. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 21. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 22. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 23. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 24 of this Act, it is the intent of the fifty-sixth legislative assembly that during the

1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 19 of this Act.

SECTION 24. A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.

4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.

5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.

6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.

2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.

3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.

4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.

6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.

8. The commission may establish and maintain offices in one or more of the compacting states.

9. The commission may establish committees and hire staff as necessary to carry out its functions.

10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.

2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.

3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.

2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.

4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.

2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.

3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:

a. The governor or the governor's designee.

b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.

c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.

2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.

3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 25. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

and the SKills training center line item contained in subdivision 7 of Section 1 of this Act

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

CONFERENCE COMMITTEE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231
Conference Committee changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the critical salary pool	2,630,992	(2,630,992)				
Funding transferred to the systemwide equity and special needs pool	3,112,128		(185,039)	(59,600)	(60,811)	(944,281)
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						(141,022)
Total Conference Committee changes	$28,869,587	($2,430,992)	($140,740)	($62,041)	($80,587)	($13,657,540)
Conference Committee version (general fund)	$28,869,587	$11,349,304	$14,836,135	$5,008,089	$4,839,259	$81,824,691

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
House changes	1,331,066	649,764	215,047	223,528	748,976	262,372
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool	(754,346)	(290,214)	($161,791)	(106,807)	($351,670)	($145,217)
Add funding for electrical distribution, steamline distribution, and roof replacement projects		2,000,000				
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Conference Committee changes	($10,175,479)	$1,624,328	($167,641)	($138,336)	($357,520)	($172,416)
Conference Committee version (general fund)	$63,557,319	$24,956,122	$13,086,699	$8,546,858	$25,243,733	$11,461,523

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes	319,477	53,203	892,349	(7,521,080)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Conference Committee changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error				
Utility reductions				(554,323)
Remove information technology initiative added by the House	($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			$142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide equity and special needs pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the critical salary pool				
Funding transferred to the systemwide equity and special needs pool	(52,352)			
Add funding for electrical distribution, steamline distribution, and roof replacement projects				2,000,000
Funding source change for increased land department revenue distributions	(5,850)			(505,130)
Total Conference Committee changes	($258,202)		$142,449	$2,994,870
Conference Committee version (general fund)	$3,933,907	$1,626,751	$29,258,660	$328,398,637

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$4,933,900	$7,789,776	$1,948,806	$2,300,265	$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool						
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool						
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						141,022
Total Conference Committee changes	$0	$0	$0	$0	$0	$141,022
Conference Committee version (other funds)	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,366,702

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool						
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool						
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Conference Committee changes	$205,774	$83,094	$5,850	$30,491	$5,850	$27,199
Conference Committee version (other funds)	$167,524,093	$25,065,836	$14,367,973	$10,308,718	$30,505,787	$12,713,786

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes	2,152,561	1,336,082	(545,582)	469,747,452
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Conference Committee changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			($521,503)	($521,503)
Utility reductions				
Remove information technology initiative added by the House	($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Restore all of the Skills Center funding removed by the House				
Provide for a systemwide equity and special needs pool				
Funding transferred to the system technology pool				
Funding transferred to the critical salary pool				
Funding transferred to the systemwide equity and special needs pool				
Add funding for electrical distribution, steamline distribution, and roof replacement projects				
Funding source change for increased land department revenue distributions	5,850			505,130
Total Conference Committee changes	($22,285)	$0	($521,503)	($44,508)
Conference Committee version (other funds)	$3,549,243	$2,195,088	$58,404,927	$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873
House changes		(15,076,229)	11,834,155	6,523,865	1,801,684	280,860,038
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911
Conference Committee changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the critical salary pool	2,630,992	(2,630,992)				
Funding transferred to the systemwide equity and special needs pool	3,112,128		(185,039)	(59,600)	(60,811)	(944,281)
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						
Total Conference Committee changes	$28,869,587	($2,430,992)	($140,740)	($62,041)	($80,587)	($13,516,518)
Conference Committee version (total funds)	$28,869,587	$16,283,204	$33,995,911	$13,360,661	$8,792,524	$417,191,393

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool	(754,346)	(290,214)	(161,791)	(106,807)	(351,670)	(145,217)
Add funding for electrical distribution, steamline distribution, and roof replacement projects		2,000,000				
Funding source change for increased land department revenue distributions						
Total Conference Committee changes	($9,969,705)	$1,707,422	($161,791)	($107,845)	($351,670)	($145,217)
Conference Committee version (total funds)	$231,081,412	$50,021,958	$27,454,672	$18,855,576	$55,749,520	$24,175,309

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
House changes	2,472,038	1,389,285	346,767	462,226,372
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Conference Committee changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			($521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide equity and special needs pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the critical salary pool				
Funding transferred to the systemwide equity and special needs pool	(52,352)			
Add funding for electrical distribution, steamline distribution, and roof replacement projects				2,000,000
Funding source change for increased land department revenue distributions				
Total Conference Committee changes	($280,487)		($379,054)	$2,950,362
Conference Committee version (total funds)	$7,483,150	$3,821,839	$87,663,587	$1,024,800,303

This amendment also:

- Adds a section providing that funding for the NDSU/NDSCS Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.

- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.

- Adds sections providing directive regarding the allocations to be made from the technology pool, equity and special needs pool, and the critical salary pool.

- Adds a section encouraging the Board of Higher Education to allocate $200,000 from either the equity and special needs pool or the board initiatives funding to Minot State University - Bottineau for its information technology initiative.

- Adds a section providing for a Legislative Council study of the funding of higher education.
- Adds a section providing for a Legislative Council study of tribally controlled colleges.
- Adds a section directing that any utility savings be used for repair or maintenance items.
- Adds a section providing for additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

Date: 4-12-99
Roll Call Vote #: 1

1999 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 0

Action Taken Senate recede and amend w/0313 including lang. changes discussed

Motion Made By Sen. St. Aubyn Seconded By Rep. Carlson

Representatives	Yes	No	Senators	Yes	No
WENTZ	X		ST. AUBYN	X	
CARLSON	X		BOWMAN	X	
NICHOLS	X		KRAUTER	X	

Reps. (Yes) 3 No 0

Sen. (Yes) 3 (No) 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Code, relating to the supervision of probationers and sentencing for drug offenses; to provide an effective date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 43 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; St. Aubyn; Stenehjem, W.; Tallackson; Thane; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: Bowman; Mutch; Solberg; Stenehjem, B.; Thompson

ABSENT AND NOT VOTING: Bercier

Engrossed HB 1016, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

.....

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2008, SB 2180, SB 2188, SB 2307, SB 2410.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1016.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1022.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2009.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2020: Reps. Monson; Boehm; Aarsvold

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has appointed Rep. Dalrymple to replace Rep. Monson on the Conference Committee on SB 2020.

MOTION

SEN. ST. AUBYN MOVED that the Senate stand in recess until 5:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Myrdal presiding.

REPORT OF CONFERENCE COMMITTEE

HB 1475, as engrossed: Your conference committee (Sens. G. Nelson, Nething, Tallackson and Reps. Dorso, Dalrymple, Aarsvold) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 1187, adopt further amendments as follows, and place HB 1475 on the Seventh order:

That the House accede to the Senate amendments as printed on page 1187 of the House Journal and pages 1053 and 1054 of the Senate Journal and that Engrossed House Bill No. 1475 be further amended as follows:

Page 1, line 12, replace "shall" with "must" and replace "appropriated" with "allocated"

Page 1, line 13, remove "for purposes only"

Page 1, line 23, replace "resources" with "water development"

Page 2, after line 2, insert:

"Notwithstanding the provisions of this section, during each biennium transfers that would be made to the common schools trust fund under subsection 2 must instead be transferred to the water development trust fund until the state water commission certifies to the state treasurer that deposits in the water development trust fund during that biennium are sufficient to pay the principal and interest for that biennium on bonds authorized under section 61-02.1-01. When that certification is received, the state treasurer shall determine the amount deposited in the water development trust fund during that biennium and transfers that would be made to the water development trust fund under subsection 3 must instead be transferred to the common schools trust fund until deposits in the common schools trust fund during that biennium are equal to the amount deposited in the water development trust fund during that biennium or until the end of the biennium, whichever occurs first."

Renumber accordingly

Engrossed HB 1475 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SEN. G. NELSON MOVED that the conference committee report on Engrossed HB 1475 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1475, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1475: A BILL for an Act to provide for allocation of funds from settlements with tobacco product manufacturers; to create and enact a new subsection to section 54-44-04 of the North Dakota Century Code, relating to monitoring tobacco product manufacturers settlement funds by the office of management and budget; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 1 NAY, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: Stenehjem, B.

ABSENT AND NOT VOTING: Bercier

Engrossed HB 1475, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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REPORT OF CONFERENCE COMMITTEE

HB 1003, as engrossed: Your conference committee (Sens. St. Aubyn, Bowman, Krauter and Reps. Wentz, Carlson, Nichols) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1169-1183 and pages 1271-1272, adopt amendments as follows, and place HB 1003 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1169-1183 and 1271 and 1272 of the House Journal and pages 1009-1022 and 1034 and 1035 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after "system" insert "; to provide for legislative council studies; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

Equity and special needs pool	$4,290,128
Technology pool	21,948,467
Critical salary pool	2,630,992
General fund appropriation	$28,869,587

Subdivision 2.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Salaries and wages	$2,194,131
Operating expenses	760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	2,296,000
Total operating funds	$16,283,204
Less estimated income	4,933,900
General fund appropriation	$11,349,304

Subdivision 3.

BISMARCK STATE COLLEGE

Salaries and wages	$16,406,677
Operating expenses	4,893,212
Equipment	367,187
Capital improvements	958,835
Total operating funds	$22,625,911
Less estimated income	7,789,776
General fund appropriation	$14,836,135
Local funds appropriation	$11,370,000
Total all funds appropriation	$33,995,911

Subdivision 4.

UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Salaries and wages	$4,374,197
Operating expenses	1,338,042
Equipment	150,338
Capital improvements	1,094,318
Total operating funds	$6,956,895
Less estimated income	1,948,806
General fund appropriation	$5,008,089
Local funds appropriation	$6,403,766
Total all funds appropriation	$13,360,661

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA - WILLISTON

Salaries and wages	$5,280,022
Operating expenses	1,521,116
Equipment	249,596
Capital improvements	88,790
Total operating funds	$7,139,524
Less estimated income	2,300,265
General fund appropriation	$4,839,259
Local funds appropriation	$1,653,000
Total all funds appropriation	$8,792,524

Subdivision 6.

UNIVERSITY OF NORTH DAKOTA

Salaries and wages	$98,902,879
Operating expenses	27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	1,462,223
Total operating funds	$134,457,784
Less estimated income	52,633,093
General fund appropriation	$81,824,691
Local funds appropriation	$282,733,609
Total all funds appropriation	$417,191,393

Subdivision 7.

NORTH DAKOTA STATE UNIVERSITY

Salaries and wages	$85,829,387
Operating expenses	21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	1,535,000
Total operating funds	$119,461,233
Less estimated income	55,903,914
General fund appropriation	$63,557,319
Local funds appropriation	$111,620,179
Total all funds appropriation	$231,081,412

Subdivision 8.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Salaries and wages	$23,706,342
Operating expenses	6,605,363
Equipment	1,494,368
Capital improvements	2,635,885
Total operating funds	$34,441,958
Less estimated income	9,485,836
General fund appropriation	$24,956,122
Local funds appropriation	$15,580,000
Total all funds appropriation	$50,021,958

Subdivision 9.

DICKINSON STATE UNIVERSITY

Salaries and wages	$14,074,351
Operating expenses	4,074,962
Equipment	390,000
Capital improvements	693,962
Total operating funds	$19,233,275
Less estimated income	6,146,576
General fund appropriation	$13,086,699
Local funds appropriation	$8,221,397
Total all funds appropriation	$27,454,672

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Salaries and wages	$8,142,255
Operating expenses	2,211,150
Equipment	170,500
Capital improvements	931,671
Total operating funds	$11,455,576
Less estimated income	2,908,718
General fund appropriation	$8,546,858
Local funds appropriation	$7,400,000
Total all funds appropriation	$18,855,576

Subdivision 11.

MINOT STATE UNIVERSITY

Salaries and wages	$28,733,664
Operating expenses	6,043,525
Equipment	917,929
Capital improvements	1,050,466
Total operating funds	$36,745,584
Less estimated income	11,501,851
General fund appropriation	$25,243,733
Local funds appropriation	$19,003,936
Total all funds appropriation	$55,749,520

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Salaries and wages	$11,009,411
Operating expenses	2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	68,714
Total operating funds	$15,355,309
Less estimated income	3,893,786
General fund appropriation	$11,461,523
Local funds appropriation	$8,820,000
Total all funds appropriation	$24,175,309

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Salaries and wages	$3,930,059
Operating expenses	1,063,035
Equipment	147,500
Capital improvements	218,130
Total operating funds	$5,358,724
Less estimated income	1,424,817
General fund appropriation	$3,933,907
Local funds appropriation	$2,124,426
Total all funds appropriation	$7,483,150

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Salaries and wages	$1,770,118
Operating expenses	423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	147,486
Total operating funds	$2,485,757
Less estimated income	859,006
General fund appropriation	$1,626,751
Local funds appropriation	$1,336,082
Total all funds appropriation	$3,821,839

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Salaries and wages	$32,021,200
Operating expenses	7,502,327
Equipment	547,915
Total operating funds	$40,071,442
Less estimated income	10,812,782
General fund appropriation	$29,258,660
Local funds appropriation	$47,592,145
Total all funds appropriation	$87,663,587
Grand total general fund appropriation H.B. 1003	$328,398,637
Grand total estimated income appropriation H.B. 1003	$172,543,126
Grand total local funds appropriation H.B. 1003	$523,858,540
Grand total all funds appropriation H.B. 1003	$1,024,800,303"

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 31

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "FUNDS" with "FUND APPROPRIATIONS"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of $200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of $495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. CRITICAL SALARY POOL. The critical salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the critical salary pool in subdivision 1 of section 1, the state board of higher education shall allocate funds to address additional salary increases beyond legislative appropriations, for market and equity issues.

SECTION 17. EQUITY AND SPECIAL NEEDS POOL. The equity and special needs pool in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 3 through 13 of section 1 as determined by the board of higher education. When making allocations from the equity and special needs pool in subdivision 1 of section 1, the board of higher education shall allocate the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. MINOT STATE UNIVERSITY - BOTTINEAU INFORMATION TECHNOLOGY INITIATIVE. The board of higher education is strongly encouraged to consider allocating $200,000 from either the equity and special needs pool or the board initiatives funding to Minot state university - Bottineau for Minot state university - Bottineau's information technology initiative.

SECTION 19. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 20. LEGISLATIVE COUNCIL STUDY - TRIBAL COLLEGES. The legislative council shall consider studying the tribally controlled colleges in this state and the United Tribes technical college, including a review of funding sources and the number of Indian and non-Indian students attending each college, for the purpose of determining the desirability and feasibility of a grant program to assist the colleges in providing education to students who are less than one-quarter Indian. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 21. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 22. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 23. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 24 of this Act, it is the intent of the fifty-sixth legislative assembly that during the 1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 19 of this Act.

SECTION 24. A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.

4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.

5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.

6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.

2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.

3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.

4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.

6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate

agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.

8. The commission may establish and maintain offices in one or more of the compacting states.

9. The commission may establish committees and hire staff as necessary to carry out its functions.

10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.

2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.

3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.

2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission

pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.

4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.

2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.

3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:

   a. The governor or the governor's designee.

b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.

c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.

2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.

3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 25. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act and the skills training center line item contained in subdivision 7 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

CONFERENCE COMMITTEE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231
Conference Committee changes:						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						154,831
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the critical salary pool	2,630,992	(2,630,992)				
Funding transferred to the systemwide equity and special needs pool	3,112,128		(185,039)	(59,600)	(60,811)	(944,281)
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						(141,022)
Total Conference Committee changes	$28,869,587	($2,430,992)	($140,740)	($62,041)	($80,587)	($13,657,540)
Conference Committee version (general fund)	$28,869,587	$11,349,304	$14,836,135	$5,008,089	$4,839,259	$81,824,691

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
House changes	1,331,066	649,764	215,047	223,528	748,976	262,372
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool	(754,346)	(290,214)	($161,791)	(106,807)	($351,670)	($145,217)
Add funding for electrical distribution, steamline distribution, and roof replacement projects		2,000,000				
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Conference Committee changes	($10,175,479)	$1,624,328	($167,641)	($138,336)	($357,520)	($172,416)
Conference Committee version (general fund)	$63,557,319	$24,956,122	$13,086,699	$8,546,858	$25,243,733	$11,461,523

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes	319,477	53,203	892,349	(7,521,080)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Conference Committee changes:				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error				
Utility reductions				(554,323)
Remove information technology initiative added by the House	($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			$142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide equity and special needs pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the critical				

said						
Funding [illegible]ed to the systemwide equity and special needs pool	(52,352)					
Add funding for electrical distribution, steamline distribution, and roof replacement projects				2,000,000		
Funding source change for increased land department revenue distributions	(5,850)			(505,130)		
Total Conference Committee changes	($258,202)		$142,449	$2,994,870		
Conference Committee version (general fund)	$3,933,907	$1,626,751	$29,258,660	$328,398,637		

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$4,933,900	$7,789,776	$1,948,808	$2,300,265	$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool						
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool						
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						141,022
Total Conference Committee changes	$0	$0	$0	$0	$0	$141,022
Conference Committee version (other funds)	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,366,702

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587
Conference Committee changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool						
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool						
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Conference Committee changes	$205,774	$83,094	$5,850	$30,491	$5,850	$27,199
Conference Committee version (other funds)	$167,524,093	$25,065,836	$14,367,973	$10,308,718	$30,505,787	$12,713,786

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes	2,152,561	1,336,082	(545,582)	469,747,452
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Conference Committee changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			($521,503)	($521,503)
Utility reductions				
Remove information technology initiative added by the House	($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Restore all of the Skills Center funding removed by the House				
Provide for a systemwide equity and special needs pool				
Funding transferred to the system technology pool				
Funding transferred to the critical salary pool				
Funding transferred to the systemwide equity and special needs pool				
Add funding for electrical distribution, steamline distribution, and roof replacement projects				
Funding source change for increased land department revenue distributions	5,850			505,130
Total Conference Committee changes	($22,285)	$0	($521,503)	($44,508)
Conference Committee version (other funds)	$3,549,243	$2,195,088	$58,404,927	$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873
House changes		(15,076,229)	(11,834,155)	(6,523,865)	(1,801,684)	(280,860,038)
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911
Conference Committee changes						
Restore EPSCoR funding		$200,000				
Provide funding to complete Schafer Hall hallway renovation project			$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Restore all of the Skills Center funding removed by the House						
Provide for a systemwide equity and special needs pool	$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the critical salary pool	2,630,992	(2,630,992)				
Funding transferred to the systemwide equity and special needs pool	3,112,128		(185,039)	(59,600)	(60,811)	(944,281)
Add funding for electrical distribution, steamline distribution, and roof replacement projects						
Funding source change for increased land department revenue distributions						
Total Conference Committee changes	$28,869,587	($2,430,992)	($140,740)	($62,041)	($80,587)	($13,516,518)
Conference Committee version (total funds)	$28,869,587	$16,283,204	$33,995,911	$13,360,661	$8,792,524	$417,191,393

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526
Conference Committee changes						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	($65,450)	($2,364)		($1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Restore all of the Skills Center funding removed by the House	250,000					
Provide for a systemwide equity and special needs pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the critical salary pool						
Funding transferred to the systemwide equity and special needs pool	(754,346)	(290,214)	(161,791)	(106,807)	(351,670)	(145,217)
Add funding for electrical distribution, steamline distribution, and roof replacement projects		2,000,000				
Funding source change for increased land department revenue distributions						
Total Conference Committee changes	($9,969,705)	$1,707,422	($161,791)	($107,845)	($351,670)	($145,217)
Conference Committee version (total funds)	$231,081,412	$50,021,958	$27,454,672	$18,855,576	$55,749,520	$24,175,309

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
House changes	2,472,038	1,389,285	346,767	462,226,372
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Conference Committee changes				
Restore EPSCoR funding				$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			($521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Restore all of the Skills Center funding removed by the House				250,000
Provide for a systemwide equity and special needs pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the critical salary pool				
Funding transferred to the systemwide equity and special needs pool	(52,352)			
Add funding for electrical distribution, steamline distribution, and roof replacement projects				2,000,000
Funding source change for increased land department revenue distributions				
Total Conference Committee changes	($280,487)		($379,054)	$2,950,362
Conference Committee version (total funds)	$7,483,150	$3,821,839	$87,663,587	$1,024,800,303

This amendment also:

- Adds a section providing that funding for the NDSU/NDSCS Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.
- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.
- Adds sections providing directive regarding the allocations to be made from the technology pool, equity and special needs pool, and the critical salary pool.
- Adds a section encouraging the Board of Higher Education to allocate $200,000 from either the equity and special needs pool or the board initiatives funding to Minot State University - Bottineau for its information technology initiative.
- Adds a section providing for a Legislative Council study of the funding of higher education.

- a section providing for a Legislative Council study of tribally controlled colleges.
- Adds a section directing that any utility savings be used for repair or maintenance items.
- Adds a section providing for additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

Engrossed HB 1003 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SEN. ST. AUBYN MOVED that the conference committee report on Engrossed HB 1003 be adopted.

REQUEST

SEN. DEMERS REQUESTED a recorded roll call vote on the motion to adopt the conference committee report on Engrossed HB 1003, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed HB 1003, the roll was called and there were 32 YEAS, 16 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Kilzer; Kinnoin; Klein; Krebsbach; Lee; Lindaas; Lyson; Mutch; Naaden; Nelson, G.; Nething; O'Connell; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Tallackson; Thane; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: DeMers; Heitkamp; Holmberg; Kelsh; Krauter; Kringstad; Kroeplin; Mathern, D.; Mathern, T.; Mutzenberger; Nelson, C.; Redlin; Robinson; Stenehjem, W.; Thompson; Tomac

ABSENT AND NOT VOTING: Bercier

The conference committee report on Engrossed HB 1003 was adopted. Engrossed HB 1003, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1003: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for legislative council studies; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 48 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier

Engrossed HB 1003, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

.....

REPORT OF CONFERENCE COMMITTEE

HB 1038, as engrossed: Your conference committee (Sens. Kilzer, Thane, DeMers and Reps. Weisz, Dalrymple, Metcalf) recommends that the **SENATE RECEDE** from the

Senate amendments on HJ page 1120, adopt amendments as follows, and place HB 1038 on the Seventh order:

That the Senate recede from its amendments as printed on page 1120 of the House Journal and pages 699 and 700 of the Senate Journal and that Engrossed House Bill No. 1038 be amended as follows:

Page 1, line 5, replace "ambulance" with "prehospital emergency" and replace "assistance billings" with "services"

Page 1, line 6, replace "for appropriated funds" with "department of human services medical assistance reimbursement rates"

Page 1, line 11, remove the overstrike over "~~assist~~" and remove "offer services and financial"

Page 1, line 12, remove "assistance"

Page 1, line 13, after "~~branch~~" insert "department" and remove the overstrike over "~~and financially shall assist certain prehospital emergency medical~~"

Page 1, line 14, remove the overstrike over "~~services as determined by the~~", after "~~branch~~" insert "department", remove the overstrike over "~~in obtaining equipment~~", remove "department", remove the overstrike over "~~Assistance~~", and remove "No more"

Page 1, remove lines 15 and 16

Page 1, line 17, remove "and financial assistance"

Page 1, line 19, remove "services and financial"

Page 1, line 20, remove the overstrike over "~~To qualify for financial assistance for equipment, a prehospital~~"

Page 1, line 21, remove the overstrike over "~~emergency medical service shall certify, in the manner required by the~~", after "~~branch~~" insert "department", and remove the overstrike over the second overstruck comma

Page 1, remove the overstrike over line 22

Page 1, line 23, remove the overstrike over "~~acquisitions. The~~", after "~~branch~~" insert "department", and remove the overstrike over "~~shall adopt a schedule of eligibility for financial~~"

Page 1, remove the overstrike over line 24

Page 2, remove the overstrike over lines 1 through 4

Page 2, line 5, remove the overstrike over "~~financial assistance available for various classifications.~~"

Page 2, line 10, remove the overstrike over "~~No more than one-half of the funds~~"

Page 2, remove the overstrike over lines 11 and 12

Page 2, line 15, remove "**Medical assistance -**"

Page 2, remove lines 16 through 20

Page 2, line 21, remove "assessment. This"

Page 2, remove lines 27 through 31

Page 3, line 4, remove "and a total of $489,800, of"

Page 3, remove line 5

Page 3, line 6, remove "in 1999 Senate Bill No. 2012 for reimbursement of prehospital emergency medical services"

TESTIMONY

HB 1003

Economic Impact of the University System

Over $1.45 billion was generated for the state due to the University System's direct expenditures of $515 million during fiscal year 1996. This is based on a 2.8-multiplier effect. 15,699 spin-off jobs outside the campuses are created as a result of University System expenditures.

Number Employed in State Higher Education (October 1998)

Faculty - Permanent full and part-time..... 2,229

Staff..... 3,682

Total – Permanent full and part-time 5,911

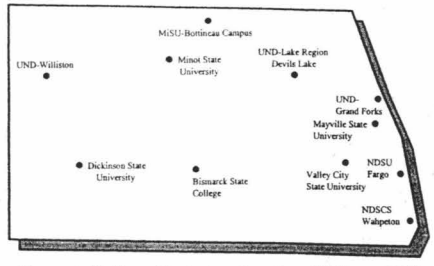
In addition, there are approximately 6,500 temporarily employed staff and students.

Buildings and Facilities

The North Dakota University System has more than 490 state-owned buildings on the campuses and research stations. The total value of these buildings and the related infrastructure such as parking lots and utility lines is $887 million. Student housing and dining facilities are valued at another $290 million.

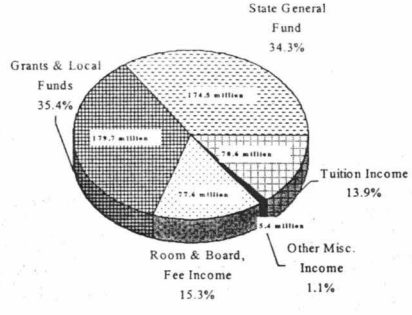
January 1999

Campuses and Research Stations

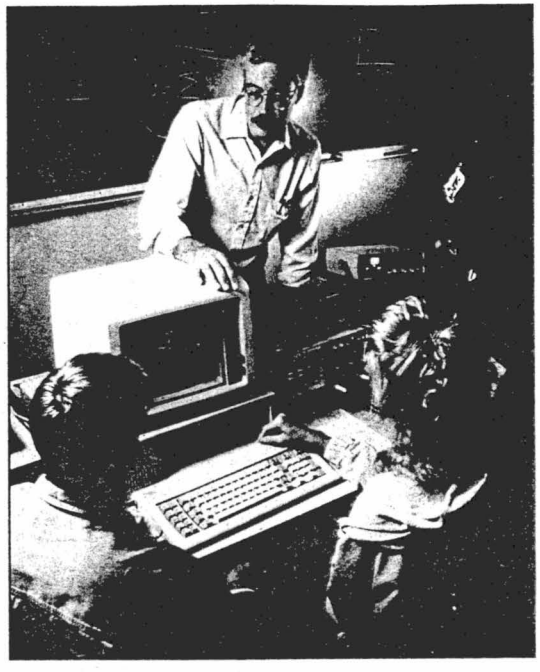


Research Stations: Carrington, Casselton, Dickinson, Hettinger, Langdon, Minot, Streeter, and Williston

1998-99 Annual Budget



Total Annual Budget = $507.8 million



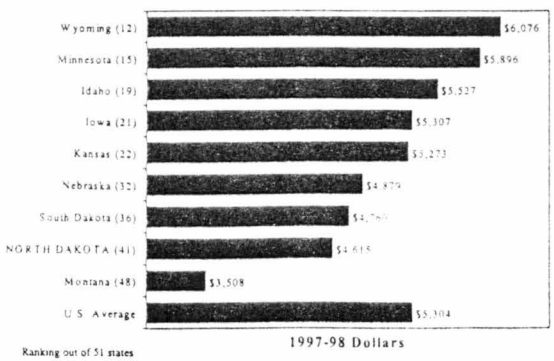
North Dakota University System

At a Glance

How North Dakota Compares 1997-98

	National Ranking (out of 51)	N.D.	U.S. Average
Students enrolled in public education per 1000 population	1	46.4	31.3
Number of high school graduates per 1000 population	3	13.2	9.7
Tuition and Fees collected per student	36	$2,146	$2,410
State funds per student	41	$4,615	$5,304

State Funding Per Student



Average Costs of Higher Education

1998-99 Academic Year	UND/ NDSU	MiSU	DSU/ MaSU/ VCSU	2-year
Annual tuition	$2,362	$1,960	$1,832	$1,552
Room and Board	$3,190	$2,531	$2,679	$2,563
Fees	$418	$281	$352*	$288
Average Books/ Supplies	$600	$600	$600	$600
Average Living Expenses	$2,600	$2,600	$2,600	$2,600

*Does not include $850 laptop computer fee at MaSU and VCSU

Students Enrolled Fall of 1998

Headcount on Campuses 33,692
Full-time ..... 26,764 *(79%)*
Part-time ..... 6,928 *(21%)*

Traditional age ..... 26,036 *(77%)*
(under 25 years of age)
Older than average ..... 7,595 *(23%)*
Age not available ..... 61 *(less than 1%)*

Continuing education enrollments – FY96 62,827
Total students served **96,519**

On-Line courses – Fall 1998 semester only 40
IVN courses offered 97-98 academic year 126

Financial Aid for Students

- Cost of education for NDUS students rose 35 percent from 1993-94 to 1997-98.
- The average student debt load range is between $10,000-$12,000. About 75% of North Dakota students will apply for some form of student financial aid to help defray the cost of their education.
- The State Grant Program assists more than 3,600 students annually with grants of $600 each. The ND Scholars Program provides scholarships annually to 131 students, and the Indian Scholarship Program gives scholarships annually to 140 students.

Academic and Vocational Programs

Programs currently offered 1997-98
Certificate, diploma, and associate 213
Bachelor's 316
Master's 104
Specialists 3
Doctoral 36
MD, JD, PharmD 3
Total **672**

Graduates

NDUS Program Completers by level of award, academic year 1997-98
One and Two-Year 2,600
Bachelor 4,762
Graduate 849
Professional 178
Total **8,389**

The number and percent of North Dakota residents retained in North Dakota after graduation is 2,860 or 61% based on 1995 graduates *(most current information available)*.

Jack Hoeven

Presentation to House Appropriations Committee
By Board of Higher Education President Jack Hoeven
January 11, 1998

Mr. Chairman and Members of the Committee:

Good morning. My name is Jack Hoeven and I am currently serving as the President of the State Board of Higher Education. I serve with eight other distinguished colleagues on the Board. I would ask them to stand as I read their names if they are present today. They are:

Paul Ebeltoft, Dickinson
Joe Peltier, Arthur
Jeanette Satrom, Vice President of SBHE, Oriska
Beverly Clayburgh, Grand Forks
Graig Caspers, Wahpeton
Bill Isaacson, Stanley
Jonothan Sickler, UND Student
Bethany Andreasen, Faculty representative, Minot State University

I appreciate the opportunity to appear before you today to thank you for your past support and to request your continued dedication to higher education in North Dakota. A recent funding report issued for 1997-98 shows that North Dakota continues to place a high priority on funding education. The recent national Financing Public Higher Education report shows an increase in per student funding from 1996-97 to 1997-98 elevating North Dakota's national ranking from 44th to 41st during that one year period. Your efforts during the last session has helped to slow the long-term erosion in purchasing power that the NDUS has been experiencing for the last twenty years when inflation is taken into account. I believe that the 1999-01 budget presented by the Governor provides a good basis for continued recovery efforts. More about the budget later. For now I want to focus on our efforts during the last two years.

Since you last met, the faculty, staff and administration on the NDUS campuses have been engaged in many activities to improve post-secondary educational opportunities in North Dakota. Even though there have been controversies during the past two years, let me assure you that the vast majority of effort on our campuses is focused on providing learning, research and service. This is as it should be. Again, the vast majority of students, faculty and staff of the University System are hard working and dedicated. Therefore, the Board is committed to providing a positive work environment for these efforts to continue. The actions of the Board, Governor, and Legislature are important in creating the type of work environment that will retain and recruit students, faculty and staff. Students, faculty and staff view our actions in making life-changing decisions.

During this past biennium, the Board, as required by law, developed a six-year strategic plan for the University System. Thereafter, each campus prepared its own specific strategies for accomplishing the goals set forth in the Systemwide strategic plan. This was a huge effort. Over two hundred specific system-wide and campus strategies are being worked on as a result of this planning effort. Tremendous progress is being made in implementing the strategies. I believe all of you received a copy of the recent progress report on the plan. Hundreds of students, faculty

and staff are involved in this effort. The plan focuses on educational excellence, access via technology and workforce training, and a positive learning, and teaching environment which supports our employees and student needs in a positive manner. This planning effort came on the heals of a self-assessment process. The Board sought and received a $250,000 Bush Foundation grant in 1996-97 to study the North Dakota University System. Both the 1997 Bush study recommendations and the Six-Year Plan have been presented to and endorsed by the legislature and governor. It is now time to continue working on these efforts and we trust your budget deliberations will consider and support the recommendations and strategies in these reports.

There no doubt will continue to be discussions about the level of resources committed to the University System and the number of campuses and programs supported by these resources. North Dakota historically ranks toward the top on per capita support of higher education and towards the bottom on per student support. The major reason for the high per capita support is a small population. The major reasons for low per student support are a very high participation rate by citizens and lower than average faculty and staff salaries. North Dakota consistently ranks at the top in enrollment in higher education of high school graduates and citizens. These statistics mean three things to me. First, a quality education at a reasonable price is still provided. Second, the education offered is done very efficiently. Third, North Dakotans place a high value on access. Thus, it seems to me that the University System is doing a good job. After all, access and quality are what we should strive for. In fact, the vision of the North Dakota University System as stated in the Six Year Plan is " to be a high quality, high access public higher education system where people have the opportunity to receive the education necessary to be professionally and personally successful". The facts seem to indicate we are carrying out this vision. The Legislature, governor, and citizens are a major reason for this success.

During the past biennium, the Board and campuses have been guided by its Six-Year Plan and the 1997 Bush Report. Here are the goals from the Six-Year Plan:

Goal 1 – Education Excellence
To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes strong communications skills, analytical thinking, use of technology, and interpersonal skills.

Goal 2 – Technology and Access
To emphasis enhanced use of technology to improve access to programs and services and as a regular component for instructional services and research.

Goal 3 – Relevant Programs
To align programs and services with student interests and with current and future needs of business, communities and the state, including cultural, social and citizenry components.

Goal 4 – Leadership in Research
To provide leadership in addressing the high priority research and development needs and opportunities of the state.

Goal 5 – Learning Environment
To provide an up-to-date and innovative environment for students, employees, and the public; and an environment that support learning, research, and public service.

Goal 6 – Documented Performance
To document the performance and effectiveness of the North Dakota University System.

Goal 7 – Collaboration
To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration.

As I said earlier, there are over 200 specific strategies developed to address these goals.

Also, here are some of the Board's actions on several of the 1997 Bush Report recommendations:

1. Resolve the issue of constitutional status of institutions through the elective process. The Board supported placing a measure on the ballot in November 1998.

2. Improve the process by which SBHE members are recruited and appointed. Adopted criteria for qualifications of Board members and forwarded these criteria to the nominating committee, governor and legislature.

3. Take steps to help ensure effective Board functioning. A Board subcommittee reviewed board member duties and guidelines for board members and made recommendations for change. The Board evaluated its agendas, shifted more operational duties to the Chancellor and campus CEO's and reduced the number of Board meetings. Also, the Board is planning on transitioning to a policy governance model of leadership. This model will transfer more decisions on daily operations to the Chancellor and campus CEO's allowing the Board to effectively focus on broad policy and outcomes or the ends, not the means.

4. Charge the SBHE with developing a "public agenda" for higher education on a regular basis. The SBHE, in conjunction with the Governor and Legislative Council developed a new six-year plan covering the period 1998-2004.

5. Ask the SBHE to make a concerted effort to create an understanding of, and political consensus around, this public agenda and to take extraordinary steps to broaden the consideration of higher education issues in the legislature. Jointly met and discussed the Six Year Plan and other higher education issues with legislators and the Governor in October 1997, July 1998 and October 1998.

6. Make significant changes in the structure of the budget as a way of clarifying intent and strengthening the budget as a tool for promoting desired behaviors and accomplishment of desired results. Construct the budget with base funding for each institution as a single line item and a separate appropriation of 2% of the overall appropriation to the SBHE to fund initiatives identified as part of the public agenda. The 1997 Legislative Assembly pooled all

of the salary and technology line items for distribution by the SBHE. The Governor's budget only recommends pooling five percent of the salary line items to the Board and does not pool technology funding. The Board asks that the Legislature pool all of the salary and technology dollars as it did in 1997.

7. Give institutions maximum latitude in the use of funds provided; in return, the institutions should disclose, and be publicly accountable for, the uses made of those funds. A draft accountability report format was developed and presented to the Legislative Council in October 1998.

8. Clarify the roles of the SBHE, the NDUS staff and institutional leaders. The transition to policy governance will help to clarify roles and place decision-making at the right level in the organization. The Board enacted a policy clearly delineating the duties and responsibility of Board members.

9. Develop competency-based AA degree that is fully transferable within the System and in which components can be delivered through distance education.

10. Adopt – and act on- the premise that the NDUS has an obligation to respond to the educational needs of the state and its citizens and that this obligation can only be met by drawing on the combined assets of the System to respond to local needs. The Board and campuses have played a key role in developing the GNDA report on workforce training. The will be considering the recommendations made in the report. The Board has indicated its support for the recommendations and supports the Governor's budget recommendation in this area.

I am glad to say that there is more to be accomplished. As Board President, I can assure you that the University System will continue to improve quality, streamline processes, and provide broad access for the citizens of North Dakota. The Governor in his budget address states: "North Dakota's colleges and universities are a tremendous asset for out citizens and our business community. They will play a central role in helping our state succeed in the emerging high-tech global economy." We could not agree more.

The Governor's budget proposal provides a good foundation to allow the NDUS to fulfill this central role. First the budget restores the Board's first priority-restoration of the five percent cuts originally requested in the Governor's budget guidelines. However, this does not mean that the funds were restored to their current use. The Board and the campuses took this budget exercise very seriously. The Board mandated that as the campuses developed restoration plans for the five percent that priority be given to restoration or reinvestment in new programs, salary increases, technology or maintenance. A quick review of these plans will demonstrate that campuses reallocated a significant portion of the five- percent to new areas of the budget. The Governor's budget proposal also funds inflation including the 1998-99 salary base, which is the Board's second priority. We are pleased with the Governor's efforts in funding these top two priorities beyond the 95% level. The Governor's budget also places a high priority on salaries, building and infrastructure upkeep and replacement, funding for specific Six-Year Plan strategies and

technology. All of these are important to the Board. We support the Governor's budget proposal and ask for your additional consideration of the following other priorities:

- Pool all salary and wage line items for allocation to the Board similar to the 1997 legislative appropriation.
- Pool funding for the Higher Education Computer Network (HECN), the On-Line Dakota Information Network (ODIN) and the Interactive Video Network (IVN) similar to the 1997-99 appropriation. As a result of the 1997 action, the NDUS hired a permanent Chief Information Officer to provide coordinated leadership for centralized technology functions. This individual needs the flexibility to allocate resources between the technologies based on changing needs and demands.
- If additional resources become available during the legislative session, the Board requests your funding consideration of these priority needs:
  a. Technology projects, specifically the SAGE project for a complete software replacement for all student records and administrative systems.
  b. Additional salary increases.
  c. Equity funding for certain campuses.

In the capital budget area, the Board requests that you give consideration to funding two priorities not included in the Governor's budget. These are renovations of Old Main at Minot State University and Schafer Hall at Bismarck State College.

The Board also strongly endorses the Governor's efforts to specifically appropriate only state general fund support in future biennia. This will provide the campuses with the operating environment that is necessary to truly operate in a more business like fashion However, the Board is committed to full disclosure of these resources and is interested in identifying any additional reporting mechanisms, (beyond what has already been approved by the full Legislature or the Budget Section), that may be necessary to provide information on other sources of NDUS revenues.

Mr. Chariman, we know you and your committee have a tough job ahead of you. We appreciate the hard work you do for North Dakota. We appreciate all of your past support for the University System. We do not take that support lightly. We understand the hard work of the committee to put that support into place. We will work closely with you during the session and into the future. I ask that you continue to work with the Chancellor and his staff as you develop the budget. They will represent the needs and priorities of the University System.

Thank you.

Presentation to House Appropriations Committee on HB 1003
By Larry A. Isaak, Chancellor of the North Dakota University System
January 11, 1999

Good morning Mr. Chairman and members of the committee. Today is a very important day for the students and employees of the North Dakota University System and for the citizens of North Dakota. It is important because the discussion today and your decisions during this legislative session will have long-range impacts on the access to and quality of North Dakota University System services. I am always excited about a legislative session because it gives the NDUS an opportunity to have meaningful and productive discussions about the future. Also, it is a time that permits you to gain an appreciation for the tremendous efforts on-going on the campuses and throughout the state to improve the quality of life for our citizens through the services we offer.

Mr. Hoeven has clearly articulated the vision and goals for the NDUS presented in the System's Six-Year Plan. He has also outlined the budget priorities of the System. The Board continues to take an active role in developing these priorities. This is as it should be. The Board can take the view of the entire state and set budget priorities accordingly.

My purpose today is to give you an overview of the NDUS. Hopefully, the information we provide to you in the Resource Guide will assist you in making effective decisions for the students of the NDUS and citizens of North Dakota.

Before I review the information in the Resource Guide, I want to share with you a number of significant accomplishments that have taken place in the past two years - both system-wide and at individual campuses. These actions are in addition to the tremendous efforts involved in the developing the Six Year Plan and preparing several levels of the biennial budget request required in the Governor's budget guidelines. I believe you will readily see that there is much positive initiative and change going on throughout the System while maintaining core values of providing a broad general education.

Some of the System-wide accomplishments during the past two years are:

- ✓ Internally redirected nearly $3 million to match legislative pool funding to provide average salary increases ranging from 4 % to 5% in 1997-98 and from 3.1% to 5.2% in 1998-99. The System Six-Year Plan requires an increase of five percent in salaries over six years through internal reallocation.
- ✓ Began implementing classification broadbanding to simplify employee classification with focus on performance and market.
- ✓ Funded a Coordinator for Articulation and Transfer to implement the Board's directives on common course numbering.
- ✓ Developed a Single University Financial statement for auditing purposes for better reporting and lower audit costs.
- ✓ Hired the first permanent NDUS Chief Information Officer with responsibility for improving coordinated technology services.
- ✓ Created a Council for Teacher Education with representation from the NDUS, vocational education, K-12, and school associations to develop ways to improve continuing education opportunities for teachers, and to deal collaboratively on K-12 issues.

Larry Isaak

- ✓ Met with US Education Secretary Riley to discuss the Higher Education Reauthorization Act to maximize benefits for ND students.
- ✓ Began common course numbering efforts that required all 100, 200, critical transfer, as well as articulation agreements for extended work and share programs to have common prefixes, numbers, titles and contents. Currently 367 courses are common to two or more campuses.
- ✓ Expanded the Western Undergraduate Exchange through WICHE to provide for participation of students from Arizona, California and Washington to encourage additional enrollments at NDUS campuses to reduce per student fixed costs for all students.
- ✓ Began implementing a NDUS "Virtual University" and a systemwide training effort for developing on-line courses to provide additional access to ND students.
- ✓ Helped lead the effort on Workforce Training to improve the NDUS's role in providing workforce training to ND business and industry. This was a major goal within the System Six-Year Plan that initiated the discussion. This effort will lead to a major redesign of campuses to carry out the recommendations.
- ✓ Developed an improved legislative bill tracking system for internal and external use.
- ✓ Participated in the development of the Skills Technical Training Center in Fargo for improved workforce training in the Red River Valley.
- ✓ Managed tuition revenue shortfall of nearly $9.0 million in 1997-99 without requesting any additional state general fund support to offset this revenue loss.
- ✓ Developed final recommendations on the replacement of all administrative and student records software systems for better student access, accountability and reliability.
- ✓ Created a system Viewbook and poster that highlights each NDUS campus The viewbook is distributed to ND high school students and ND and out-of-state high school counselors for improved student recruitment.
- ✓ Developed a long-range compensation report including recommendations on salaries and benefits.
- ✓ Studied alternative tuition models including per credit hour.
- ✓ Examined equity funding issues between campuses.
- ✓ Allocated salary and technology pools created by the Legislative Assembly.
- ✓ Completed first reports that provide follow-up to students after graduation from the NDUS. The information is used for better career planning.
- ✓ Worked with staff from the Adjutant General on changes to the National Guard Tuition Waiver Program.
- ✓ Created a Welfare Reform Task Force.with representation from Human Services, Job Service, Vocational Education and Tribal Colleges.
- ✓ Adopted a tuition policy incentive for dependents and spouses of NDUS graduates to encourage ND natives to return to ND to pursue their post-secondary education.
- ✓ Implemented a plan to eliminate negative fund balances.
- ✓ Entered into prime vendor or statewide purchasing contracts with OMB for the following goods and services: cut paper, dry cell batteries, master lease agreement, boiler insurance and first aid kits. Other major contracts are under development.
- ✓ Established business advisory councils on campuses for better input on program development needs.
- ✓ Developed and implemented a single, uniform application to all NDUS campuses available over the WEB.
- ✓ Implemented a common academic calendar at all campuses for uniform start and end dates and common breaks
- ✓ Implemented common class starting times to facilitate collaborative distance education programs.
- ✓ Revised all campus facility master plans.
- ✓ Began work on the policy governance model to clarify the role of the Board, Chancellor and campus CEOs

Now, I would like to share **a few** of the accomplishments and significant activities on the campuses during this biennium. Many more could be listed, but this will give you a flavor for the continual improvement efforts going on across the System.

Bismarck State College

- ✓ Received full re-accreditation for college.
- ✓ The Division of Corporate and Continuing Education served over 16,00 people in 1997-98, an increase of over 2,000 or 14%.
- ✓ Began offering power plant technology program in Minnesota and Kansas.
- ✓ Completed the Sykes Student Success Center.
- ✓ Opened the first Career and Placement Services Office.
- ✓ Established a new computer support specialist program.
- ✓ Began offering a practical nursing program in collaboration with NDSCS.
- ✓ Began offering Microsoft Corporation's curriculum through the Microsoft Authorized Academic Training Program permitting students to received Microsoft certification.
- ✓ Continued the Phoenix program to recruit, prepare and place women in higher-wage nontraditional careers.
- ✓ Began delivering 16 online courses.
- ✓ Received record one-time endowments.

Dickinson State University

- ✓ The following programs received re-accreditation: teacher education, practical nursing, and the bachelor's program in nursing.
- ✓ New BA and BS programs in writing were developed.
- ✓ Begin offering three bachelor's degrees in Bismarck collaboratively with BSC.
- ✓ Developing a cooperative bachelor's degree in agriculture with NDSU.
- ✓ Received a $720,000 federal grant for Educational Enhancement Services.
- ✓ Ranked as a top regional public liberal arts college by US News.
- ✓ For the first time, the DSU Foundation raised over $1 million in annual giving.
- ✓ Established an Extended Campus Office for off-campus offerings and customized training endeavors.
- ✓ Expanded the on-campus student activities program.

Mayville State University

- ✓ Developed an Information Technology track in partnership with Great Plains Software for majors in business or computer information systems with a paid internship in a student's senior year.
- ✓ Implemented the universal notebook computer use for learning. MASU and students have funded the notebook initiative (over $2 million to date) with no additional state funding.
- ✓ Served as a Grand Forks flood relief center. Terminated spring 1997 classes early in order to serve hundreds of displaced residents.
- ✓ The Math specialist program served over 100 teachers statewide.
- ✓ Provided in-service head start program through grant funding for counties.
- ✓ Received a $1.4 million Title III grant.
- ✓ Received an $800,000 private bequest.
- ✓ Received full campus and teacher education program accreditation.

Minot State University and MiSU-Bottineau Campus

- ✓ MISU received full accreditation for the entire campus, for the Nursing program, and also by the National Association of School Psychologists.
- ✓ The ND Center for Persons with Disabilities has logged more than $6 million in federal grants.
- ✓ Began offering an Education Specialist degree in School Psychology.

- ✓ Granted 24 masters in elementary education students in a West Fargo cohort in addition to the students in the Mayville cohort.
- ✓ Developed a formal relationship with several area school superintendents.
- ✓ Expanded significantly the number of Native American students on campus.
- ✓ MISU-BC obtained NCA approval for extension of six certificate and associate programs to the Minot campus.
- ✓ MISU-BC developed three new vocational programs.
- ✓ MISU-BC completed hard wiring for all faculty offices.
- ✓ MISU-BC initiated the Phoenix program to help meet federal and state welfare reform/workforce training objectives.
- ✓ MISU-BC began offering IVN courses including one entire vocational program.
- ✓ MISU and MISU-BC are collaboratively offering off-site degrees at the Minot Air Force Base.
- ✓ MISU-BC has been designated as a regional academy for CISCO, Inc.
- ✓ MISU began offering over 40 online courses.

North Dakota State College of Science

- ✓ Received re-accreditation for Dental Hygiene and Dental Assisting programs.
- ✓ Received a $450,000 federal grant to develop distance education in the Allied Health areas.
- ✓ Delivered Practical Nursing courses to ND communities using desktop computer conferencing.
- ✓ Established agreements with John Deere and General Motors to provide ongoing training for currently employed technicians.
- ✓ Recently, dedicated a full time employee to working with the Skills and Technology Training Center in Fargo.
- ✓ Expanded the Pharmacy Technician and the Recreational Engines programs to two-year associate degree programs.
- ✓ Established an office of Assessment and Institutional Research to assist in evaluating performance.
- ✓ Developed a collaborative agreement with BSC to deliver the NDSCS Practical Nursing program to students at BSC.
- ✓ Provided an internship site for NDSU students seeking counseling experience.
- ✓ Worked with VCSU to offer vocational certification courses to faculty on the NDSCS campus.
- ✓ Developed a plan to maintain high-tech equipment in the College's technology labs.
- ✓ Began sharing a chemistry class via IVN with two other campuses.

North Dakota State University

- ✓ Established the Center for Science and Math Education to improve K-12 education in these areas.
- ✓ Established an injection-molding specialty primarily funded by 3M. It is one of two in the country.
- ✓ Received $20.4 million in external grants in fiscal 1998.
- ✓ Released the Maier and Mountrail durum varieties that are expected to have an annual economic impact of $16 million for ND durum growers.
- ✓ Released the Jim and Daksoy Soybean varieties with an expected $ 2 million annual economic impact.
- ✓ Will share with four other regional universities a $1.75 million National Science Foundation grant to connect to the high speed-computing network.
- ✓ Began $1.6 million Ehly Hall the first NDSU building to be constructed solely with private gifts to NDSU.
- ✓ Continued working closely with the skills and Technology Training Center.
- ✓ The NDSU Research Foundation surpassed $1 million in both annual income and total endowment. Six new patents were granted and four patent applications were completed.
- ✓ Received a $2.7 million endowment for scholarships, endowed professorships, and faculty development in the College of Engineering and Architecture.
- ✓ The Northern Crops Institute hosted more than 900 course participants from other countries.

- ✓ A 1997 report said 98 percent of recent graduates who responded were employed, in internships or seeking further education.
- ✓ NDSU's student-athlete graduation rate is well above the national average including 100 percent graduation rates for women's basketball, women's track, men's cross-country, and men's track teams.
- ✓ The Transportation Institute received a $600 thousand federal grant to establish an Advanced Traffic Analysis Center.
- ✓ The Forest Service assisted 88 communities and completed 198 tree planting and forestry development projects valued at more than $1.3 million.

University of North Dakota

- ✓ Engaged in a tremendously successful effort to recover from the 1997 flood. With the exception of the steam distribution system, which will be replaced with 90 percent federal funding over the next several years, physical restoration of the campus has been nearly completed. More than 300 projects were involved.
- ✓ Developed a major budget reallocation plan reallocating funding to salary enhancements, improved graduate assistant stipends, and new academic initiatives.
- ✓ Begin a new M.S. and M.Ed. in Instructional Design and Technology
- ✓ Expanded and continued several distance education degree offerings in Fargo, Minot, Bismarck, Williston, Jamestown, Bemidji, Fort Yates, Belcourt, New Town, Twin Buttes, Mandaree, and Valley City.
- ✓ Graduated 15 students in the Internet-based Master Degree in Space Studies.
- ✓ Created a new Office of Job Development.
- ✓ Begin developing one of the nation's first entrepreneurship programs within the context of an accredited business school.
- ✓ Currently, the College of Business and Public Administration-Center for Innovation is home to 18 new and expanding entrepreneurial ventures.
- ✓ Combined several separate divisions into a new Division of Student and Outreach Services.
- ✓ Restructured the College of Business and Public Administration.
- ✓ Refinanced over $22 million in outstanding bonds generating a debt service saving of $3.9 million over the next four years.
- ✓ Recorded a record 15,108 enrollment not included in regular on-campus programs.
- ✓ Received $34.6 million in outside funding for research and scholarship during 1997-98.
- ✓ Named as a top choice in three national publications.

UND-Lake Region

- ✓ Experienced a 20% enrollment increase in customized training.
- ✓ Received certification for Novell Instructor training, CISCO, and Microsoft MOUS testing center.
- ✓ Began delivering the legal assistant program to Bismarck and Williston.
- ✓ Developed a partnership with Dakota Aero to supply training and future curriculum.
- ✓ Raised $500,000 locally for the Auditorium renovation project
- ✓ Added 9 new endowed funds to a total of 43.
- ✓ Raised $200,000 for the Annual Fund.
- ✓ Completely refinished parking lots including installing a storm sewer and drainage system.
- ✓ Began self-study for North Central Accreditation.
- ✓ Served as a Grand Forks flood relief center. Terminated spring 1997 classes early in order to serve hundreds of displaced residents.

UND-Williston

- ✓ Created a workforce training position and program
- ✓ Received continued accreditation in physical therapy assistant and practical nursing programs.

- ✓ Contracted food service to Marriott Corporation
- ✓ Created a community tech lab for business and industry.
- ✓ Trained 185 medical transcriptionists in three years. Locations included Ashley, Beach, Bismarck, Hettinger, Linton, Hazen, Kenmare, Tioga, Crosby, New Liepzig, Williston, and Minot. Future training locations are Langdon, Tuttle, McClusky, Jamestown, Fargo, and Grand Forks. Transcription LTD. has established a corporate office Williston with nine employees.
- ✓ Offered new programs in Computer Systems Specialist.

Valley City State University

- ✓ Grants and students have funded the notebook initiative (over $4million to date) with no additional state support.
- ✓ Created an Information Technology Track in partnership with Great Plains Software for majors in business or computer information systems including a paid internship during the senior year.
- ✓ Provided the elementary education degree at NDSU.
- ✓ Created a Community School of the Arts.
- ✓ Received a five year Title III grant for $1.4 million with MASU.
- ✓ Received a separate five year Title III grant for VCSU.
- ✓ Received an "exemplary" accreditation for teacher education program.
- ✓ Received accreditation for the music program.
- ✓ Was identified as a top regional public liberal arts college by US News.

Mr. Chairman, I believe it is important to once again review with the committee the vision statement, mission and statement of beliefs for the North Dakota University System as stated in the Six Year Plan which has been reviewed twice with the Legislative Council in the past year.

The NDUS vision statement says "**The vision for the North Dakota University System is to be to be a high quality, high access public higher education system where people have the opportunity to receive the education necessary to be professionally and personally successful.**" The important words here are "*access,*" "*quality*" and "*professionally and personally successful.*"

The mission for the North Dakota University System stated in the Six-Year Plan is:

- to create an experience of educational excellence for students through quality instruction, including liberal arts as a foundation for life-long learning and personal development, broad use of technology, and expanded partnerships;
- to provide the public with increased access to higher education services which emphasize state economic development, workforce needs, and maximum efficiency of public higher education investment; and
- to create a positive work experience for University System employees that supports their efforts to meet the need of North Dakota

As you can see from the vision and mission statements the NDUS is looking to the future by emphasizing life-long learning, use of technology, partnerships, collaboration, workforce training and economic development while still embracing the core values of a broad general education. We believe this approach is the right direction.

As Mr. Hoeven indicated, more that 200 specific strategies have been developed to carry out this vision and mission. The campuses are key to carrying out this vision and mission. This is the

basis for their strategic plans. I know of no other state or system in the country that has taken this type of integrated approach to planning between the system and campuses.

Finally, before I begin the review of the Resource Guide, let me share with you the statement of beliefs for the University System, which are also articulated in the Six-Year Plan. " The North Dakota University System believes in

- being student centered
- providing excellence in instruction, research, and outreach
- emphasizing learner success
- emphasizing proficiency in the use of technology
- being accessible throughout life
- being affordable
- being accountable
- being flexible
- promoting an environment for inquiry and tolerance of differing viewpoints and people
- being responsive to needs of students, business, and communities
- recruiting and retaining quality personnel and proving for their continued development
- collaborating and cooperating within the University System and with external users.

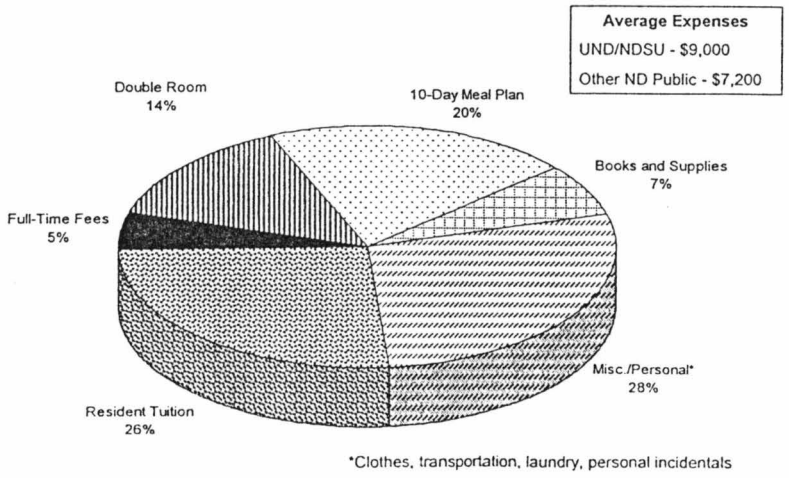
Mr. Chairman, we look forward to working with you during the next several months. We understand the demands you have on the state's resources. I believe the information on accomplishments that we have shared with you today, the System and campus Six-Year Plans, the information that will be presented to you in the resource guide, and the information presented to you by the campuses will demonstrate that we are working very hard to be worthy stewards in fulfilling the vision for the System. Thank you for your past hard work and efforts on behalf of the students and employees of the System and the citizens of North Dakota. We know you will continue this effort during this legislative session.

Presentation by University System Chancellor Larry A. Isaak

to House Appropriations Committee
January 11, 1999

Typical Distribution of Student Expenses

1998-99 Academic Year

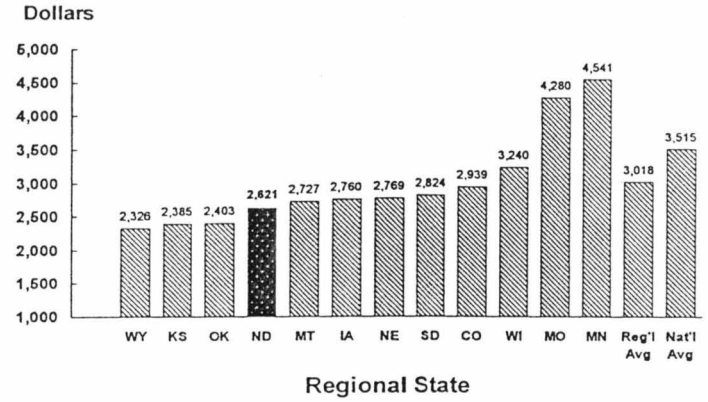


*Clothes, transportation, laundry, personal incidentals

Breakdown of Funding Sources for the ND Student Financial Assistance Grant Program			
Type of Fund	1997-99 Adj. Appropriation	1999-2001 System Request	1999-2001 Executive Recommendation
General Fund	$1,744,604	$4,644,604	$1,744,604
Other Fund (MN reciprocity payment)	2,574,400	2,574,400	2,574,400
Federal Fund	566,821	140,000	140,000
TOTAL	**$4,885,825**	**$7,359,004**	**$4,459,004**

DOCTORAL UNIVERSITIES

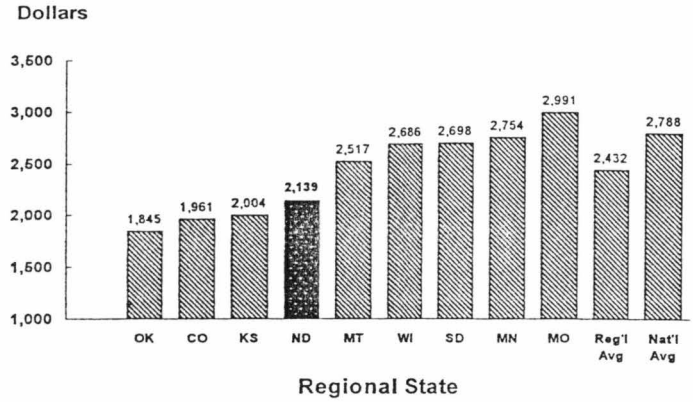
1997-98 Resident Undergraduate Tuition and Fees



(ND-UND and NDSU)

MASTER'S GRANTING UNIVERSITIES

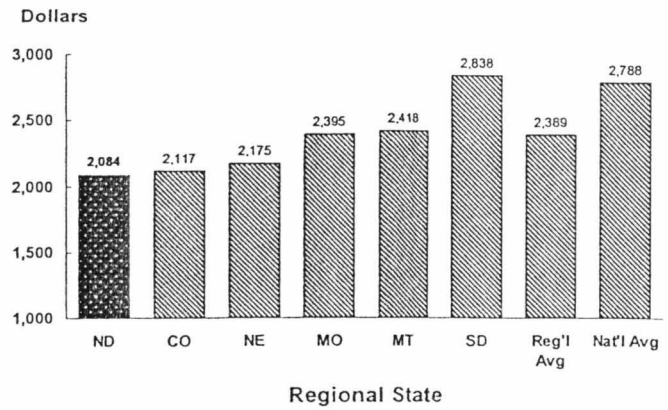
1997-98 Resident Undergraduate Tuition and Fees



ND-Minot State

4-YEAR REGIONAL COLLEGES

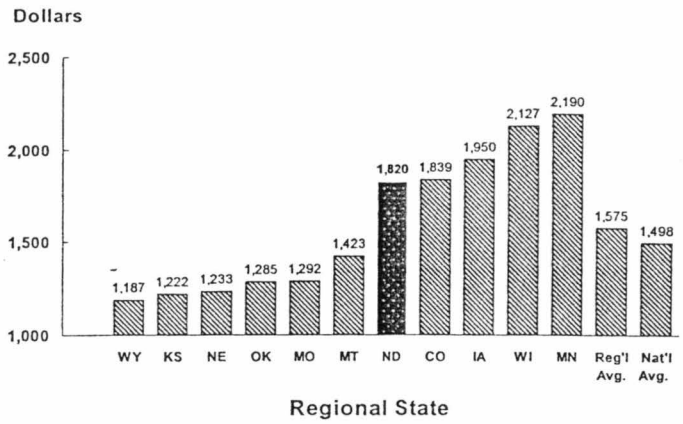
1997-98 Resident Undergraduate Tuition and Fees



ND-MaSU, DSU and VCSU

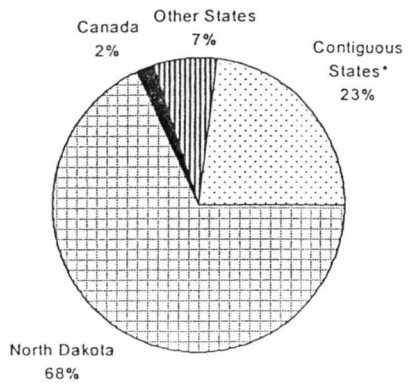
2-YEAR COLLEGES

1997-98 Resident Undergraduate Tuition and Fees



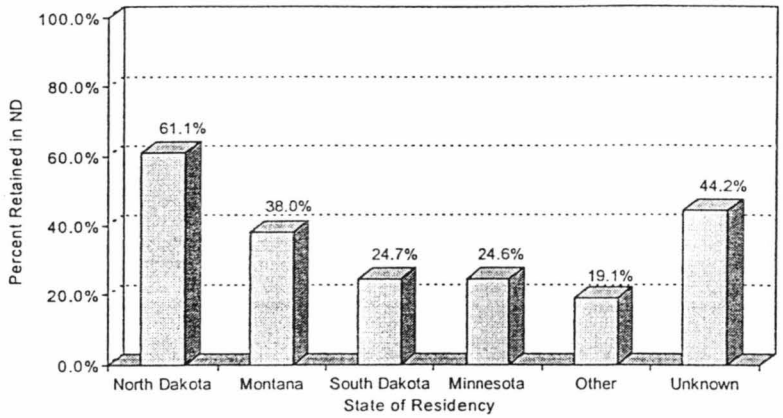
ND-all 2-year campuses

Enrollment by Residency
Fall 1998



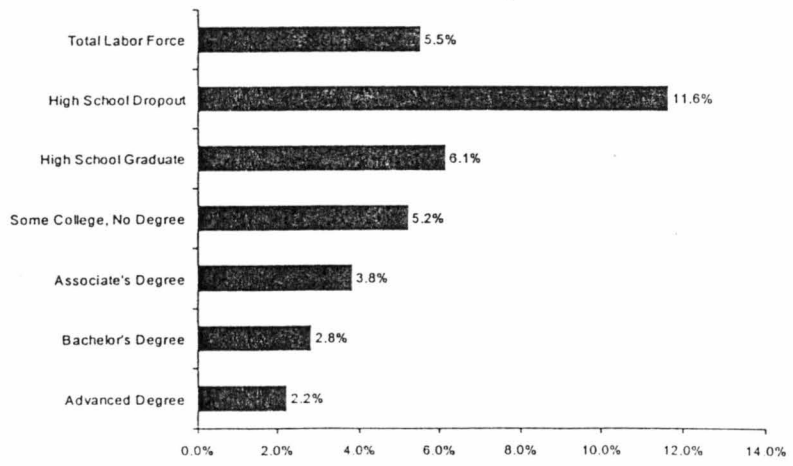
*SD, MT, Manitoba, and Saskatchewan

North Dakota University System
Percent of Academic Year 1995 Graduates Retained in North Dakota *
One Year After Graduation by State of Residency



* Retained in North Dakota = graduates employed in the state in jobs covered by unemployment insurance and/or re-enrolled in North Dakota University System.

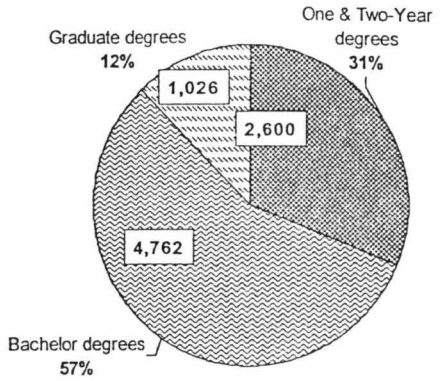
Unemployment Rate



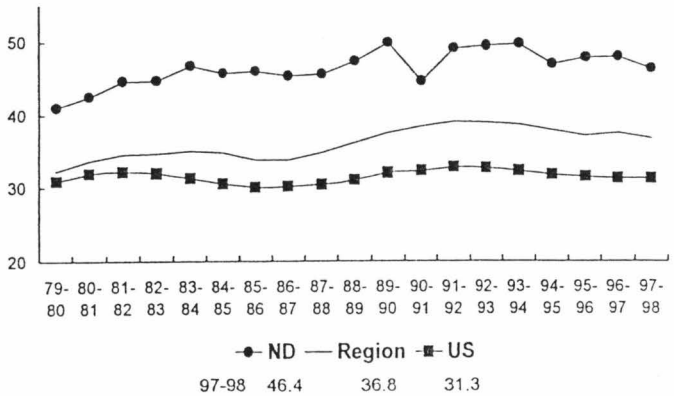
Source: U.S. Bureau of Census

NDUS Program Completers by Level of Award
Academic Year 1997-98

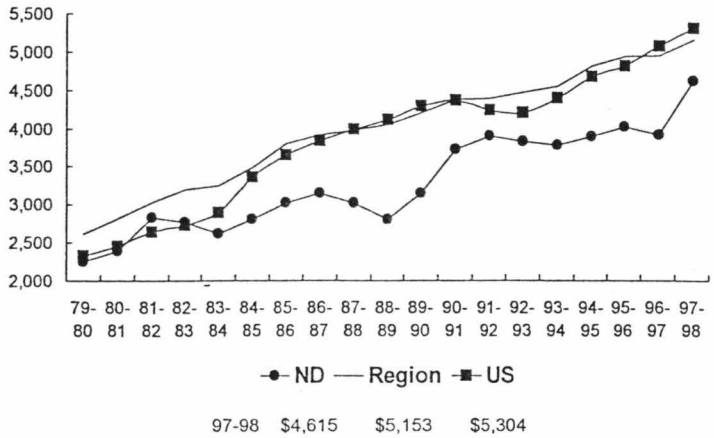
One & Two-Year	
Cert.	515
Dipl	96
Assoc	1,989
Sub-total	**2,600**
Bachelor	**4,762**
Graduate	
Masters	766
Sp.	12
Ed.D & Ph.D.	71
Prof.	178
Sub-total	**1,027**
TOTAL	**8,389**



Annual FTE Public HE Students
Per 1000 Population

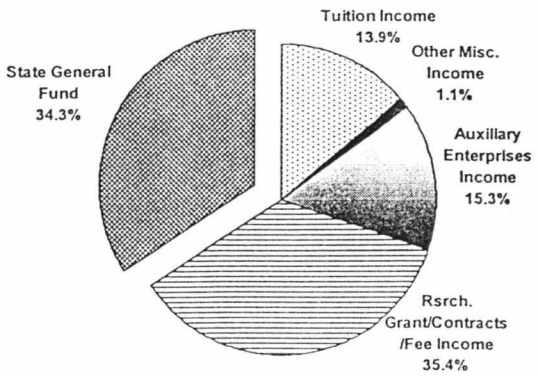


Higher Education State Appropriations Per Student



	ND	Region	US
97-98	$4,615	$5,153	$5,304

1998-99 Annual Budget Funding Source



Amount and Percent North Dakota Average Faculty Salaries Lag Behind the National and Regional Markets 1982-83 and 1993-94 through 1996-97

(In thousands of dollars)

	Doctoral			Comprehensive			Baccalaureate			Two-Year		
Year	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.
1982-83	30.2	28.9	26.8	26.9	24.8	24.8	24.5	23.6	24.7	24.2	22.2	23.2
1993-94	51.5	50.0	39.5	45.0	41.9	36.8	40.0	39.6	33.3	39.7	35.0	31.6
1994-95	53.6	52.1	40.4	46.4	43.8	37.8	41.4	40.7	33.9	41.2	36.4	32.4
1995-96	57.8	54.1	40.6	47.8	44.3	38.1	42.5	41.7	34.7	41.6	37.3	32.3
1996-97	59.5	55.7	42.0	49.2	45.6	39.5	43.8	43.0	35.8	42.8	38.4	33.4
Percent Variance From Market												
1982-83	-12.7	-7.8	---	-8.5	0.0	---	0.8	4.5	---	-4.3	4.3	---
1996-97	-41.7	-32.6	---	-24.6	-15.4	---	-22.3	-20.1	---	-28.1	-15.0	---

House Appropriations Committee
HB 1003
January 15, 1999

Madam Chair and Members of the House Appropriations Education and Environment Subcommittee:

I am not able to get back to Bismarck this morning since I have some final details to wrap up on the new NDSU presidential hiring. know that my office staff will do an outstanding job in presenting the needs and information about the programs included in the budget 215.0.

The North Dakota University System office is focused on policy development and coordination of services among campuses. We are one of the smallest, if not the smallest, system office in the country. However, I believe the quality of services provided by the office is second to none. The staff in the office always amazes me with their dedicated, long hours of work, and quality of service they provide. They are truly an asset to the North Dakota University System and the State of North Dakota. They continually remind me of the importance of putting students first as we develop policy and coordinate services.

Our budget has been restructured to include a position for planning and accountability. We have done this because of the heightened interest and need expressed both by the Board and the Legislature in this area. Planning and accountability is one of the seven goals of the System's Six-Year Plan. That is why we have restructured the budget accordingly.

The major dollars in the budget that you are reviewing this morning is comprised of funds for financial aid, EPSCoR, the professional Student Exchange Program, and system-wide pools for allocation by the Board. Financial aid for students continues to be a high priority. The primary source of funding for this financial aid is from the Minnesota reciprocity payments. The amount of the statewide grant, while not large in amount, can make the difference for some students in determining their ability to attend college. The Legislature has always been supportive of the financial aid programs and we ask for your continued support.

EPSCoR is a shining example of cooperation and collaboration between the two research universities and other NDUS campuses. It has been a tremendous source for garnering research dollars for the State of North Dakota.

The Professional Student Exchange Program for students in dentistry, veterinary medicine, and optometry has provided the opportunity for many North Dakotans to pursue these professions, even though these programs are not offered in North Dakota. Thus, this appropriation is directly for the benefit of these students.

The appropriation for the College Technical Education Council supports the tremendous work on-going by Mr. Eddie Dunn and his campus partners in the area of two-year programs and workforce training. The CTEC has been the catalyst for the workforce training initiatives, which are being considered by the Board of Higher Education, Greater North Dakota Association, the Governor, and the 1999 Legislature.

As you review this budget, we will be available to answer any questions and provide you with any information to help in your deliberations.

Thank you for all of your past support and your efforts in serving the citizens of North Dakota. The staff that will be presenting the budget to you today in my estimation is the best in the country.

Larry A. Isaak
Chancellor

NORTH DAKOTA
University System

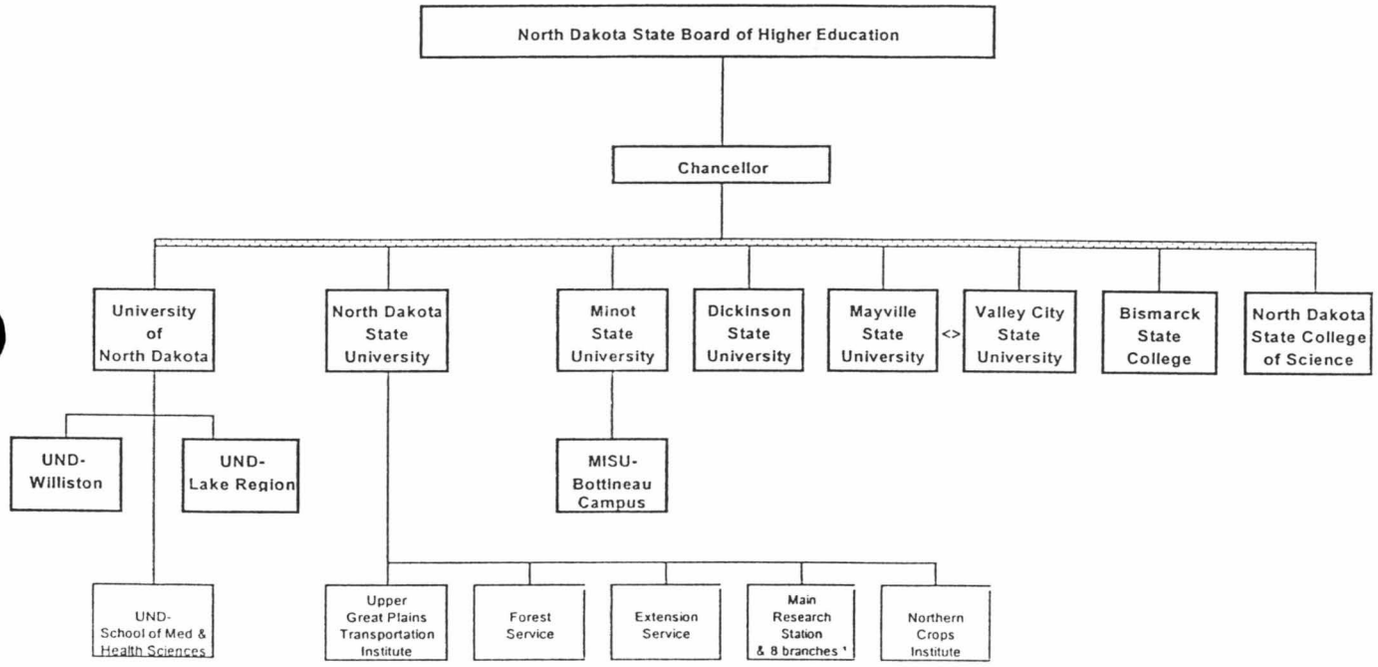
System Overview

December 1998

Organization of NDUS

The North Dakota State Board of Higher Education (SBHE) is the governing body for North Dakota's eight publicly supported colleges and universities and three branch campuses. In addition to the 11 campuses, the SBHE also oversees the Agricultural Research Stations, North Dakota Cooperative Extension Service, Northern Crops Institute, State Forest Service, and the Upper Great Plains Transportation Institute.

ORGANIZATIONAL CHART OF THE NORTH DAKOTA UNIVERSITY SYSTEM



' Eight branch Research Stations: Agronomy Seed Farm, Carrington, Central Grass, Dickinson, Hettinger, Langdon, North Central, and Williston.

FOR MORE INFORMATION CONTACT:
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Organization of NDUS (cont.)

- The SBHE consists of seven citizen members, one student member, and one faculty representative. The governor appoints the voting citizen members to four-year terms. These appointments require the consent of the majority of the state Senate. The governor also appoints the voting student member to a one-year term on the Board from a list of names submitted by the North Dakota Student Association. The Council of College Faculties annually selects a faculty representative to serve on the Board.

- The SBHE is the **policy-setting and advocacy** body for the North Dakota University System (NDUS or System). Decisions on issues with system-wide implications are made by the Chancellor in consultation with the Cabinet (composed of the presidents, executive deans and vice-chancellors), and by the Board when required. The CEOs of the institutions retain their authority in managing campus affairs.

- The Chancellor's office supports the SBHE in developing public policy for the System's governance and in advocating on its behalf.

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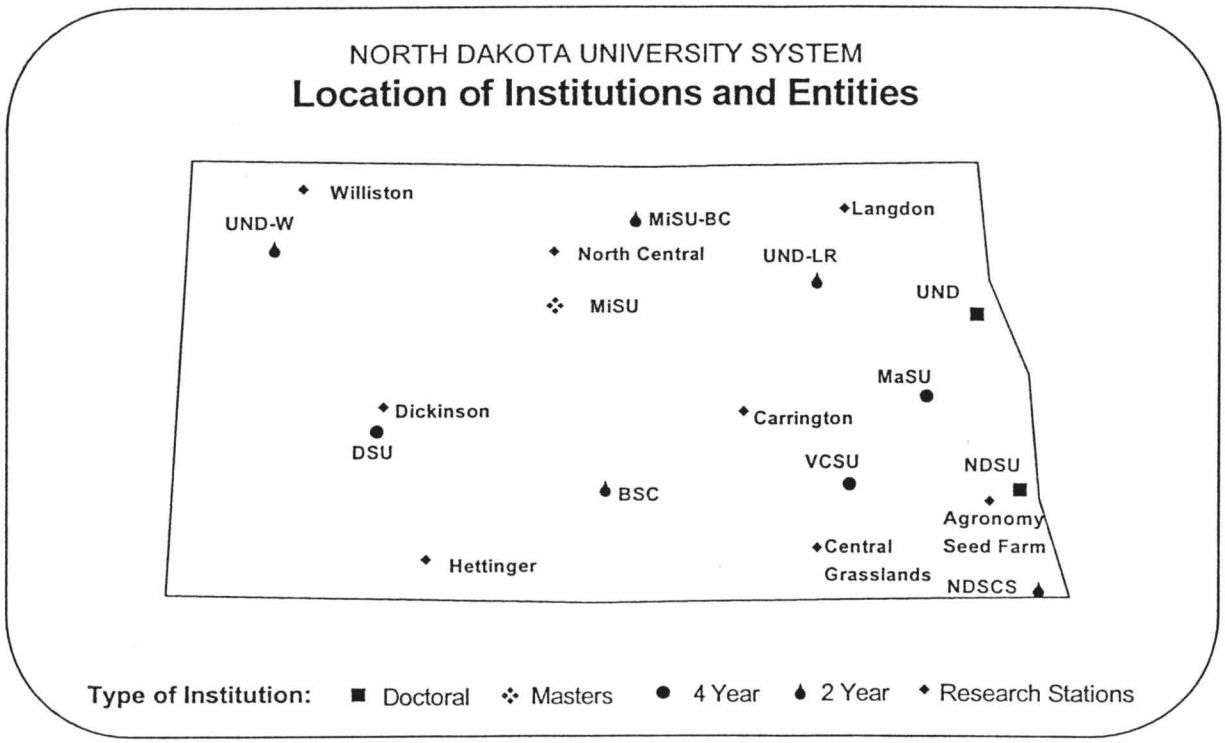
NORTH DAKOTA
University System

System Overview

December 1998

Location of Institutions and Entities

The NDUS is composed of two doctoral-granting institutions, one master's-granting institution, three universities that offer baccalaureate degrees and five campuses that offer associate and trade/technical degrees. Each institution is unique in its mission to serve the people of North Dakota.



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NORTH DAKOTA
University System

System Overview

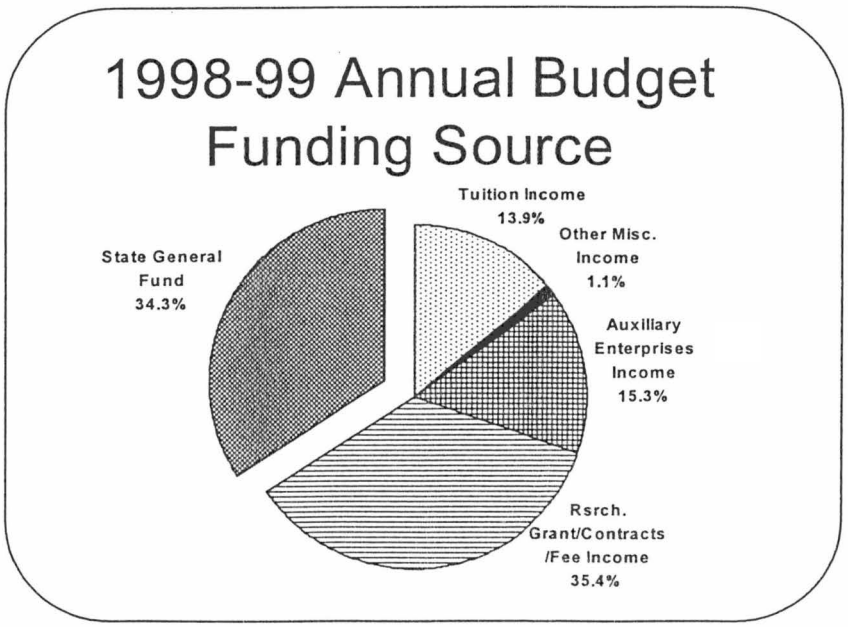
December 1998

1998-99 Annual Budget

The North Dakota University System is projecting total operating expenditures of approximately $508 million during the 1998-99 fiscal year. ***Approximately one-third of total operations are supported by the state general fund.*** *The remainder of the operations of the University System are self-supporting through tuition, room and board fees paid by students, and private and federal research grant and contract collections.*

1998-99 Operating Budget Supported by:			
Tuition Income	$ 70.6 million		13.9%
Other Misc. Income	5.4 million		1.1%
Auxiliary Enterprises Income	77.6 million		15.3%
Research Grants & Contracts and Fee Income	179.7 million		35.4%
Subtotal	333.3 million		65.7%
State General Fund	174.5 million		34.3%
TOTAL	$507.8 million	1/	100.0%

1/ Does not include $50.5 million in capital improvements (including 95-97 carryover) and capital projects for 1997-99.



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***Larry A. Isaak**, Chancellor*
*(701) 328-2963 Larry_Isaak@ndus.*nodak.edu

NORTH DAKOTA
University System

System Overview

December 1998

Economic Impact

The System has an annual **$1.5 billion** total economic impact on North Dakota's economy. NDUS expenditures generate an additional 15,699 off-campus jobs.

Economic Impact of NDUS* FY96	Total System Operations	Non-State and Non-Tuition Funds
Direct Expenditures:		
Contract construction	$44,539	$0
Communications and utilities	19,979	14,087
Retail	135,069	94,839
Finance, insurance and real estate	59,897	25,780
Professional and social services	19,979	14,087
Households	235,449	93,624
Total (in millions)	**$514,912**	**$242,417**
Increase in gross business volume:		
Personal income	555,839	240,486
Retail trade	428,058	223,402
Other sectors	475,822	204,426
Total (in billions)	**$1,459,719**	**$668,314**
Secondary jobs	**15,699**	**7,366**
*Computed using the N.D. Input-Output Model, developed and tested by agricultural economists at NDSU. Assumes a multiplier of 2.8.		
Prepared by: NDSU Agricultural Economic Professor Larry Leistritz		

About **one-third** of the System's budget comes from state taxpayer dollars. The other **two-thirds** comes from student charges for tuition, room and board, etc., and from federal and private business grants for research and service.

Not included in these figures are the activities of independent entities such as the alumni associations of the individual institutions. Also not included are the expenditures of students paid to local businesses and landlords for room and board, transportation, entertainment and other personal expenses. The impact analysis does not include the spending of people who travel to the campuses to participate in conferences and seminars, attend university-sponsored cultural, professional or athletic events, or visit students.

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NORTH DAKOTA
University System

Six Year Plan

1997 SBHE Six-Year Plan

December 1998

In 1989, the Legislative Assembly enacted North Dakota Century Code 15-10-14.2, which called for the development and legislative review of a comprehensive plan for higher education. The legislation created a mechanism to ensure that the SBHE, together with the governor and the Legislative Council establish priorities for the NDUS. The 1997 Plan was reviewed at a joint meeting of the Legislative Council and Governor. In November 1998, a progress report on implementation of the Plan was presented to the joint committee.

Vision Statement

The vision for the North Dakota University System is to be a ***high quality, high access*** public higher education system where people have the opportunity to receive the education necessary to be professionally and personally successful.

Mission

The mission of the North Dakota University System is:

- to create an experience of educational excellence for students through quality instruction, including **liberal arts** as a foundation for life-long learning and personal development, broad use of **technology**, and expanded **partnerships;**
- to provide the public with increased access to higher education services which emphasize **state economic development, workforce needs**, and maximum efficiency of public higher education investment; and
- to create a positive work experience for University System **employees** that **supports** their efforts to meet the needs of North Dakota.

NDUS Goals included in the Strategic Plan

Goal 1. Education Excellence

To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes **strong communication skills, analytical thinking, use of technology, and interpersonal skills**

Goal 2. Technology and Access

To emphasize enhanced use of **technology** to improve access to programs and services and as a regular component for instructional services and research

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Goal 3. Relevant Programs

To **align programs and services** with student interests and with current and future needs of business, communities, and the state, including cultural, social, and citizenry components

Goal 4. Leadership in Research

To provide **leadership** in addressing the high priority research and development needs and opportunities of the state

Goal 5. Learning Environment

To provide an **up-to-date and innovative environment** for students, employees, and the public; and an environment that supports learning, research, and public service

Goal 6. Documented Performance

To **document** the performance and effectiveness of the North Dakota University System

Goal 7. Collaboration

To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration.

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NORTH DAKOTA
University System

1997 SBHE Six-Year Plan

December 1998

NDUS Progress Highlights

Goal 1 – Education Excellence

To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes strong communications skills, analytical thinking, use of technology, and interpersonal skills.

Examples of System Strategies and Accomplishments:

- Develop/implement student progress/achievement research capability for improving student success.
- The first step to accomplishing this strategy is to acquire and dedicate $76,000 annually to the Student Progress and Achievement Research Cooperative (SPARC).
- SPARC will provide important information on student flow within the System, i.e. student transfer patterns between System institutions and the success of students in transferring.
- By 2004, faculty and staff salaries will increase a total of 5% from internal reallocation on every campus, provided that the legislature continues to fund higher education at a reasonable level.
- The total reallocation for the 1997-99 biennium was $2.9 million.
- During 1997-1998, the average salary increase for faculty and staff in the NDUS ranged from 4.4% - 5.0%.
- 1998-99, average salary increases ranged from 3.4% - 3.7%. The legislature provided adequate state funding for average salary increases of 3%.
- Require requests from campuses for establishing programs, centers, or institutes to include specific measurable outcomes.
- The academic approval process now requires that all campuses include specific measurable outcomes along with requests that the Board approves centers and institutes.

Goal 2 – Technology and Access

To emphasis enhanced use of technology to improve access to programs and services and as a regular component for instructional services and research.

Examples of System Strategies and Accomplishments:

- Develop a virtual university. This would be a true virtual university in the sense that it would not offer credit or degrees, but rather provide a marketing outlet for distance learning courses and
- programs on all NDUS campuses. The organizational structure would be in the form of a WEB site with links to specific distance learning opportunities on each campus. Funding from the System Contingency fund will be requested from the State Board of Higher Education at its November 1998 meeting.
- Study delivery of instructional services.
- MiSU has proposed a program to provide online training on WEB courses design for all NDUS campuses.
- Conduct analysis in 1999 to determine effect of increasing/decreasing student loan and grant programs would have on enrollment.

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NDUS Progress Highlights (cont.)

- The Board will seek legislative funding so that equipment appropriations by 2007-2009 fully fund a realistic replacement schedule.
- Institute new student records and administrative systems that is fully operational, providing on-line services for admission, registration, transfer, advising, library services, financial aid, bill paying and all other related student services. The Board will request funding for implementation of these systems from the 1999 and subsequent legislative sessions.
- Join MHEC (Midwest Higher Education Compact).

Goal 3 – Relevant Programs

To align programs and services with student interests and with current and future needs of business, communities and the state, including cultural, social and citizenry components.

Examples of System Strategies and Accomplishments:

- Annual meeting of business/industry leaders.
- Collaborate with the Greater North Dakota Association in providing a program at the Annual Business Conference that will have a strong emphasis on the educational needs of business and industry.
- A highlight of the conference will be the unveiling of a report by the statewide Task Force on Improving Workforce Development and Training.
- Support Enhancing Growing North Dakota.
- The University System campuses hosted nearly all of the workshops held throughout the state which were designed to determine the "target industries" for economic development.
- Collaborate with the State Board for Vocational Technical Education to request funds from the legislature for the Customized Training Network.
- Conduct assessment of current/projected technical training needs in North Dakota.
- A survey of employers of graduates of post secondary institutions in North Dakota will be conducted in the fall of 1998 by FINDET in cooperation with Job Service-North Dakota to determine the occupational areas where the graduates are being employed.
- Review Board policies limiting 2-year programs on 4-year campuses.
- Develop a plan to increase certificate and vocational education in North Dakota as recommended in the Bush report.
- The target date for action on this strategy is the year 2000.

Goal 4 – Leadership in Research

To provide leadership in addressing the high priority research and development needs and opportunities of the state.

Examples of System Strategies and Accomplishments:

- Convene a forum of campus research leaders to make recommendations to the Board on how the NDUS can continue to improve its role as the research/development engine for North Dakota.
- The target date for action on this strategy will be 1999.

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NDUS Progress Highlights (cont.)

Goal 5 – Learning Environment

To provide an up-to-date and innovative environment for students, employees, and the public; and an environment that support learning, research, and public service.

Examples of System Strategies and Accomplishments:

- Maintain current campus facility master planning process.
- Updates to the campus master plan were presented to the Board in April 1998. This updated information was used as the basis for developing the 1999-2001 major capital project request for inclusion in the budget.
- Designate major repair and renovation projects as highest priority for capital projects funding requests. Requests for new facilities will also be considered if matched by at least 50% from non-state resources. The Board will seek legislative funding so that appropriations for general plant repairs by 2007-2009 equal 1.5% of plant value.
- Conduct a Board study in 2001-2002 to address consolidation of administrative functions across campuses to improve communications, increase data availability, and improve efficiency.
- Review biennially beginning in 1999-2001 the administrative costs of all institutions and use national averages as benchmarks to assure administrative costs are kept below the national average for similar types of institutions.
- Assess duplicate degree programs. Criteria for this assessment are presently being developed.

Goal 6 – Documented Performance

To document the performance and effectiveness of the North Dakota University System.

Examples of System Strategies and Accomplishments:

- Request Legislative Council approval for system-level performance report related to goals/strategies.
- Establish system-wide planning and accountability function with System office to implement Bush report recommendations.
- Request Governor and Legislature to continue to provide flexibility to allocate resources.

Goal 7 – Collaboration

To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration.

Examples of System Strategies and Accomplishments:

- Improve ties with elementary/secondary schools.
- The recently created System-wide Teacher Education Council is working with K-12 and vocational leaders across the state and is refocusing graduate teacher education so that programs directly support local school improvement programs. The dual enrollment legislation passed in 1997 is also based on a partnership between higher education, K-12 education, and vocational education.
- Provide assessment/performance data on grads that enter public colleges.
- Strategy will be accomplished with the implementation of SPARC (see Goal 1.1).
- Cooperate with K-12 to increase percentage of high school grads that enroll in postsecondary education.
- Common course numbering for 100-200 level courses
- Common course numbering for lower division courses will be reported on at the November 1998 Board meeting.
- Develop a plan with the Department of Human Services to provide education/training to welfare recipients.

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NDUS Progress Highlights (cont.)

- A Task Force on Welfare Reform involving a cross section of relevant state agencies and organizations has been formed to develop a plan for providing education and training that will assist welfare recipients.
- Cooperate with National Guard to implement NG tuition waiver program.
- Changes will be introduced during the 1999 legislative session as revisions to the current statute.

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NORTH DAKOTA
University System

1997 SBHE Six-Year Plan

December 1998

NDUS Campuses Highlights

GOAL 1 – EDUCATION EXCELLENCE

To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes strong communications skills, analytical thinking, use of technology, and interpersonal skills.

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- BSC received a ten-year accreditation in 1998 from the North Central Association of Colleges and Schools.
- Support services will be provided by 2000 designed to ensure that students achieve their academic goals.
- The Sykes Student Success Center opened its doors in February 1998, offering tutoring and other student success opportunities.
- Cut scores have been determined in English, math, reading, and all vocational-technical programs.
- Faculty are developing a standardized format for course syllabi with stated course objectives.

Dickinson State University

- DSU has made considerable progress in raising faculty salaries over the past five (5) years. The average salary has increased by $4,276 from 1994-95 to the 1998-99 academic year.
- DSU will establish a web-page with DSU graduate employment history and current information on employment opportunities.
- The 1998-2000 catalog will include internship course listings for all departments offering them.
- By 1999, Dickinson State University will establish a referral office for contact by off-campus agencies for service learning.

Mayville State University

- MaSU established a partnership with Great Plains Software to offer an information technology track in the computer science and business majors. The track includes a 7-month internship at Great Plains.
- MaSU is in the process of writing a grant proposal for $1.7 million in federal funds to convert upper-division courses in business and education to customized learning.
- MaSU received a new ten-year accreditation in 1996.

Minot State University

- Each discipline has a completed an assessment plan for each major.
- MiSU achieved its 10-year institutional accreditation in March 1998.
- The inclusion of technology in curriculum has been added to all education majors as a required part of student learning.
- MiSU received approval for the International Business degree in the 1997-98 academic year.

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NDUS Campuses Highlights (cont.)

MiSU-Bottineau Campus

- The Bottineau campus obtained NCA approval in October 1997, for the extension of six of its certificate and associated of applied science programs to the Minot campus.
- All five-computer labs contain recently upgraded equipment for students that are relatively state-of-the-art.
- An existing student survey has been distributed, as have surveys of former students. A survey of employers is being conducted.

North Dakota State College of Science

- The North Dakota State College of Science has developed an Assessment Plan that is designed to measure student learning.
- A Student Satisfaction Survey is administered annually.

North Dakota State University

- This year about 50% faculty and staff received a merit pay increase ranging from 2% - 10%.
- NDSU is accredited by NCA until 2006.
- NDSU is seeking AACSB accreditation for the College of Business.
- NDSU will conduct an evaluation of each program for which specialized accreditation is available to determine if accreditation is warranted.
- NDSU is developing Capstone courses, experiential, and practicum experiences to evaluate proficiency in all majors.
- NDSU is and will survey employers concerning their satisfaction with NDSU students and areas of strength and those needing improvement.

University of North Dakota

- UND currently delivers ten extended degree programs and established three new master's degree programs and one new undergraduate degree program for off-campus delivery in the last 18 months.
- The university's General Education Requirements Task Force is developing of a more focused and cohesive general education program.

UND-Lake Region

- Cooperative Education enrollment increased 28% from 1997-98.

UND-Williston

- Each faculty member will develop an evaluation and development plan by spring 1999.

Valley City State University

- VCSU established a partnership with Great Plains Software to offer an information technology track. It includes a 7-month internship at Great Plains.
- VCSU obtained $1.7 million in federal funds to create a pilot program for customized learning.
- The faculty are in the process of identifying required competencies for graduation and methods of tracking student achievement on those competencies.

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NDUS Campuses Highlights (cont.)

Goal 2 – Technology and Access

To emphasize enhanced use of technology to improve access to programs and services and as a regular component for instructional services and research.

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- Six courses are offered on-line over the Internet during fall semester, 1998.

Dickinson State University

- DSU has recently developed a cooperative program with BSC to deliver three bachelor degree programs in Bismarck.
- DSU has developed an Information Technology Plan that calls for a systematic upgrading of computers in the student labs.

Mayville State University

- As the nation's fourth "laptop university," MaSU is entering its second year of technology-enriched learning throughout the curriculum. A team of MaSU faculty is developing on-line courses for distance delivery.
- The business major can be completed in three years.
- MaSU is developing articulation agreements for the Information Technology track with all interested ND tribal colleges.

Minot State University

- One hundred sixty-nine students have registered for on-line delivery of courses in Fall 1998.
- MiSU has graduated students with graduate degrees taught entirely off-campus over the past two years in Devils Lake, Mayville, West Fargo.

MiSU-Bottineau Campus

- The medical office assistant program specialty area courses are now entirely available over IVN.
- The SBHE has given approval to the Bottineau campus to deliver several of its AA, AS, and AAS program to the Minot Air Force Base.
- The NDUS has made it possible for prospective students to submit an on-line admission application.

North Dakota State College of Science

- The college is currently delivering the Nursing Program to two off-campus locations.
- Courses are being transmitted to five southeast North Dakota high schools Via Interactive Television (ITV).
- NDSCS is providing secondary education in five vocational education programs for students in the Richland County Vocational Technical Center.

North Dakota State University

- NDSU eliminated on-campus residency requirements several years ago. Degree requirements are stated in terms of resident course requirements, allowing courses to be taken off-campus and through high tech, electronic media.

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NDUS Campuses Highlights (cont.)

University of North Dakota

- The Vice President for Academic Affairs and Provost has requested written outreach plans from all colleges and schools in the Division of Academic Affairs.

UND-Lake Region

- UND-LR is delivering the Legal Assistant program to Bismarck, Williston, and Grand Forks.
- UND-LR will deliver 9-1-1 and Corrections training to off-campus sites as required.
- Common course names, numbers, and descriptions have been shared with tribal colleges.

UND-Williston

- UND-Grand Forks will be sending the course CSC1 161, Computer Science II, using the Internet.

Valley City State University

- As the nation's second "laptop university," VCSU is entering its third year of technology-enriched learning throughout the curriculum. During the last year, VCSU faculty have developed several on-line courses for distance delivery.
- VCSU is developing articulation agreements for the Information Technology track with all interested ND tribal colleges.

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Goal 3 – Relevant Programs

To align programs and services with student interests and with current and future needs of business, communities, and the state, including cultural, social and citizenry components.

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- There has been a significant increase in the number of workshops and customized training events. As a result, an increase of approximately 6,000 individuals received some type of training compared to last year.
- BSC will initiate steps to implement a National Energy Technology Center.

Dickinson State University

- Four of 10 academic departments have implemented formal advisory committees to help in forming curriculum and keeping programs oriented toward meeting needs of potential employers. More needs to be accomplished toward meeting this goal.
- About half of the eligible courses appropriate for inclusion of international perspectives have such content within them.

Mayville State University

- The graduate placement rate is 100%, and reported satisfaction with their job placements is high.

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NDUS Campuses Highlights (cont.)

Minot State University

- MiSU has been meeting monthly with the Minot Public Schools (MPS) to enhance its relationship and explore areas of common interest. That has resulted in understandings about practicum placements and a joint effort in leadership training to be initiated in the fall of 1998.
- MiSU has reached and surpassed its target number for students in the first year of the on-line delivery of courses.
- Common course numbers are listed in the new Undergraduate Catalog published in August of 1998.

MiSU-Bottineau Campus

- The campus reconvened it various program advisory committees to analyze the appropriateness of existing curriculum.

North Dakota State College of Science

- Each of the occupational programs at NDSCS has established an advisory committee. Their role is to review curriculum content and make recommendations to assure that the program competencies are a match with their respective industry requirements.
- A recent agreement has been reached with General Motors to provide training for currently employed technicians from General Motors dealerships.

North Dakota State University

- NDSU will remodel at least two major classrooms per year and make minor revisions in five others.
- NDSU will maintain/expand residence hall networks to encourage computer literacy and use.
- NDSU will develop course requirements for student use of high tech/multimedia in presentations.

University of North Dakota

- Education opportunities exist with UND's extended degree offerings throughout the state in communities such as Fort Yates, Fort Berthold, and with the Turtle Mountain initiatives.
- A "Teachers as Scholars" program is in its early planning stages and is being initiated out of the UND Office of Academic Affairs.
- In the last year, an Office of Workforce Development was established. The Office of Workforce Development has 20 companies as clients.

UND-Lake Region

- In FY 98, 685 people in Business and Industry were trained.

UND-Williston

- The Williston Area Development Board has been established as the campus's community advisory council.
- The college established a 10-station community customized training center in the Crighton Building. Events are scheduled through March.

Valley City State University

- VCSU created a customer-driven point of contact for service management.
- Student Services offices are being remodeled to facilitate integrated, customer-driven services.
- The university has implemented formal partnerships with three international universities.

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NDUS Campuses Highlights (cont.)

Goal 4 – Leadership in Research

To provide leadership in addressing the high priority research and development needs and opportunities of the state

Examples of Campus Strategies and Accomplishments:

North Dakota State University

- NDSU is pursuing collaborative research and development activities with UND through the EPSCoR program and initiate/enhance programs for undergraduate participation in research (e.g., EPSCoR-REU).
- The college will require research as one criterion for faculty promotion and tenure.
- The college is considering a new entrepreneurship program involving NDSU, MiSU, and UND.
- NDSU's goal is to increase external funding efforts, achieving a return of 3:1 external to general fund appropriations.
- NDSU has developed a Federal Relations Committee to establish priority list of projects to work with congressional legislators and national agencies.

University of North Dakota

- UND will increase its investment in research and development activities across campus by encouraging and rewarding innovation, enhancing faculty scholarship capabilities, and strengthening institutional infrastructure support for scholarly work. UND's 5 percent restoration plan/investment plan will assist the university in its ability to encourage and reward innovation and scholarship.

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Goal 5 – Learning Environment

To provide an up-to-date and innovative environment for students, employees, and the public; and an environment that supports learning, research, and public services.

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- BSC developed a systematic plan for preventative maintenance of facilities.

Dickinson State University

- A Loss Control Committee will be established to assess workers compensation and workplace safety issues.
- By 1998, an annual report assessing ADA requirements on campus will be made available along with a proposed action plan.
- A new Information systems position will be developed and filled with a prime goal of coordinating academic computer support services.

Mayville State University

- Network access is universal throughout the camps. Nearly all classrooms are networked for all students, with multi-media presentation stations and printers.

NDUS Campuses Highlights (cont.)

MiSU-Bottineau Campus

- The two campuses will move to a more seamless administration of student and business office services without differentiation between them.

North Dakota State College of Science

- The plan for maintenance of high-tech instructional equipment has been put in place.
- The replacement of technical equipment has been given a high priority and will be purchased ahead of other equipment such as furniture or non-instructional equipment.
- NDSCS has developed a Safety Management Program.

North Dakota State University

- NDSU will seek external funding for new buildings.
- NDSU developed a plan for continued improvement of campus network.

University of North Dakota

- UND and its branch campuses will increase outreach efforts to high schools through a coordinated concurrent enrollment program of regional summer and academic year courses of qualified students.

UND-Lake Region

- UND-LR will develop articulation agreements with UND to ensure students transfer in third year as juniors (3-4 programs per year)

Goal 6 – Documented Performance

To document the performance and effectiveness of the North Dakota University System.

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- Assess the satisfaction of employers, students, alumni, and other constituents with quality of graduates employed services provided by the campus.

Dickinson State University

- DSU will refine the current seven-year placement report to include follow-up research on DSU's graduates.
- By 1999, DSU will develop and distribute to the general public an annual State of the University/President's Report that will document the University's effectiveness and successes.

North Dakota State College of Science

- A full-time position titled Director of Assessment and Institutional Research has been established.

North Dakota State University

- Do annual workload study to document faculty and staff activity.

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NDUS Campuses Highlights (cont.)

University of North Dakota

- UND will conduct annual surveys of employee and graduate satisfaction and annual assessments of workforce education and training.

UND-Williston

- Implement a plan to measure student academic achievement.

Valley City State University

- Update and issue Report to Investors.

Goal 7 – Collaboration

To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration

Examples of Campus Strategies and Accomplishments:

Bismarck State College

- A number of NDUS universities offer classes on the BSC campus
- Through the Corporate & Continuing education Division, BSC is working with the Department of Human Services to develop their strategic plan.

Dickinson State University

- An Extended Campus Office was created in July 1998 with a director named and support staff employed.
- The course number and content changes agreed upon System-wide have been incorporated into the DSU catalog and curriculum beginning with the 1998-2000 catalog edition.
- Dual-credit and other alternative course delivery vehicles will be expanded from the present base of 55 students (Fall 1997) at a rate of 20% increase annually from 1998 through 2003.
- DSU has exceeded its goal already by the fall of 1998 with dual-credit courses being offered within 11 separate high schools in the service region.

Mayville State University

- MaSU offers a math specialist program for teachers throughout the state, in collaboration with MiSU.
- MaSU is actively pursuing mutually beneficial opportunities for dual credit courses with area high schools.
- MaSU is working with a variety of other agencies on the Governor's CERA initiative (Centers for Excellence in Rural America).

Minot State University

- MiSU has provided assistance to the Sykes Corporation for training.
- Future opportunities involve the out-sourcing plans of the United States Air Force.
- MiSU will "trial run" two graduate courses to Bismarck in Criminal Justice during the current academic year (1998-99).

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NDUS Campuses Highlights (cont.)

MiSU-Bottineau Campus

- Preliminary discussions have taken place between BSC and UND-W in regard to the shared delivery of some health professions programming.

North Dakota State College of Science

- Fulfill system-wide responsibilities for Customized Training coordination by fully developing and implementing the Customized Training Network.
- Offer college credit courses to high school students using the ITV system.
- The college is currently sending credit courses to five locations in the ITV system.

North Dakota State University

- Continue with and seek new partnerships.
- Work with the Skills and Technology Training Center (NDSCS)
- Expand articulation/partnerships with Tribal Colleges.
- Seek partnerships with Moorhead State and Concordia to develop joint course offerings in areas of low course enrollments.
- Investigate certificate programs of interest to industry.
- Deliver courses to Minot State in business.

University of North Dakota

- All academic deans, department chairs, and many faculty members helped in the common course numbering strategy to be achieved. UND hosted in the first "State of the Faculty" conference in November 1996.
- UND will develop concurrent enrollment agreements with regional high schools to provide dual credit course offerings to qualified high school students.

UND-Lake Region

- A Business and Industry Advisory Board was established in 1998.
- UND-LR is working with county governments in the Lake Region to develop In Home Care Providers training. The curriculum has been developed and adopted by the state for delivery statewide.

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NORTH DAKOTA
University System

1997 SBHE Six-Year Plan

December 1998

Accountability Report

DRAFT

North Dakota University System

Performance and Accountability
Measurements System Outline

Documented Performance

The State Board of Higher Education made a commitment in its Six-Year Plan to: **"Document the performance and effectiveness of the North Dakota University System."** That commitment is detailed under Goal Six where the proposed strategies for goal achievement at both the System and campus levels are listed.

The Performance and Accountability Measurements System proposed in this draft report is intended to answer three fundamental and legitimate questions that every legislator or citizen in North Dakota has the right to ask and to have answered:

1. What business are you in?
2. How successful are you?
3. How do you know?

The answer to the first question is simple: The North Dakota University System is in the business of education, research, and public service. Answers to questions two and three are at the center of what the proposed Performance and Accountability Measurements System is designed to accomplish.

Purposes

The primary purposes of the Performance and Accountability System are:

1. Bring focus and provide a clearly defined agreement among the State Board of Higher Education, Chancellor's Cabinet, Governor's Office, and the Legislature, as to what **the University System and the System campuses should be held accountable for and measured against**.

2. Provide the basis for designing a comprehensive data gathering system that allows the essential information needed for performance and accountability measurements to be collected in a routine, timely, and systematic manner. In addition and wherever possible, gather and utilize data which can also be used to satisfy campus accreditation requirements.

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Accountability Report (cont.)

3. Provide the basis for the Board of Higher Education, the Chancellor's Cabinet, and the System Office to establish priorities for responding to requests for research data; i.e., information which has been agreed to be included in an annual Performance and Accountability Report could take priority over ad hoc requests requiring significant staff time to prepare.

4. Substantially reduce the time and cost to the University System Office and to the individual campuses incurred from gathering information and preparing reports in response to frequent ad hoc requests. In turn, redirect those resources to functions that generate a more positive return on investment.

The proposed Performance and Accountability Measurements Report is, as the title suggests, intended to be a "performance report" geared to the high priority functions for which the campuses within the University System were founded and are offering to be measured against and held accountable for. It is NOT intended to be an exhaustive list of activities or miscellaneous accomplishments. That information will be provided in other forms and through other means.

Performance Measurements and Indicators

It is proposed that the Performance and Accountability System being developed will consist of five distinct components and/or phases:

A. Selection of Core Elements -

This phase will involve the determination of the core elements to be included in a performance and accountability system. Specific elements to be included will be sought from key stakeholders in the University System including: the State Board of Higher Education, Chancellor's Cabinet, faculty, students, campus advisory boards, business and industry representatives, local development organizations, Governor's Office, legislative leaders, and relevant state agencies.

The core elements sought will be those central to the purpose, role and respective missions of the various higher education institutions in the three primary areas of: (1) education, (2) research, and (3) public service, including outreach, life-long learning, workforce development and training, and economic development. Suggested examples of those core elements are included in this draft report. Others, as indicated earlier, will be obtained from a number of sources and constituents.

B. Performance Measurements-

Mechanisms and methods to be used in collecting performance information, directly related to the identified core elements, will be selected. **The performance measurements will focus on outputs and results as opposed to inputs and activities.**

C. Benchmark Data-

Bench marking data will be obtained for measuring progress and performance of the University System in relation to the core elements selected for measurement.

D. Selection of Performance Standards and Methods of Measurement-

Performance standards will be developed based on bench marking data, comparisons with other states, campus missions, and/or other factors to be determined from key stakeholder input.

E. Data Gathering Mechanisms-

Existing data gathering mechanisms will be used, and new systems developed where necessary, to document progress toward core elements.

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Accountability Report (cont.)

E. Accountability Reports-
Reports documenting levels of performance and accomplishments will be published annually for public distribution.

NDUS Accountability Measurements Outline

Goal 1 – Education Excellence

To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes strong communication skills, analytical thinking use of technology, and interpersonal skills

1. **Student Benchmark Information**
   a) Student Goals/Interests/Needs ~ *A question will be added to the Student Application for admission to identify why the student is applying for admission.*
   b) Entry level Skills Testing ~ *Document ACT/Compass, GRE or other intake score averages.*
   c) Placement scores ~ *Document program ACT/Compass cut-off scores and averages for course/program admissions.*

2. **Student Support Measurements**
   a) Developmental Courses ~ *Identify the type(s) and number of Developmental courses; enrollment numbers (percentages) and success rates in these courses.*
   b) Tutoring Programs ~ *Identify the type(s) and number of tutoring programs; numbers and contact hours.*
   c) Handicapped Services ~ *Categories and numbers served.*
   d) Minority Services ~ *Programs offered and numbers served.*

3. **Student and Faculty Assessments**
   a) Undergraduate general abilities ~ *Existence and operation of an acceptable institutional student assessment program.*
   b) Teacher effectiveness ~ *Faculty evaluations.*
   c) Program quality review ~ *Program evaluation based on advisory group recommendations, student satisfaction, student success, etc.*
   d) Maintain accreditation ~ *National and regional accrediting bodies.*

4. **Tracking Measurements**
   a) Enrollment patterns ~ *Demographics of student population.*
   b) Progression/Efficiency ~ *Timely completion toward academic goal including the efficiency of class-taking patterns by students.*
   c) Retention/Persistence ~ *Return rate of students/Progress toward degree.*
   d) Transfer rates ~ *Program/procedure whereby four-year baccalaureate institutions provide other colleges with information on academic performance of transfer students.*
   e) Goal/Graduation Rates ~ *Institution meeting the defined needs/goals of student.*

5. **(Possible others yet to be determined.)**

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Accountability Report (cont.)

Goal 2 – Technology and Access

To emphasize enhanced use of technology to improve access to programs and services and as a regular component for instructional services and research

1. **Distance Learning Measurements**
   a) ITV/IVN sites and use ~ *Identify and document rates of interactive video systems use for educational and other purposes.*
   b) Online Courses/enrollment ~ *Document number of courses and enrollment of Computer based distance learning system.*

2. **Technology Inventory Measurements**
   a) Hardware inventory ~ *Identify type and document numbers of computers on campus by user group.*
   b) Accessibility of technology ~ *Availability and use of computer labs, e-mail, Internet services, and electronic library systems.*
   c) Support ~ *Number of staff (by category) and total hours available to support computer usage.*
   d) Curriculums ~ *Computer technology specific courses/programs offered on campus.*
   e) Integration into courses/programs ~ *Existence and implementation of a formal, comprehensive, and effective plan for appropriately integrating educational technology into the curriculum.*

3. **(Possible others yet to be determined.)**

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Goal 3 – Relevant Programs

To align programs and services with student interests and with current and future needs of business, communities, and the state, including cultural, social, and citizenry components

1. **Strategic Planning Process**
   Evidence of a decision-making process to develop vision and goals for the institution, responsive to the students/community/service priorities.

2. **Identification of Customer Needs and Expectations**
   a) Advisory Councils ~ *Existence of community advisory council for each major program/academic area.*
   b) Needs surveys ~ *Existence of a process(es) to assess community/service area needs.*

3. **Program Productivity Measurements**
   a) Enrollment patterns ~ *Trend evidence of student and service area demand for programs.*
   b) Programs added/eliminated ~ *Responsiveness to assessment of needs and interests.*

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4. **Accessibility Measurements**
   a) Non-traditional course time inventory ~ *Student FTE's, in courses offered after 4 p.m. and weekends.*
   b) Distance learning requests/delivery ~ *Evidence of responsiveness to meet educational needs of off-campus learners (including Dual Credit initiatives with high schools.)*
   c) Regional enrollment patterns ~ *Analysis of enrollment by geographic region.*

5. **(Possible others yet to be determined.)**

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Goal 4 – Leadership in Research

To provide leadership in addressing the high priority research and development needs and opportunities of the state

1. **Sponsored Research Measurements**
   a) number of applications ~ *Documentation of number of proposals, by category.*
   b) number of grants received (awarded).
   c) Total dollars attracted for research.
   d) Relevancy of research to institutional mission, local, state and/or national needs.

2. **Grants Measurements**
   a) number of applications ~ *Documentation of number of proposals, by category.*
   b) number of grants received (awarded).
   c) Total dollars attracted for research.
   d) Relevancy of research to institutional mission and State's needs.

3. **New Research Initiatives**
   Evidence of planning process in action and response to client needs.

4. **(Possible others yet to be determined.)**

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Goal 5 – Learning Environment

To provide an up-to-date and innovative environment for students, employees, and the public; and an environment that supports learning, research, and public service

1. **Stewardship of Resources**
   a) State General Fund Expenditures ~ *Financial breakdown or funds incoming and outgoing by category; i.e., instruction, student services, administration, and physical plant.*
   b) Total dollars expended on renewal of physical plant facilities
   c) Total dollars expended on the replacement of instructional equipment.
   d) Total dollars expended on technology.
   e) The audited financial statements will be attached to the annual accountability report.

Accountability Report (cont.)

2. **Level of Competitiveness Measurements**
   a) Institutions remaining competitive in retaining and attracting quality faculty and staff.
   b) Institutional criteria used for distribution of salary increases.
   c) Number of persons involved in professional development programs and activities.

3. **Cost of Attendance**
   Tuition and other fees and expenses and how this compares to regional and national data.

4. **(Possible others yet to be determined.)**

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Goal 6 – Documented Performance

To document the performance and effectiveness of the North Dakota University System

1. **Student Satisfaction Measurements**
   Former student survey including:
   a) After-graduation work performance
   b) Current educational status
   c) Expressed satisfaction with program outcomes
   d) The extent to which instruction was relevant to their goals

2. **Pass Rates/Scores on Certification/Licensure Exams Measurements**
   a) *Documentation of certification/licensure success.*
   b) Comparisons with other states.

3. **Employer Satisfaction With Graduates' Work/Skills Performance Measurements**
   Levels of satisfaction of employees with the abilities in various fields of new employees who are program graduates.

4. **Achievement of Institutional Goals and Standards Measurements**
   a) Retention of quality faculty and staff ~ *Turnover rate.*
   b) Degrees - Full-time/Adjunct Faculty ~ *Document qualifications.*
   c) Staff perception of organizational climate ~ *Institutional climate survey.*

5. **Geographic Enrollment Patterns Measurements**
   Participation rates in public higher education by region and by selected geographic characteristics.

6. **(Possible others yet to be determined.)**

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Accountability Report (cont.)

Goal 7 – Collaboration

To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration

1. **Articulation and Linkages With Educational Organizations Measurements**
   a) Number of institutional partnerships with K-12 districts ~ *Including School-to-Work, Tech-Prep, internships and student teaching.*
   b) Programs for pre-college students ~ *Outreach programs, Advanced Placement, and special events.*
   c) Enrollment of students in Dual-Credit programs ~ *Documentation of the number of high school students registering for courses that provide both high school and college credit.*

2. **Workforce Development Cooperative Measurements**
   Partnerships with industry, business, government and labor for the education and training of the workforce to enhance the economic development of the community.

3. **Corporate and Continuing Education Measurements**
   Providing educational services to the business and general community.
   a) Number of employees/trainees served
   b) Number of organizations served
   c) Number of consulting contracts
   d) Non-credit courses offered ~ *Vocational and a vocational programs.*
   e) Employer/Public satisfaction
   f) New initiatives

4. **(Possible others yet to be determined)**

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NORTH DAKOTA
University System

1997 SBHE Six-Year Plan

December 1998

Selected Recommendations 1997 Bush Foundation Study

In 1996-97, the State Board of Higher Education contracted with a five-member panel to conduct a study of higher education in North Dakota. The study was funded from a Bush Foundation Grant. A similarly funded study was done ten years earlier. The study panel interviewed hundreds of people across the state. Their report was released during the 1997 Legislative Session. A summary of major recommendations is presented below.

REC. #	PAGE #	RECOMMENDATION
2.11	36	Remove the condition that no two undergraduate alumni from the same institution can serve simultaneously.
4.1	38	Expand the historic definition of the higher education system to more fully embrace career and technical education, while continuing traditional general education commitments.
4.2	38	Develop the means to identify, then respond to, educational (particularly skills training) needs throughout the state, especially in those geographic areas of the state not having a resident capacity to deliver such education.
4.3	39	Develop the information infrastructure required to support planning and accountability at both the system and institutional levels.
4.4	39	Create and enhance institutional assets (personnel, buildings, equipment, and programmatic) necessary to fulfill this agenda. A key component might be implementation of an institution-driven, NDUS-coordinated partnership with the legislature and the Governor to address long-term salary and wage/compensation competitiveness issues.
4.5	39	Resolve problems in articulation and transfer within the System; eliminating this issue as a source of complaints by students, parents, and political leaders.
4.6	39	Develop a long-term master plan for distance education.
5.2	40	An annual meeting of the SBHE, the Governor, and the legislative leadership. This group should receive an annual accountability report from the SBHE that focuses on a key set of system and institutional performance indicators.
6.1	41	Provide base funding for each institution and have this base funding be adjusted for price increases annually.

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Selected Recommendations (cont.)

REC. #	PAGE #	RECOMMENDATION
6.2	41	Allocate a separate appropriation of 2% of the overall appropriation to the SBHE to fund initiatives identified as part of the public agenda.
6.3	42	Develop a Fund for Institutional Innovation equivalent to 2% of the annual appropriation for each institution.
6.4	42	Fund a capital component for the acquisition, renewal, and replacement of buildings and equipment. As noted earlier, this is an area in which North Dakota faces serious difficulties.
6.5	43	Consider student financial aid funding as an integral part of the higher education budget and the SBHE should recommend steps to be taken—either through state financial aid programs or mandatory institutional fee waivers—to ensure that economic access to NDUS is preserved.
7.1	43	Give institutions the widest possible latitude in the use of appropriated funds. The only requirement should be that expenditures for renewal of assets be made at a rate equal to or greater than some level established by board policy (i.e. a new policy on depreciation). Numbers of personnel, staffing patterns, and salary levels should be established at the institutional level.
7.2	44	Allow institutions to "keep" funds acquired from non-state sources and not subject these funds to the appropriation approval process; they should be given every incentive to broaden their revenue base (tuition and fees, federal funds, and all non-state revenues).
7.3	44	Encourage institutions to engage in good management practices. This means they should be allowed to reallocate any funds they can save and carry funds over from one biennium to the next. More important, the staffs of the Chancellor's Office and of the Governor and the legislature should develop a format for a fiscal accountability report to be filed by each institution within an agreed-upon period of time after each fiscal year.
10	50	Adopt—and act on—the premise that the NDUS has an obligation to respond to the educational needs of the state and its citizens and that this obligation can only be met by drawing on the combined assets of the System to respond to local needs.
10A	52	Access should be available to a transferable AA degree
10B	52	Provide education in those career areas that prepare individuals for job entry or job upgrading into positions in the local or regional economies.
10B.1	54	Design Short-term, vocational or professional programs in collaboration with local employers.
The State Board of Higher Education		
8A.3	45	Monitor the progress of the NDUS in meeting system-wide goals and call for corrective action where appropriate.
8A.4	45	Determines the level of assets that should be created and maintained for NDUS to fulfill its obligations to the state of North Dakota.

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Selected Recommendations (cont.)

REC. #	PAGE #	RECOMMENDATION
8A.6	46	Ensure that institutions have established clear directions for their own development within the policy framework established by the SBHE, that they have processes in place to monitor progress toward their stated goals, and that they are taking appropriate action based on the information so acquired.
		Chancellor and System Staff
8B.1	47	Support the planning process in accord with the collective vision and public agenda for the system along with rationale for the items selected.
8B.2	47	Devise methods for allocating funds designated to support Board initiatives.
8B.3	47	Develop accountability mechanisms for the System and the individual institutions.
		If these expectations are to be met, staff resources should be augmented commensurate with these objectives.
8B.4	47	Create a comprehensive and accurate information infrastructure necessary to support the planning, management, and accountability functions of the System, along with the staff assistance to enable presidents of the campuses to fully use it.
8B.5	48	Provide leadership and planning for truly system-wide assets such as the ODIN (libraries), Interactive Video Network, and other, successor methods of distance education.
		Institutional Presidents/CEOS
8C.1	48	Develop institutional plans and priorities within the collective vision, established priorities, and policy framework established by the Board.
8C.4	49	Create and maintain physical assets needed by their institution.
8C.6	49	Development of measures by which distinctive institutional successes will be determined and regularly reported; the institution is accountable both for performance and the appropriate use of resources.
8C.7	49	Development of a campus culture that provides a climate of innovation.

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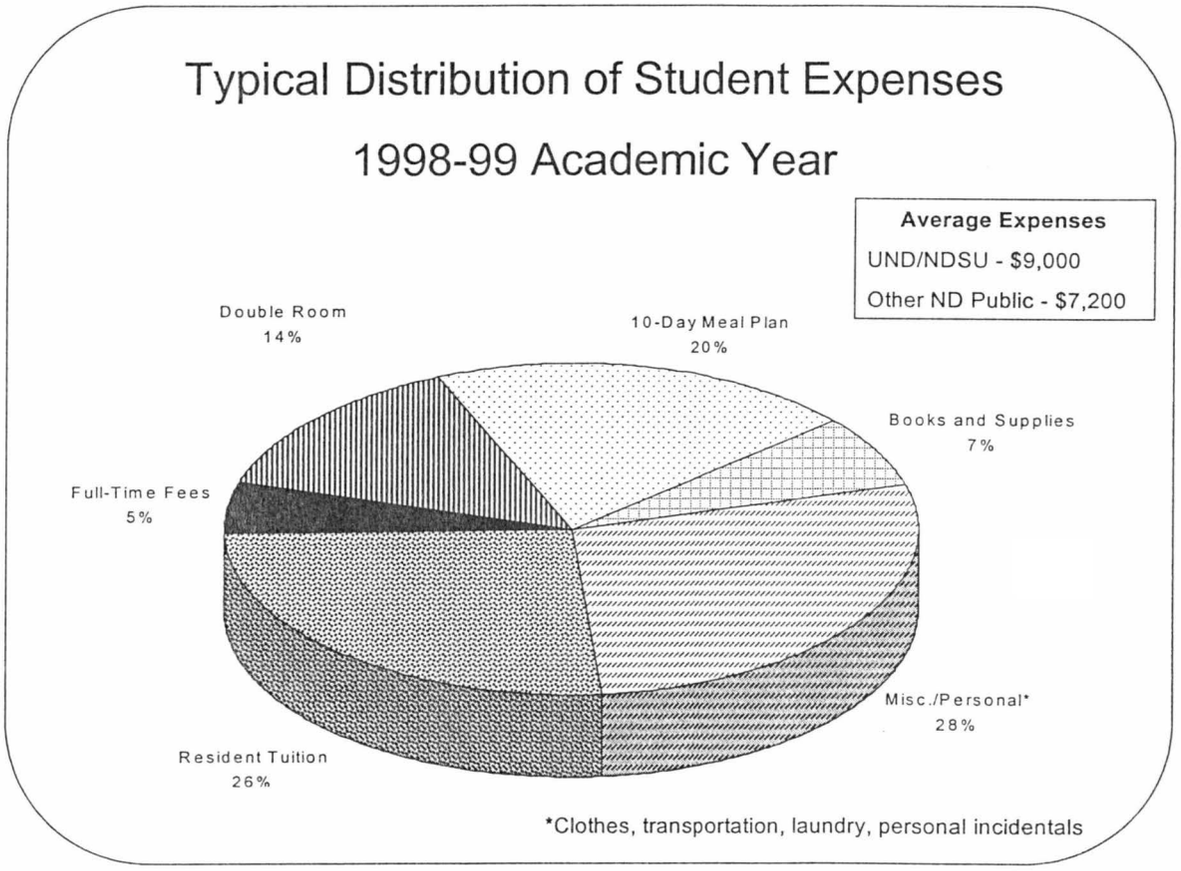
December 1998

Student Cost of Education

A student's cost of education consists of tuition, fees, room and board, books and supplies and miscellaneous expenses.

For academic year 1998-99, tuition and fees represent 31 percent of the total expenses paid by a typical student. Expenses for room and board account for 34 percent of the total students' expenses and books/supplies and miscellaneous expenses account for the remaining 35 percent.



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December 1998

Types of Financial Aid

There are two primary categories of financial aid: merit-based and need-based aid.

Merit-based aid is generally given to students in recognition of special skills or academic ability. Need-based student aid constitutes the major portion of assistance available for postsecondary education. Within the category of need-based assistance, there are two types of financial aid: grant aid and self-help aid. Grant aid, as the name implies, does not have to be repaid and does not require a service commitment. Self-help assistance consists of loans, which require repayment, and/or employment, which consists of part-time jobs.

- Seventy-five percent of North Dakota students applied for some form of financial aid during 1997-98. This percentage has remained fairly constant for the past five years.

- Federal financial aid dollars available to (Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Perkins Loan, and Federal Work-study) a North Dakota student pursuing an undergraduate degree increased 3 percent from 1993-94 to 1997-98.

- The average student loan debt of a North Dakota undergraduate student attending either a public or private North Dakota institution at the time of graduation is between $10,000 and $12,000.

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State Grant Program

The North Dakota Student Financial Assistance Program (State Grant) provides a $600 non-repayable grant per year to North Dakota residents pursuing their undergraduate degree and who attend North Dakota's public, private (not-for-profit), and tribal colleges. The purpose of this need-based grant is to assist students with their cost of attending a North Dakota postsecondary institution. A State Grant also reduces the amount of money a student needs to borrow for their education.

- Over 28,000 North Dakota students applied for the State Grant Program during 1997-98. The State Grant Program was able to fund 3,688 needy students or roughly 13 percent of the eligible students during 1997-98. For 1997-98, the greatest unmet need of a State Grant Program recipient was $8,194 while the average unmet need was $4,357. Unmet need for this program is calculated as follows: Cost of education minus parent/student expected contribution, minus Federal Pell Grant, minus other resources, e.g., veterans' benefits, equals unmet need. For academic year 1997-98, we ran out of State Grant dollars at an unmet need figure of $4,000.

- State funding to support the State Grant program is equivalent to 1.2 percent per year of annual tuition collections.

Students Receiving State Grant Dollars Awarded by Institution Type

	Public Institution	Private Non-Profit 4-Year Colleges & Hospital School of Nursing	Native American Community Colleges
1997-98 School Year			
# Applying 28,349			
# of Students Receiving Awards	2,913	685	90
$ Awarded	$1,625,581	$395,400	$48,188
% of Total $ Awarded	79%	19%	2%
% of all ND Students Attending college	86.9%	9.4%	3.7%
1998-99 School Year (est.)			
# Applying 28,491			
# of Students Receiving Awards	2,834	704	108
$ Awarded	$1,687,200	$420,000	$64,800
% of Total $ Awarded	78%	19%	3%
% of all ND Students Attending College	87%	9%	4%

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State Grant Program (cont.)

- The State Grant Program has a maintenance of effort (MOE) requirement. Under federal law, states are required to meet or exceed the maintenance of effort requirement to ensure continued federal funding. The MOE requirement is the average expenditure of non-federal dollars for the past three years. To maintain the MOE requirement for the 1999-2001 biennium, an estimated dollar amount of $2.1 million in non-federal dollars is needed for each year of the biennium or a total of $4.2 million for the biennium.

- Funding sources for the State Grant Program includes (1) general fund, (2) MN Reciprocity funds, and (3) federal funds. As reflected in the chart below, the Legislative appropriated funding sources for this program has shifted significantly from the 1991-93 biennium to the 1997-99 biennium in the general fund and MN Reciprocity fund areas.

Type of Fund	1991-93 Legislative Appropriation	1993-95 Legislative Appropriation	1995-97 Legislative Appropriation	1997-99 Legislative Appropriation
General Funds	$2,428,221	$2,543,086	$2,032,478	$1,495,000
MN Reciprocity Funds	1,000,000	1,000,0000	1,350,000	2,574,000
Federal Funds	400,000	400,000	400,000	410,986

Breakdown of Funding Sources for the ND Student Financial Assistance Grant Program

Type of Fund	1997-99 Adj. Appropriation	1999-2001 System Request	1999-2001 Executive Recommendation
General Fund	$1,744,604	$4,644,604	$1,744,604
Other Fund (MN reciprocity payment)	2,574,400	2,574,400	2,574,400
Federal Fund	566,821	140,000	140,000
TOTAL	**$4,885,825**	**$7,359,004**	**$4,459,004**

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December 1998

North Dakota Scholars Program

The North Dakota Scholars Program, a merit-based scholarship, was first funded by the Legislature in 1987 to provide scholarships to North Dakota's best and brightest high school graduates to encourage them to remain in North Dakota to obtain their postsecondary training.

- High school seniors must score in the upper 95 percentile of all North Dakota ACT test takers and must also be in the upper 20 percent of their high school graduating class at the end of their junior year in order to be eligible for the scholarship.
- The North Dakota Scholars Scholarship is renewable for up to three years provided the recipient maintains a cumulative 3.50 grade point average.
- The North Dakota Scholars Scholarship is a full tuition scholarship for students attending North Dakota's public and tribal colleges and a tuition scholarship equal to NDSU/UND's tuition for students attending North Dakota's private institutions.

ND Scholars Program

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99*
# of candidates meeting 5% ACT requirement	533	555	607	614	671	455
# of candidates also meeting high school rank requirement	453	441	475	496	507	387
Offers made	108	95	51	75	120	112
Offers accepted	50	60	23	31	55	49
% of those offered and accepted	46%	63%	45%	41%	46%	44%

* The number of students meeting both the ACT and class rank requirements for the ND Scholars Program is considerably less for 1998-99 compared to 1997-98. This reduction is due, in part, to a 1997 statue change which eliminated including the December ACT Test Data as part of the initial scholars consideration pool and has allowed for Scholars offers to be made in February versus April.

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North Dakota Scholars Program (cont.)

- The North Dakota University System had sufficient funding to support the following number of North Dakota Scholars by class, by year.

North Dakota Scholars by class, by year						
	1993-94	**1994-95**	**1995-96**	**1996-97**	**1997-98**	**1998-99**
Freshmen	50	60	22	31	55	49
Sophomores	37	31	53	14	24	48
Juniors	31	32	32	50	12	22
Seniors	34	31	34	27	49	12
Total	**152**	**154**	**141**	**122**	**144**	**131**

- North Dakota students who qualify for this program are high academic achievers. These students are heavily recruited by out-of-state colleges and universities, who also offer financial incentives in order to attract them to their campus. This is demonstrated by the fact that in 1998-99 in order to fund 49 new freshmen students, 112 offers were made an acceptance rate of 44 percent. The other 63 students more than likely had a better offer to attend another out-of-state institution.

Breakdown of Funding Sources for the ND Scholars Program			
Type of Fund	**1997-99 Adj. Appropriation**	**1999-2001 System Request**	**1999-2001 Executive Recommendation**
General Fund	$523,347	$523,347	$523,347
Other Fund (MN reciprocity payment)	185,500	185,500	185,500
TOTAL	**$708,847**	**$708,847**	**$708,847**

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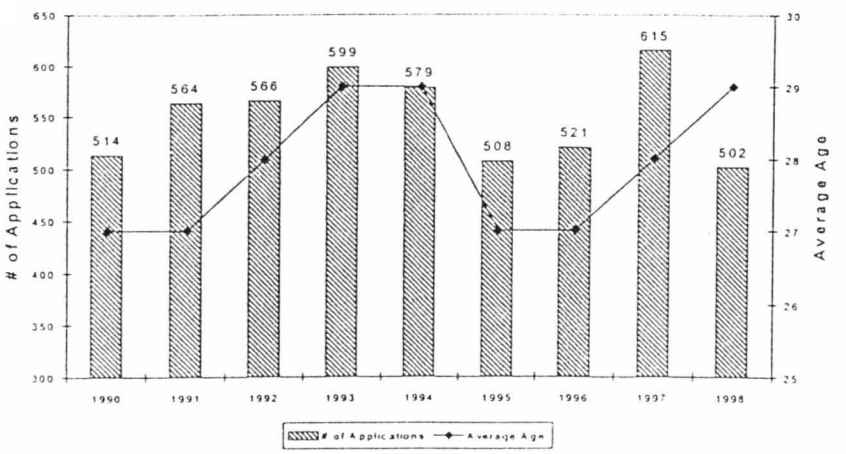
December 1998

Indian Scholarship Program

- The Indian Scholarship Program assists American Indian students in obtaining a basic college education by providing grants ranging in amount from $700 to $2,000 per year based upon scholastic ability and financial need. By limiting scholarship awards to $700, the Indian Scholarship Board has been able to make scholarship awards to 148 eligible applicants.
- The qualifications for eligibility for the North Dakota Indian Scholarship Program are as follows:
  - Applicants must either be a resident of North Dakota with one-quarter degree Indian blood or an enrolled member of a tribe now resident in North Dakota. Residency for each student shall be determined by the institution that student is attending.
  - All applicants must have been accepted for admission at an institution of higher learning or state vocational education program within North Dakota.
  - Scholarship recipients must be enrolled full-time and may not have a grade point average below 2.00.
  - Students participating in internships, student teaching, teaching assistance, or cooperative education programs may be eligible for a scholarship award only if participation in that program is required for the degree and only if tuition must be paid for the credits earned.
- All students funded show need and only one or two students show no need each year who have 3.50 or higher.

Indian Scholarship Application History



*The average unmet need for applicants Fall 1998 was $3,500

*Approximately 20 students graduate each year

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Indian Scholarship Program (cont.)

History of Native American Scholarship Program				
Biennium	Full-time Native American Students Attending College*	Native American Scholarships Awarded	State General Funds Appropriated	% of Full-time Students Receiving Funding
1973-75	1,366	50	$45,000	3.7%
1975-77	1,935	82	$75,000	4.2%
1977-79	2,258	89	$85,000	3.9%
1979-81	2,278	101	$85,000	4.4%
1981-83	1,964	173	$147,742	8.8%
1983-85	2,051	272	$175,000	13.3%
1985-87	2,729	276	$175,000	10.1%
1987-89	2,812	293	$175,000	10.4%
1989-91	2,699	246	$170,700	9.1%
1991-93	3,260	237	$200,000	7.3%
1993-95	2,669	300	$200,000	11.2%
1995-97	3,207	289	$204,000	9.0%
1997-99	4,367	292	$204,000	6.7%

*Includes the following schools: Bismarck State College, Dickinson State University, Fort Berthold Community College, Jamestown College, UND-Lake Region, Little Hoop Community College, University of Mary, Mayville State University, Minot State University, Minot State University-Bottineau Campus, North Dakota State University, Standing Rock College, North Dakota State College of Science, Turtle Mountain Community College, University of North Dakota, UND-Williston, and Valley City State University.

g:\terry\500\511\History of Native American Scholarship Program

Breakdown of Funding Sources for the ND Indian Scholarship Program			
	1997-99 Adj. Appropriation	1999-2001 System Request	1999-2001 Executive Recommendation
General Fund	$205,108	$205,108	$205,108

FOR MORE INFORMATION CONTACT:
Rhonda Schauer, State Approving Agency Director/Coordinator of American Indian Higher Education
(701) 328-2166 Rhonda_Schauer@ndus.nodak.edu

December 1998

Tuition Waiver Summary

The North Dakota Legislative Assembly and the State Board of Higher Education have recognized that in certain limited situations it is desirable to promote an educational or statutory goal by waiving tuition charges for select students.

1997-98 Tuition Waiver Information

	Grad Assistant**	Staff Waiver**	National Guard*	SIS Waiver*	Foreign Student**	POW/MIA/ Vet's Dep Waiver*	Misc[1]*	WICHE**	Sr. Citizen**
BSC # of Students	0	24	78	0	6	4	0	0	1
Dollars	$0	$5,963	$24,674	$0	$16,573	$7,049	$0	$0	$129
DSU # of Students	0	31	24	0	7	3	0	0	0
Dollars	$0	$7,112	$9,747	$0	$17,119	$2,415	$0	$0	$0
MaSU # of Students	0	53	10	0	8	0	0	0	1
Dollars	$0	$12,988	$4,259	$0	$19,509	$0	$0	$0	$73
MiSU # of Students	18	72	39	0	16	9	0	0	0
Dollars	$23,003	$25,831	$15,550	$0	$41,730	$13,480	$0	$0	$0
MiSU-BC[2] # of Students	0	8	2	0	9	0	0	0	0
Dollars	$0	$2,199	$992	$0	$4,500	$0	$0	$0	$0
NDSU # of Students	538	225	246	0	33	14	124	0	4
Dollars	$1,567,408	$126,543	$129,159	$0	$114,655	$22,604	$137,959	$0	$652
NDSCS # of Students	0	37	54	0	5	3	0	0	0
Dollars	$0	$13,303	$20,904	$0	$15,540	$4,397	$0	$0	$0
UND # of Students	484	350	176	1	39	20	115	97	0
Dollars	$1,271,648	$169,064	$84,676	$1,118	$136,590	$47,336	$241,811	$151,495	$0
UND-LR # of Students	0	27	10	0	4	1	112	0	1
Dollars	$0	$6,128	$12,874	$0	$5,432	$1,918	$14,665	$0	$388
UND-W # of Students	0	21	7	0	2	0	0	0	1
Dollars	$0	$4,381	$2,549	$0	$8,288	$0	$0	$0	$65
VCSU # of Students	0	112	16	0	18	2	0	0	6
Dollars	$0	$44,436	$4,836	$0	$28,242	$4,390	$0	$0	$1,025
TOTAL									
# of Students	1,040	960	662	1	147	56	351	97	14
Dollars	$2,862,059	$417,948	$310,220	$1,118	$408,178	$103,589	$394,435	$151,495	$2,332

Total	$4,651,374
plus Cultural Diversity Tuition Waiver	824,615
TOTAL 1997-98 WAIVERS	$5,475,989

[1]Misc. includes waivers for Board of Higher Ed, FF, PO, IAW, foreign exchange, articulation, CNA, CE, Peace Officers, and other HLTH waivers.

[2]MiSU - Bottineau was NDSU - Bottineau prior to July 1996

*Legislatively mandated

**Board policy

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FOR MORE INFORMATION CONTACT:
***Peggy Wipf**, Director of Financial Aid*
(701) 328-4114 Peggy_Wipf@ndus.nodak.edu

Tuition Waiver Summary (cont.)

The NDUS Cultural Diversity Tuition waiver authorizes each campus to grant tuition waivers of up to 3 percent of its undergraduate and graduate student enrollment to facilitate diversity. Emphasis is placed on assisting members of federally recognized American Indian tribes.

Cultural Diversity Tuition Waiver
1997-98

	Total Cultural Diversity Waivers Given	Partial* Native American	Full-time Native American
BSC # of Students	12	0	10
Dollars	$16,041	$0	$13,193
DSU # of Students	24	9	2
Dollars	$38,510	$6,586	$3,512
MaSU # of Students	17	3	2
Dollars	$15,365	$2,195	$2,634
MiSU # of Students	69	1	47
Dollars	$147,000	$187	$83,046
MiSU-BC # of Students	7	5	0
Dollars	$4,500	$3,000	$0
NDSU # of Students	230	1	69
Dollars	$264,652	$843	$139,866
NDSCS # of Students	8	0	6
Dollars	$12,416	$0	$9,312
UND # of Students	130	8	49
Dollars	$259,372	$11,872	$104,921
UND-LR # of Students	11	9	0
Dollars	$7,081	$5,723	$0
UND-W # of Students	11	0	8
Dollars	$16,250	$0	$13,146
VCSU # of Students	31	4	2
Dollars	$43,428	$3,073	$4,390
TOTAL			
# of Students	**550**	**40**	**195**
Dollars	**$824,615**	**$33,479**	**$374,020**

*Partial is less than 12 credits.

**MiSU – Bottineau was NDSU – Bottineau prior to July 1996

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FOR MORE INFORMATION CONTACT:
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December 1998

NDUS Tuition, Fee, Room & Board Schedule

1998-1999 Academic Year

Institution/ Branch		TUITION: Resident Full Time	Resident Part Time	Nonresident Full Time	Nonresident Part Time	SD, MT, Saskatchewan, and Manitoba Full Time	SD, MT, Saskatchewan, and Manitoba Part Time	Minnesota Full Time	Minnesota Part Time	FEES* Full Time	FEES* Part Time	ROOM Double	ROOM Single	BOARD 5 Day	BOARD 7 Day
BSC	a	$1,552	64.67	$4,144	172.67	$1,940	80.83	$2,000 1896	83.33	280.80	11.70	978[3]	1408[3]	$1,550-10 meals 1,635-15 meals	N/A
DSU*	a	1,832	76.33	4,892	203.83	2,290	95.42	1,942	80.92	364	15.17	960	1,352	1,548-15 meals	1,710-19/20 meals
MaSU	a	1,832	76.33	4,892	203.83	2,290	95.42	1,942	80.92	1,200	50.00	1168	1,526		1,572-10 meals 1,668-14 meals 1,774-19/20 meals
MiSU*	a	1,960	81.67	5,234	218.08	2,450	102.08	2,078	86.58	280.70	11.70	981[3]	1,474[3]	1,370-10 meals	1,640-19/20 meals
	b	2,572	107.17	6,868	286.17	3,858	160.75	3,072	128.00	280.70	11.70			1,550-15 meals	
MiSU-BC	a	1,552	64.67	4,144	172.67	1,940	80.83	2,000	83.33	316	13.17	986	1,340	1,612-15 meals	N/A
NDSCS	a	1,552	64.67	4,144	172.67	1,940	80.83	2,000	83.33	209	8.71	1,000	1,380	1,368-10 meals 1,430-14 meals	
NDSU*	a	2,362	98.42	6,306	262.75	3,544	147.67	2,511	104.63	368 [4]	13.75 1st sem. 16.92 2nd sem.	1,204	1,554		1,864-10 meals
	b	2,572	107.17	6,868	286.17	3,858	160.75	3,072	128.00	368 [4]	13.75 1st sem. 16.92 2nd sem.				1,934-14 meals 2,042-19/20 meals
UND*	a	2,362	98.42	6,306	262.75	3,544	147.67	2,511	104.63	468	14.25 [2]	1,270	1,724		1,893-10 meals
	b	2,572	107.17	6,868	286.17	3,858	160.75	3,072	128.00	468	14.25 [2]				1,973-14 meals
	c	2,782	115.92	7,428	309.50			3,072	128.00	468	14.25 [2]				2,023-19/20 meals
	d	10,050	418.75	26,834	1,118.08			10,654	443.92	468	14.25 [2]				
	e	4,552	189.67							468	14.25 [2]				
UND-LR	a	1,552	64.67	4,144	172.67	1,940	80.83	2,000	83.33	382	11.94 [5]	1,036	1,344	1,516-10 meals 1,576-15 meals 1,434-10 meals (break & lunch)	1,716-17 meals
UND-W	a	1,552	64.67	4,144	172.67	1,940	80.83	2,000	83.33	254	10.58	720	1,100	$600, $900, or $1,200 meal ticket plan	N/A
VCSU	a	1,832	76.33	4,892	203.83	2,290	95.42	1,942	80.92	1,191	49.63	1,000	1,414	1,490-10 meals 1,694-15 meals	

NOTE: All schools are on semesters

* Additional Program Fees in Engineering, Law, Pharmacy, Nursing, Architecture, Landscape Architecture and Interior Design.

** Key: **a**=Undergraduate, **b**=Graduate, **c**=Law, **d**=Medicine, **e**=Physical Therapy

(1) Per credit hour for less than 12 hours per semester.

(2) In addition to the $14.25/credit hour, students are charged a fixed Student Health Fee of $31.50/semester for 0-6 credit hours and $63.00 per semester for 7-12 credit hours.

(3) The rates listed for BSC and MiSU represents the average single and double room rates of the dormitories. These campuses charge different rates for different dormitories.

(4) Students at NDSU passed a Health/Wellness initiative in April. With this initiative the BHE has approved a $38 increase, effective the second semester. Fees for first semester are $165, and will increase to $203 second semester.

(5) Based on 16 cr hrs per semester

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December 1998

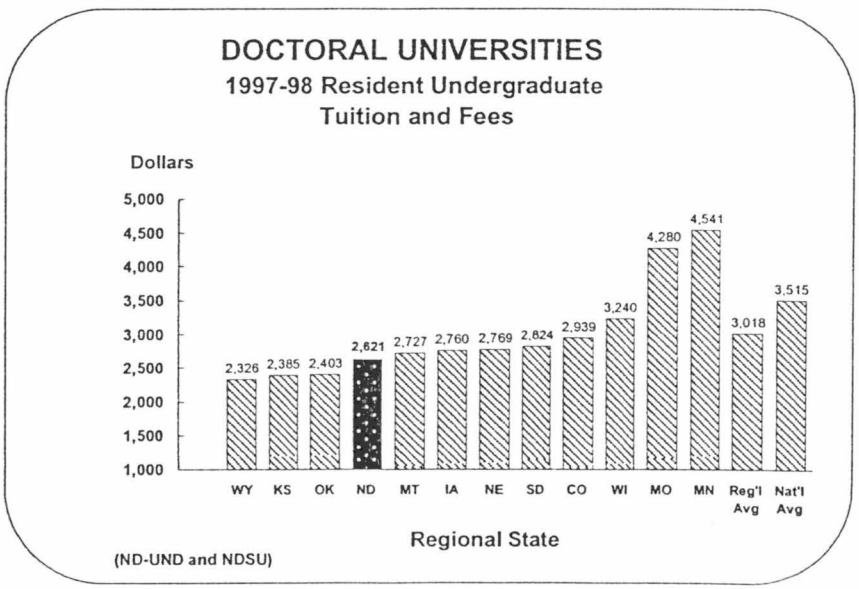
Regional and National Tuition and Fee Comparison

Tuition and fee information is based upon survey data collected by the Washington State Higher Education Coordinating Board. The Washington State report serves as the primary resource document for comparative tuition and fee studies published in North Dakota.

RESIDENT UNDERGRADUATE TUITION AND FEES

Doctoral Universities

- 1997-98 tuition and fee rates at UND and NDSU were $397 or 13.2 percent less than the regional average of $3,018 for doctoral universities. North Dakota ranked #37 nationally. Average tuition and fee charges at UND and NDSU for 1997-98 were $2,621 per year or $894 (25.4%) less than the national average charge for similar types of institutions.



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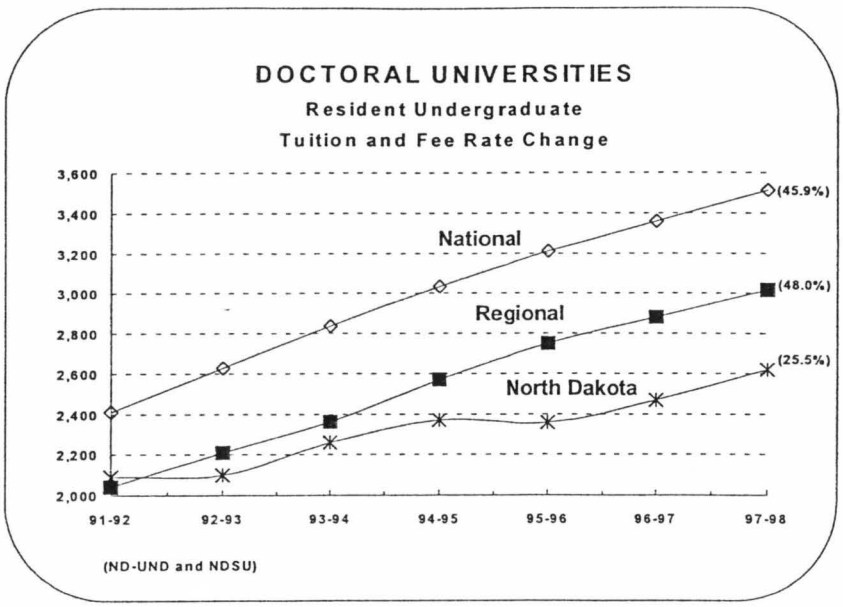
Regional and National Tuition and Fees Comparison (cont.)

The six-year average rate of increase from 1991-92 to 1997-98 for North Dakota was 25.5 percent, compared to the regional and national averages of 48 percent and 45.9 percent, respectively.



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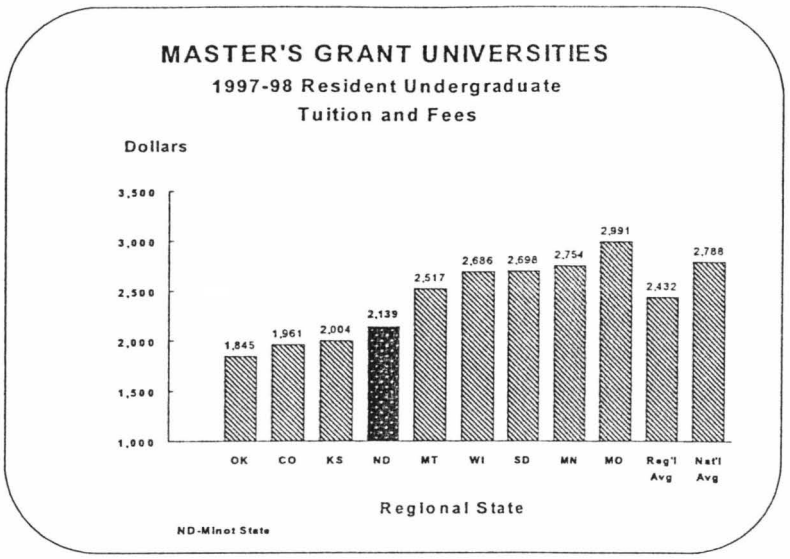
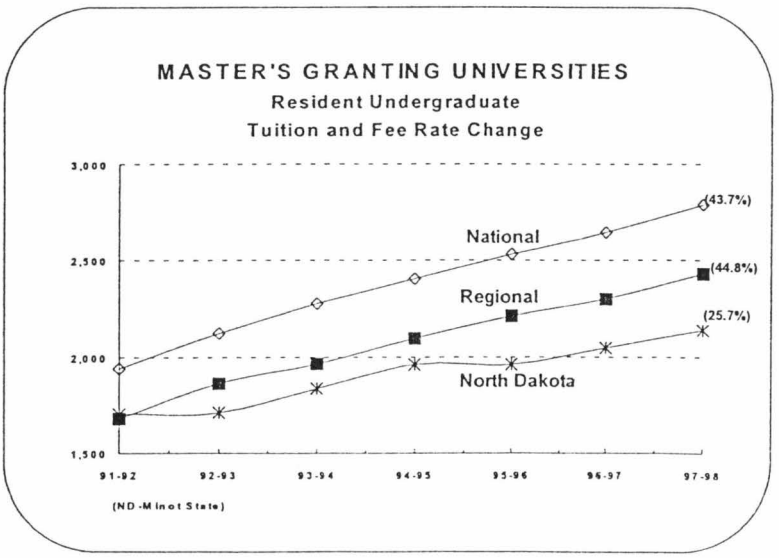
Regional and National Tuition and Fees Comparison (cont.)

Master's-Granting Universities:

- The tuition and fee rate at Minot State University in 1997-98 ($2,139) was less than the average rate at similar types of institutions in the region and was considerably less than the national average rate of $2,788.



- Tuition and fees at Minot State University increased 25.7 percent during the last seven years, compared to the regional and national average increases of 44.8 percent and 43.7 percent, respectively.



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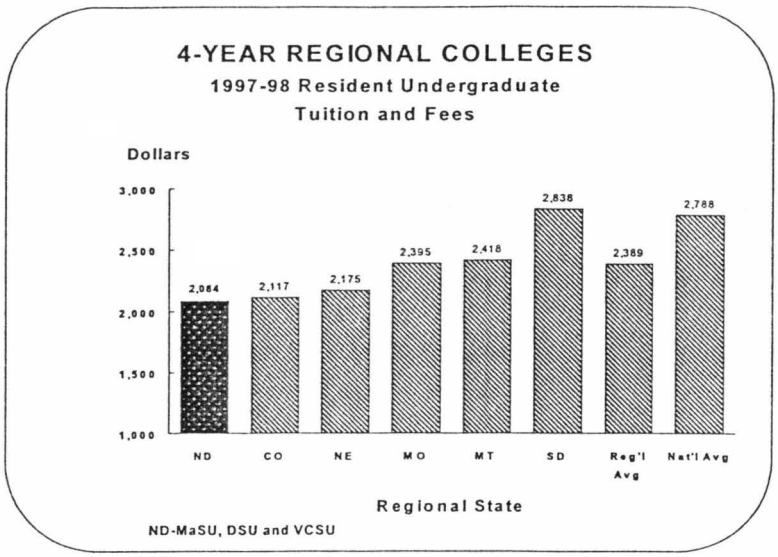
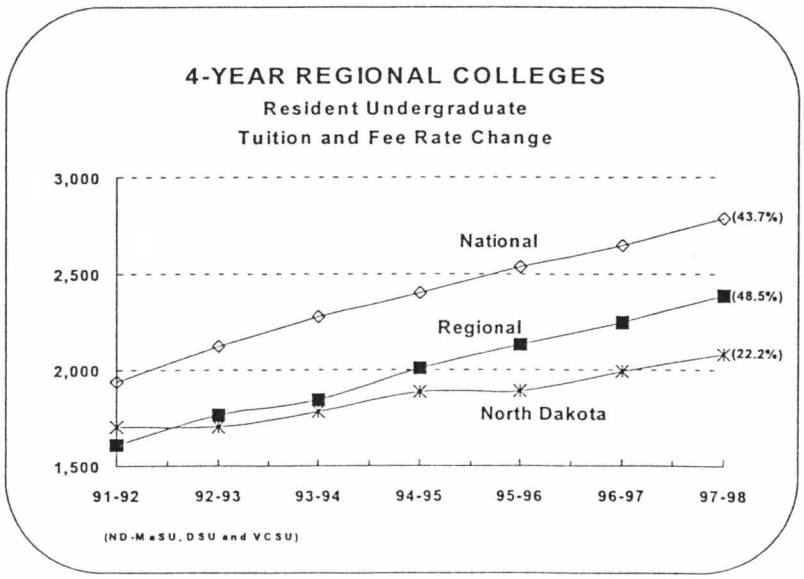
Regional and National Tuition and Fees Comparison (cont.)

Four-Year Regional Colleges:

- Average tuition and fees at the three regional colleges in North Dakota—Mayville, Dickinson, and Valley City State Universities—in 1997-98 were $2,084, excluding an $854 notebook computer fee at MaSU and VCSU. This is $305 or 12.8 percent less than their regional counterparts.



- Rates at the regional four-year colleges in North Dakota have increased 22.2 percent over the last seven years, while peer institution rates in the surrounding regional states have increased on the average of 48.5 percent, and the national average has increased 43.7 percent.



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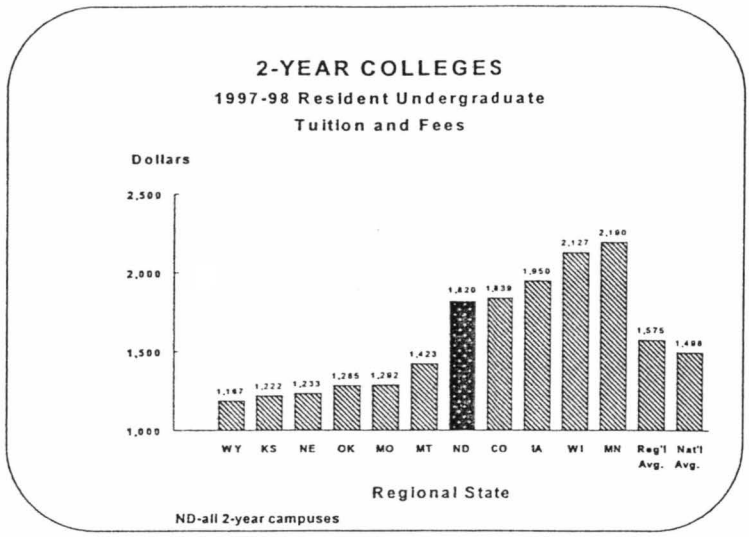
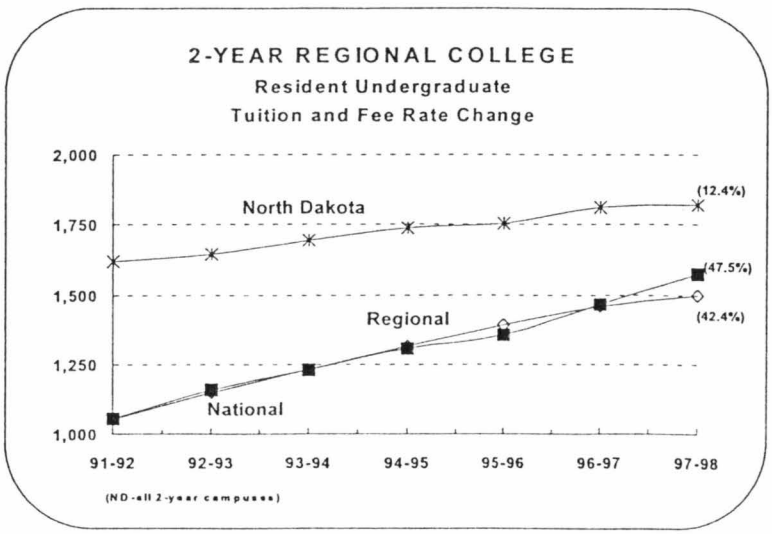
Regional and National Tuition and Fees Comparison (cont.)

Two-Year Colleges

- Tuition and fee rates, at North Dakota's two-year colleges, continue to be higher than both the regional and national averages. North Dakota's average tuition and fees, at the two-year campuses, are roughly $245 or 15.6 percent more than the regional, and $322 or 21.5 percent more than the national average for two-year colleges during academic year 1997-98.



- Because there has been no tuition increase since 1994-95, the gap between North Dakota's rates and the regional and national rates is narrowing. In 1994-95, tuition and fee rates were almost 32 percent higher than regional and national averages, compared to the current differentials of 15.6 percent and 21.5 percent noted above. Tuition and fee rates in North Dakota have increased by 12.4 percent over the last seven years compared to increases in the regional and national averages of 47.5 percent and 42.4 percent, respectively.



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Regional and National Tuition and Fees Comparison (cont.)

RESIDENT GRADUATE TUITION AND FEES

1997-98 tuition and fee rates charged to North Dakota residents for graduate programs at UND and NDSU are approximately 8 percent higher than the resident undergraduate rate. This is lower than the ratios that exist at the regional (10%) and national (14%) levels for doctoral universities.

In contrast to the differences that exist at the doctoral universities, the 1997-98 tuition and fee rate charged to North Dakota residents at its master's-granting university (MiSU) is 27 percent higher than the resident undergraduate rate. This is substantially higher than the ratios that exist at the regional and national levels of 3 percent and 8 percent, respectively.

RESIDENT VERSUS NON-RESIDENT TUITION AND FEES

The North Dakota University System charges non-resident students 2.67 times the resident tuition rate, plus fees. At the doctoral level the 2.67 compares to the following: South Dakota-2.25; Minnesota-2.67; Montana-2.72; regional average-3.09; and national average-2.84. For academic year 1997-98, the average non-resident undergraduate charge at UND and NDSU was $6,356. Using Fall 1997 enrollments, this is over 1.4 times more than the average state general fund appropriation (excluding plant improvements and major capital projects) per student for the NDUS during the 1997-99 biennium of $3,819. It is approximately 90 percent of the average total funds appropriation (excluding plant improvements and major capital projects) per student of $7,047 during the 1997-99 biennium, which includes both state general fund appropriations and tuition income.

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Financial Aid Programs

Peggy Wipf, *Director of Financial Aid*

ND Scholars Scholarship

- Merit-based financial aid program
- Created in 1987
- Budget:
  - 1999-2001 Executive Recommendation $708,847
  - 1999-2001 Budget Request $708,847
  - 1997-1999 Adjusted Appropriation $708,847
  - Increase from 1997-1999 to 1999-2001 Executive Recommendation $ 0
- Funding sources (Executive Recommendation)
  - General Fund $523,347
  - Other Fund (MN reciprocity) $185,500
- Number of new slots projected for 1999-2001 biennium (with carryover)
  - 1999-2000 35-55
  - 2000-2001 35-55

Financial Aid Programs

2

ND Scholars Program

	93-94	94-95	95-96	96-97	97-98	98-99*
# of candidates meeting 5% ACT requirement	533	555	607	614	671	455
# of candidates also meeting high school rank requirement	453	441	475	496	507	387
Offers made	108	95	51	75	120	112
Offers accepted	50	60	23	31	55	49
% of those offered and accepted	46%	63%	45%	41%	46%	44%

* The number of students meeting both the ACT and class rank requirements for the ND Scholars Program is considerably less for 1998-99 compared to 1997-98. This reduction is due, in part, to a 1997 statue change which eliminated including the December ACT Test Data as part of the initial scholars consideration pool and has allowed for Scholars offers to be made in February versus April.

3

State Student Incentive Grant (State Grant)

- Need-based financial aid program
- Created in 1973
- $600 annual grant. Amount has been at $600 since 1989
- Budget:
  - 1999-2001 Executive Recommendation $4,459,004
  - 1999-2001 Budget Request $7,359,004
  - 1997-99 Adjusted Appropriation $4,885,825
  - Decrease from 1997-1999 to 1999-2001 Executive Recommendation $ 21,382
- Funding sources (Executive Recommendation)
  - General Fund $1,744,604
  - Other Fund (MN reciprocity) $2,574,400
  - Federal Fund $ 140,000
- Number of grants projected for 1999-2001 biennium
  - 1999-2000 3715
  - 2000-2001 3715

4

State Student Financial Assistance Grants

	1995-96	1996-97	1997-98
Number of applications received	29,968	29,099	28,349
Number of state grants offered	4,325	5,098	4,699
Number of state grants accepted	3,054	3,892	3,662
Ran out of state funds at an unmet need level of	$3,480	$2,950	$4,000
Greatest unmet need of any student	$7,275	$8,010	$8,194
Number of students showing need	22,152	20,760	21,714
Total $ amount of unmet need for all applicants	$78,397,963	$67,401,176	$96,674,398
Average $ amount of unmet need for all applicants	$3,539	$3,174	$4,357

5

Students Receiving State Grant Dollars Awarded by Institution Type

	Public Institution	Private Non-Profit 4-Year Colleges & Hospital School of Nursing	Native American Community Colleges
1997-98 School Year			
# Applying 28,349			
# of Students Receiving Awards	2,913	685	90
$ Awarded	$1,625,581	$395,400	$48,188
% of Total $ Awarded	79%	19%	2%
% of all ND Students Attending college	86.9%	9.4%	3.7%
1998-99 School Year (est.)			
# Applying 28,491			
# of Students Receiving Awards	2,834	704	108
$ Awarded	$1,687,200	$420,000	$64,800
% of Total $ Awarded	78%	19%	3%
% of all ND Students Attending College	87%	9%	4%

6

Professional Student Exchange Program (PSEP)

- An access program to three professional programs--
  - Veterinary medicine, optometry, and dentistry
- Veterinary Medicine began in 1959
- Optometry and dentistry began in 1975
- Budget:
  - 1999-2001 Executive Recommendation $1,467,303
  - 1999-2001 Budget Request $1,467,303
  - 1997-1999 Adjusted Appropriation $1,483,210
  - Increase from 1997-1999 to 1999-2001 Executive Recommendation $ 77,502
- Funding source (Executive Recommendation)
  - General Fund $1,467,303
- Number of new freshmen slots funded for 1999-2001 biennium

7

PSEP - Number of Freshmen Slots Funded by Year

	Veterinary Medicine	Dentistry	Optometry
1993-1994	7	4	5
1994-1995	9	5	8
1995-1996	9	3	5
1996-1997	7	1	5
1997-1998	9	2	8
1998-1999	5	2	8
1999-2000 Request*	8-9	3	9-10
2000-2001 Request*	8-9	3	9-10

*1999-2001 Request assumes the carryover of unspent 1997-99 general fund appropriation of approximately $214,000.

8

PSEP-Support fees paid by ND by Professional Program

	1998-99			1999-2000			2000-2001		
	Iowa State	WICHE rate	MN rate	Iowa State	WICHE rate	MN rate	Iowa State	WICHE rate	MN rate
Vet. Med	$10,500	$19,900	$0	$11,470	$20,400	$0	$12,275	$20,400	$0
Optometry	---	9,100	---	---	$9,300	--	---	$9,500	---
Dentistry	---	$14,300	$0	---	$14,300	$0	---	$14,700	$0

9

Perkins Loan Program Match

- A one-third/two-third (federal/state) need-based loan program
- Budget:
  - 1999-2001 Executive Recommendation $102,885
  - 1999-2001 Budget Request $102,885
  - 1997-1999 Adjusted Appropriation $102,885
  - Increase from 1997-1999 to 1999-2001 Executive Recommendation. $ 0
- Funding source (Executive Recommendation)
  - General Fund $102,885

HB 1023
3/19/99
Addendum

NORTH DAKOTA UNIVERSITY SYSTEM

TO: Governor Schafer
Senators G. Nelson and Mathern
Representatives Dorso and Boucher
House Appropriations Committee
Senate Appropriations Committee

FROM: Larry A. Isaak, Chancellor

DATE: March 18, 1999

RE: Ideas

Here are some ideas in other western states that may interest you. Some of them are similar to ideas that have been discussed here.

NEVADA: The governor has proposed scholarships for all Nevada high school students graduating with a "B" average. The scholarships would be $2,500 per year for university and $1,250 for community college students. The funding would come from a portion of Nevada's tobacco settlement.

WYOMING: The legislature provided $3 million for the University of Wyoming to participate in the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR).

UTAH: A measure is being considered to give more flexibility to the colleges to keep funds from tuition and use them where most needed.

WASHINGTON: Washington is considering expanding its state participation in the WICHE's Western Undergraduate Exchange program.

ARIZONA: Arizona has agreed to participate in the WICHE Western Undergraduate Exchange Program.

HAWAII: Hawaii is considering tuition waivers and other assistance for native Hawaiians.

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The North Dakota University System is governed by the State Board of Higher Education and consists of: Bismarck State College - Dickinson State University - Mayville State University - Minot State University, Minot and Bottineau Campus - North Dakota State College of Science - North Dakota State University, Fargo - University of North Dakota, Grand Forks, Lake Region and Williston - Valley City State University

Testimony on North Dakota Indian Scholarship Program
By Dr. Michel Hillman
Vice Chancellor for Academic Affairs
North Dakota University System
January 15, 1999 – House Appropriation Committee

Mr. Chairman and members of the House Appropriation Committee, my name is Michel Hillman and I am Vice Chancellor for Academic Affairs for the North Dakota University System. I also serve as the Chancellor's Designee on the State Board for Indian Scholarships. I appreciate this opportunity to speak in support of the North Dakota Indian Scholarship.

The Indian Scholarship Program has proven to be one of the best investments that the State has ever entered into. An investment of far reaching and almost unlimited social economic impact. Since 1973, 2,700 Indian Scholarships have been awarded and each academic year an average of 20 students complete their respective degree requirements. Among these graduates are school teachers, administrators, lawyers, doctors, law enforcement officers, Tribal College Presidents, top administrative officers with the Bureau of Indian Affairs, Indian Health Service, Indian Education, Tribal government officials, just to name a few categories.

You will find information on the scholarship recipients on Section 3, page 5 of the Resource Guide and I would like to highlight that during the 1997-99 biennium the Program provided 292 scholarships at $700 each. The Indian Scholarship Program receives over 500 applications each year and due to limited funds can only make awards to approximately 30% of the applicants. Forty five percent of the recipients are merit students with cumulative grade point averages of 3.50 and above. For the 1998-99 academic year there are 69 students with a 3.50 cumulative grade point average receiving an award.

I hope that my brief comments in support of the Program will help to assure Committee members that these funds have been very well spent. I would also take this opportunity to solicit your personal support for the North Dakota Indian Scholarship Program. Higher

Education has become an important factor in the lives of many families, particularly among the Native American community.

The North Dakota State Board for Indian Scholarships strongly supports the Indian Scholarship Program and we urge your favorable consideration. Thank you for the opportunity to comment. Pleases let me know if I can answer any questions you may have.

NORTH DAKOTA
University System

Students—Performance Indicators

December 1998

Admission Requirements

In 1990, the State Board of Higher Education adopted admission requirements for its four-year institutions. The policy became effective for students entering North Dakota University System baccalaureate institutions in the summer of 1993. The State Board of Higher Education recognized that success in college was strongly dependent upon academic preparation in high school in certain areas of study. Because of its commitment to students, the SBHE instituted a policy that all high school students graduating in 1993 and thereafter need to have completed the following high school courses (or core curriculum) in order to be admitted to a four-year institution:

- 4 units of English
- 3 units of mathematics, algebra I and above
- 3 units of laboratory science, including at least 2 in biology, chemistry, physics, or physical science
- 3 units of social studies, excluding consumer education, cooperative marketing, orientation to social sciences, and marriage/family

In addition to the above core curriculum, the Board also strongly encourages students to complete Algebra II and two units of a single classical or modern language.

Students who have completed the core curriculum show a 62 percent success rate compared to 49 percent for those who did not complete the core curriculum. As high school GPA's and ACT scores increased, the greater the likelihood of an above-average university GPA.

Students who have not had the required courses are encouraged to enroll in any of the state's two-year colleges. Upon successful completion of 24 transferable semester credits at these campuses, students are eligible for transfer to a four-year campus.

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Students—Performance Indicators

December 1998

Enrollment

The NDUS Fall 1998 headcount enrollment of 33,692 was up .5 percent over last year. The total System FTE's (full-time equivalent) of 28,248 is almost identical to last year's enrollment, decreasing by only 1 percent. Both two-year and four-year institutions had combined net enrollment gains. Twenty-one percent of the enrollments are at the two-year institutions and 79 percent are at the four-year institutions. Of the 33,692 enrollments **68 percent are North Dakota residents**.

NDUS enrollments are stable in spite of a strong economy which tends to lure students from school into a labor market. In addition to these enrollments, NDUS campuses provide a significant number of continuing education opportunities to the citizens of North Dakota.

Number of Headcount Students and Full-time Equivalency Enrollment Fall 1998

Institution	Headcount[1]	Full-Time Equivalency[2]
BSC	2,594	2,082
DSU	1,800	1,484
MaSU	740	643
MiSU	3,156	2,597
NDSCS	2,469	2,219
NDSU	9,536	8,142
MiSU-BC	447	410
UND	10,369	8,684
UND-LR	826	492
UND-W	674	592
VCSU	1,081	903
TOTAL	**33,692**	**28,248**

[1] Number of students enrolled regardless of number of credits taken
[2] The equivalent to full-time status based upon a formula using total student credit hours enrolled.

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Enrollment (cont.)

Headcount Enrollments by Tuition Residency Status
Fall 1998

	BSC	DSU	MASU	MISU	MISU-BC[1]	NDSCS	NDSU	UND	UND-LR	UND-W	VCSU	TOTALS
RESIDENT												
North Dakota	2,501	1,367	536	2,319	378	1,771	5,555	6,165	801	529	865	22,787
ND-Military	1	0	1	267	4	0	3	107	0	0	1	384
Subtotal	**2,502**	**1,367**	**537**	**2,586**	**382**	**1,771**	**5,558**	**6,272**	**801**	**529**	**866**	**23,171**
NON-RESIDENT												
Manitoba	1	2	9	67	10	0	14	156	6	0	28	293
Minnesota	4	12	113	18	3	434	3,014	2,417	9	0	82	6,106
Montana	31	285	13	161	6	76	61	167	2	125	20	947
Saskatchewan	0	8	5	214	1	1	5	31	1	4	4	274
South Dakota	35	47	2	9	6	118	253	126	0	2	5	603
Other WICHE States	6	56	35	30	10	5	39	290	3	6	40	520
Other	15	23	26	71	29	64	592	910	4	8	36	1,778
Subtotal	**92**	**433**	**203**	**570**	**65**	**698**	**3,978**	**4,097**	**25**	**145**	**215**	**10,521**
TOTALS	**2,594**	**1,800**	**740**	**3,156**	**447**	**2,469**	**9,536**	**10,369**	**826**	**674**	**1,081**	**33,692**

[1]Prior to 1996, MiSU-Bottineau Campus was aligned with NDSU and thus referred to as NDSU-Bottineau.
Note: Information includes students in extended degree programs and students jointly enrolled through collaborative program arrangements.

Continuing Education continues to play an important role in higher education. NDUS continuing education units have made a significant effort to respond to the increased demands of North Dakota citizens for credit and non-credit, workforce training, and education.

During FY1996, North Dakota University System institutions recorded **62,827 enrollments** in continuing education activities, a 6% increase over the previous year. (Student enrollments in on-campus and multiple off-campus offerings may be counted more than once.) Each category recorded the following enrollments:

Correspondence Study	4,698
Conferences, Institute, & Workshops	28,314
Extension	15,744
Graduate	7,857
Undergraduate; Extended Degree Programs	6,214
TOTAL	**62,827**

These enrollments show that the NDUS continuing education units continue to provide access to a large number of educational and training programs to the people of North Dakota.

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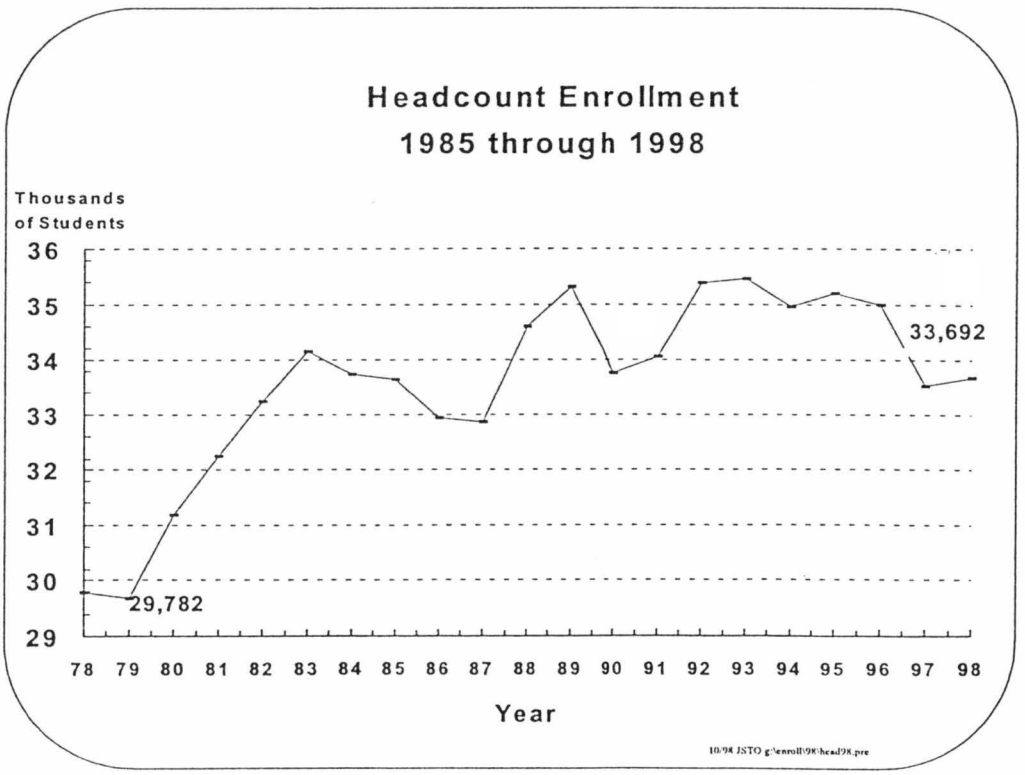
Enrollment (cont.)

Headcount Enrollment by Age – 1998 Traditional and Non-Traditional		
Institution	**Traditional Age 24 and under**	**Non-Traditional Age 25 and above**
BSC	75%	25%
DSU	83%	17%
MaSU	75%	25%
MiSU	69%	31%
MiSU-BC	82%	18%
NDSCS	87%	13%
NDSU	82%	18%
UND	74%	26%
UND-LR	72%	28%
UND-W	74%	26%
VCSU	78%	22%
System Overall	77%	23%
Note: Unknown age excluded from table		



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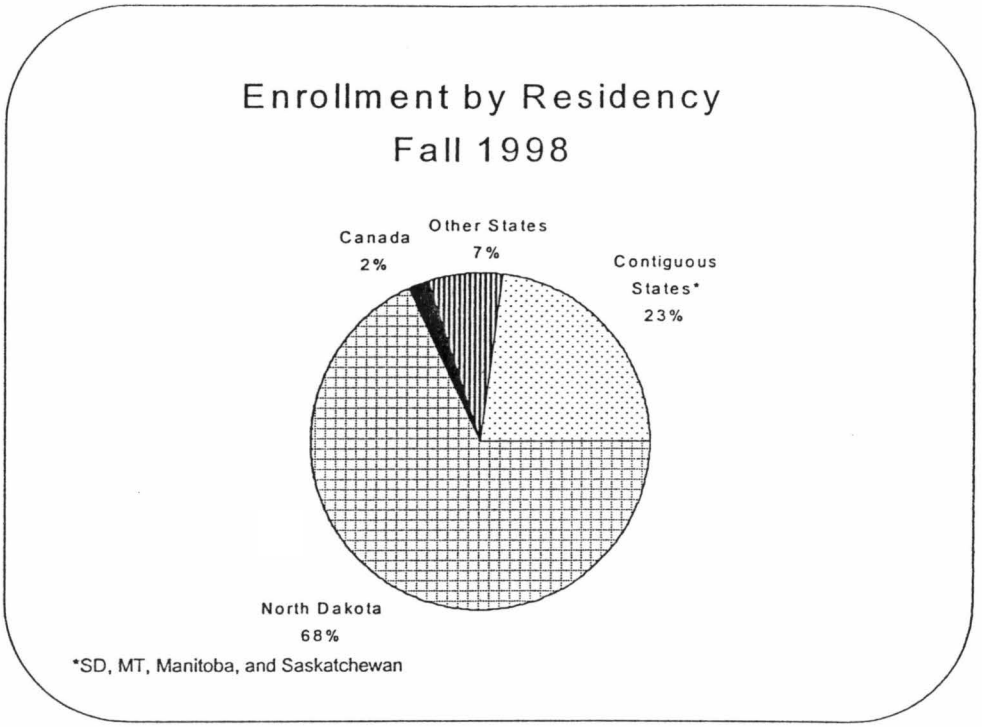
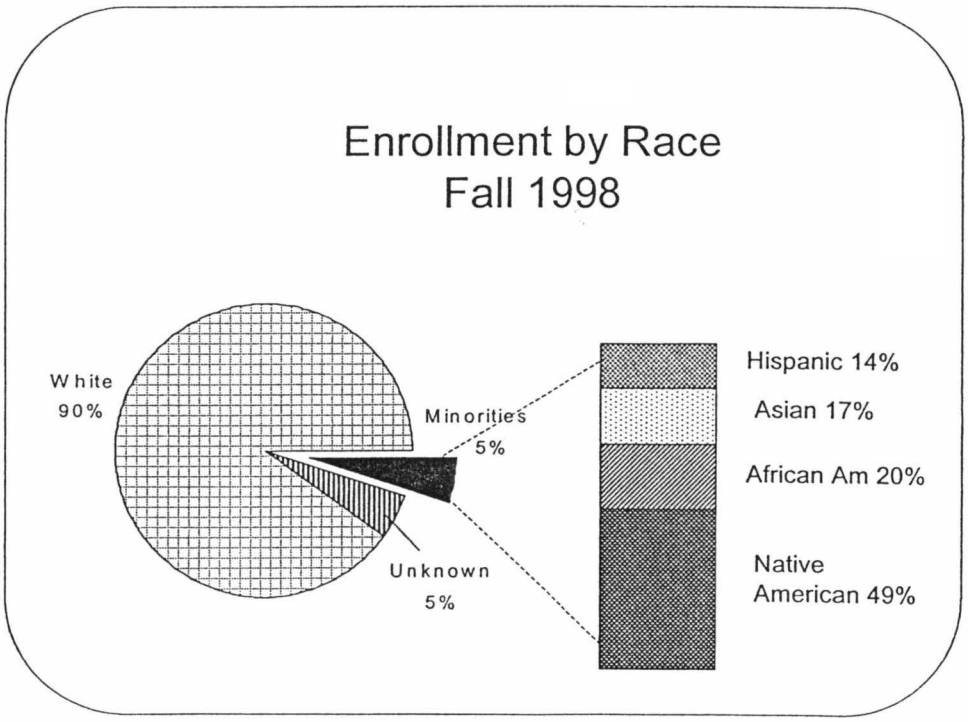
Enrollment (cont.)





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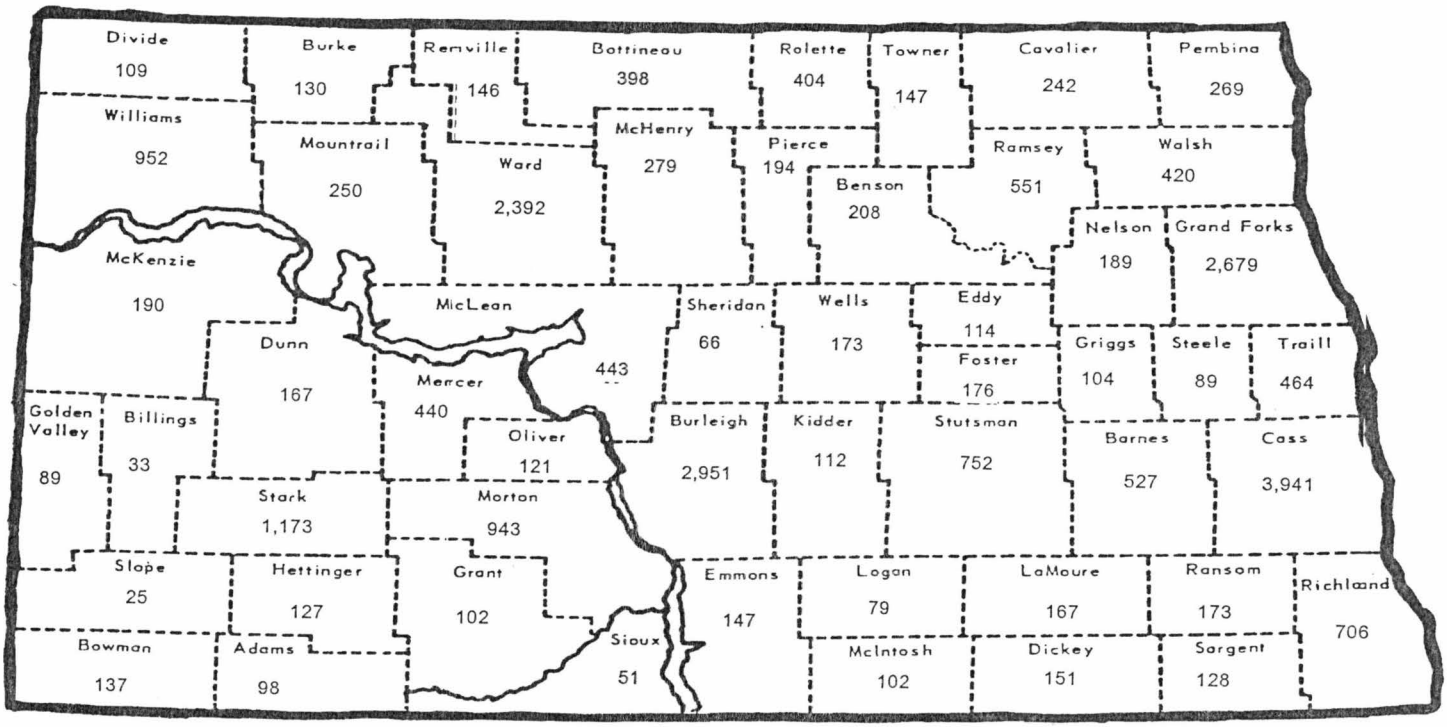
IN-STATE ENROLLMENT BY COUNTY OF ORIGIN

Fall 1998



Total Headcount = 25,220
Total includes Jamestown College and University of Mary.

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Students—Performance Indicators

December 1998

Student Performance

This chart includes occupations where students are required to pass an exam in order to work in a profession. Students in some professions, such as accounting or engineering, are not required to pass an examination before they can begin practicing in a profession.

Comparison of NDUS Graduates With National Averages On Health Related Professional Licensure and Certification Exams

	1995	1996	1997
Clinical Lab Science	✓	✓	✓
LPN	✓	✓	✓
RN	✓	✓	✓
Medicine	✓	✓	✓
Occupational Therapy	✓	✓	✓
Pharmacy	✓	✓	✓
Physical Therapy	✓	✓	✓
Social Work	Nd	Nd	Nd

✓ = indicates ND averages exceed national average
Nd = no data

Source of data: NDSU-DSU-MiSU-UND-UNDW-NDSCS

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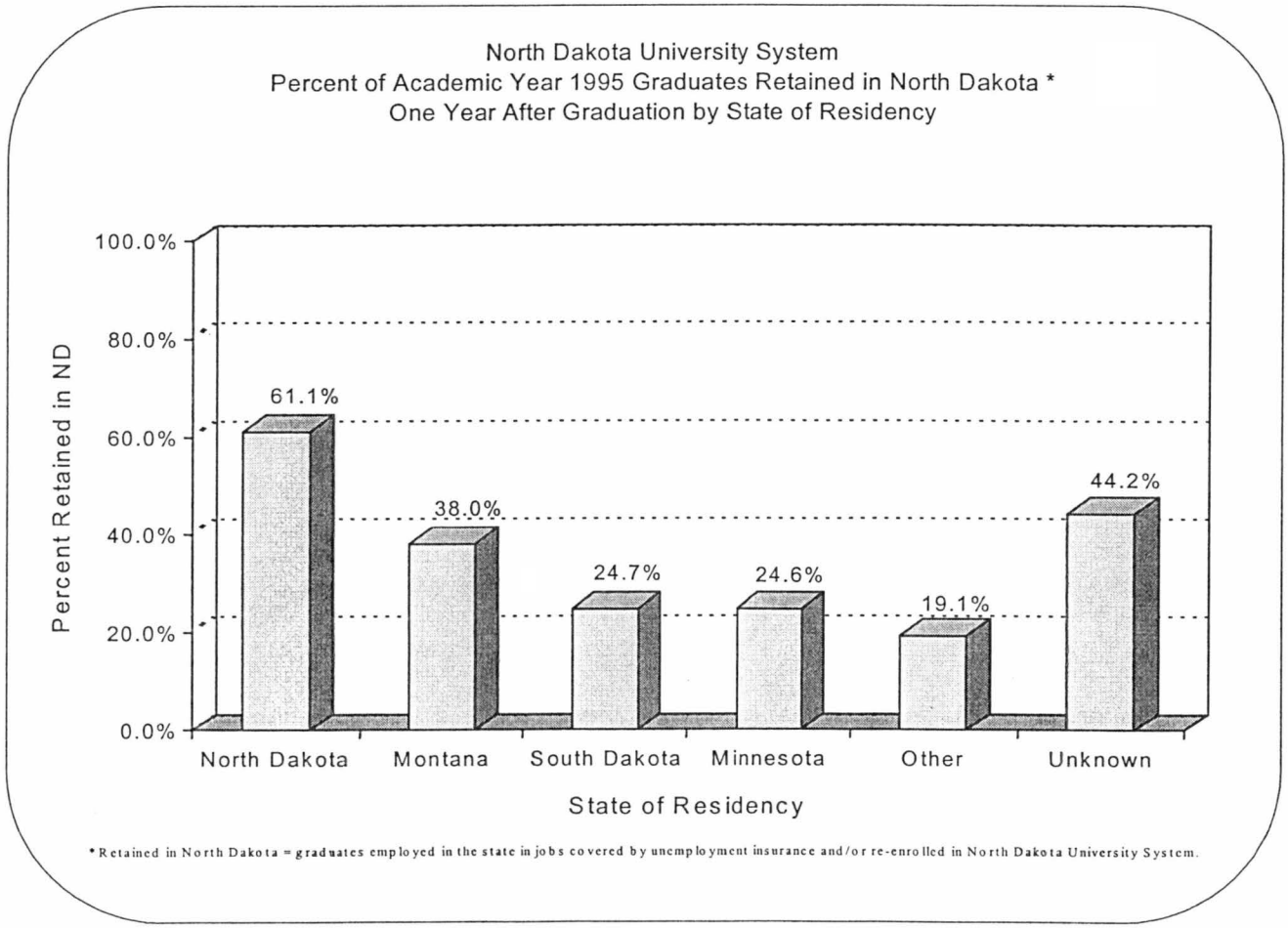
December 1998

Student Retention

The Follow-up Information on North Dakota Education and Training (FINDET) project, which is a collaborative effort of several agencies, has produced the first report describing the employment status of 1995 University System graduates who are employed in the state one year after graduation. Even when self-employed persons (e.g., farmers) and persons not covered by unemployment insurance (e.g. federal and railroad employees) are excluded, the majority of all graduates were employed in North Dakota or had re-enrolled in a North Dakota University System institution one year after graduation.



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December 1998

Dual Credit

Dual credit college courses, which can receive both high school and college credit, are authorized according to the provisions of North Dakota Century Code. Any North Dakota student enrolled in grades eleven or twelve who has received permission from the school administration is eligible for enrollment in a NDUS dual-credit course. Dual-credit students pay the university/college application fee when they first apply to take a dual enrollment course at each campus. In addition, students will pay the current tuition rate, or continuing education rate, along with pro-rated fees similar to those charged by the host institution to other part-time students.

The college course section taught in the high school must meet the content and academic standards of the NDUS course sections taught on campus. In other words, the dual-credit course taught in the high school is a college course that also offers high school credit.
College or adjunct instructors may teach dual-credit courses. High school instructors teaching dual-credit courses within the high schools are considered adjunct instructors of the sponsoring NDUS college or university. As is the case with all instructors, academic administrators must approve the instructor offering the course using the same criteria and procedure that they would employ on campus

Dual-enrolled students registered for college credit are counted according to the way they have enrolled. Students enrolling in continuing education courses pay continuing education rates and are included in the continuing education enrollment count. Students enrolled in regular on-campus courses pay the on-campus tuition rate and are included in the enrollment head count.

DUAL ENROLLMENTS
FALL 1997 – FALL 1998

Institutions	Fall 1997	Fall 1998
BSC	13	24
DSU	16	194
MaSU	0	4
MiSU	9	12
MiSU-BC	6	7
NDSCS	32	35
NDSU	7	9
UND	0	5
UND-LR	125	198
UND-W	0	18
VCSU	0	0
Totals	**208**	**506**

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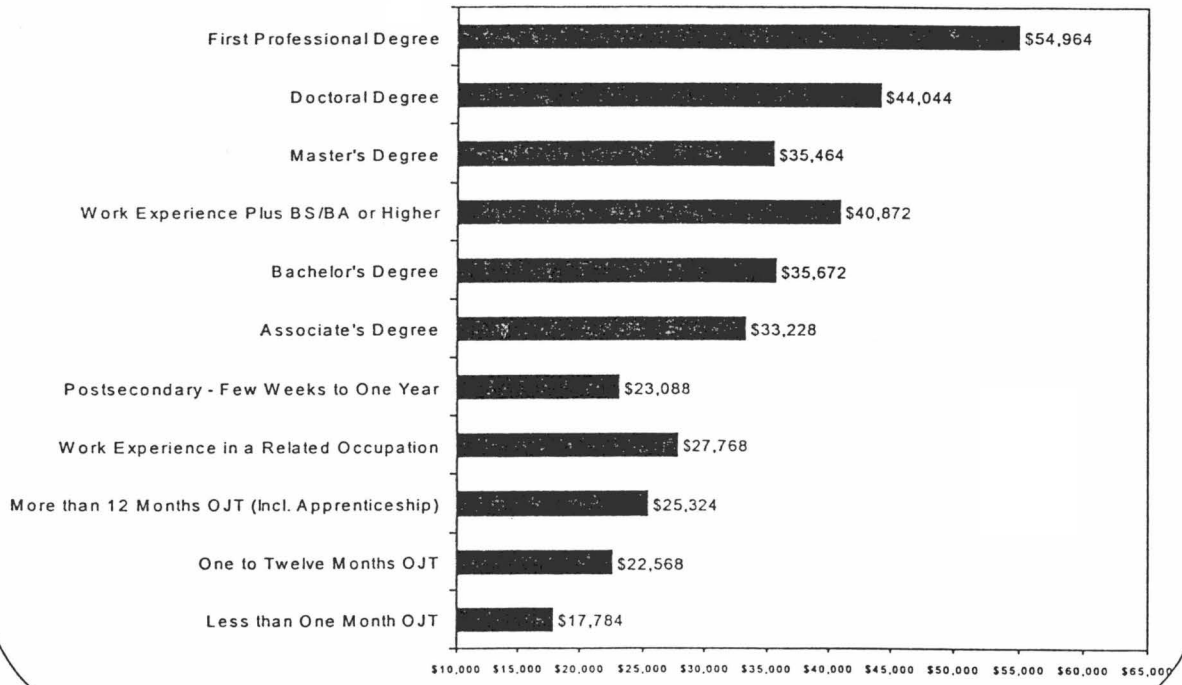
Students—Performance Indicators

December 1998

Education and Earnings

Students who continue their education past high school, and have a career goal in mind, will earn a higher salary than those who go to work right after high school.

Average Annual Earnings



Source: U.S. Bureau of Census

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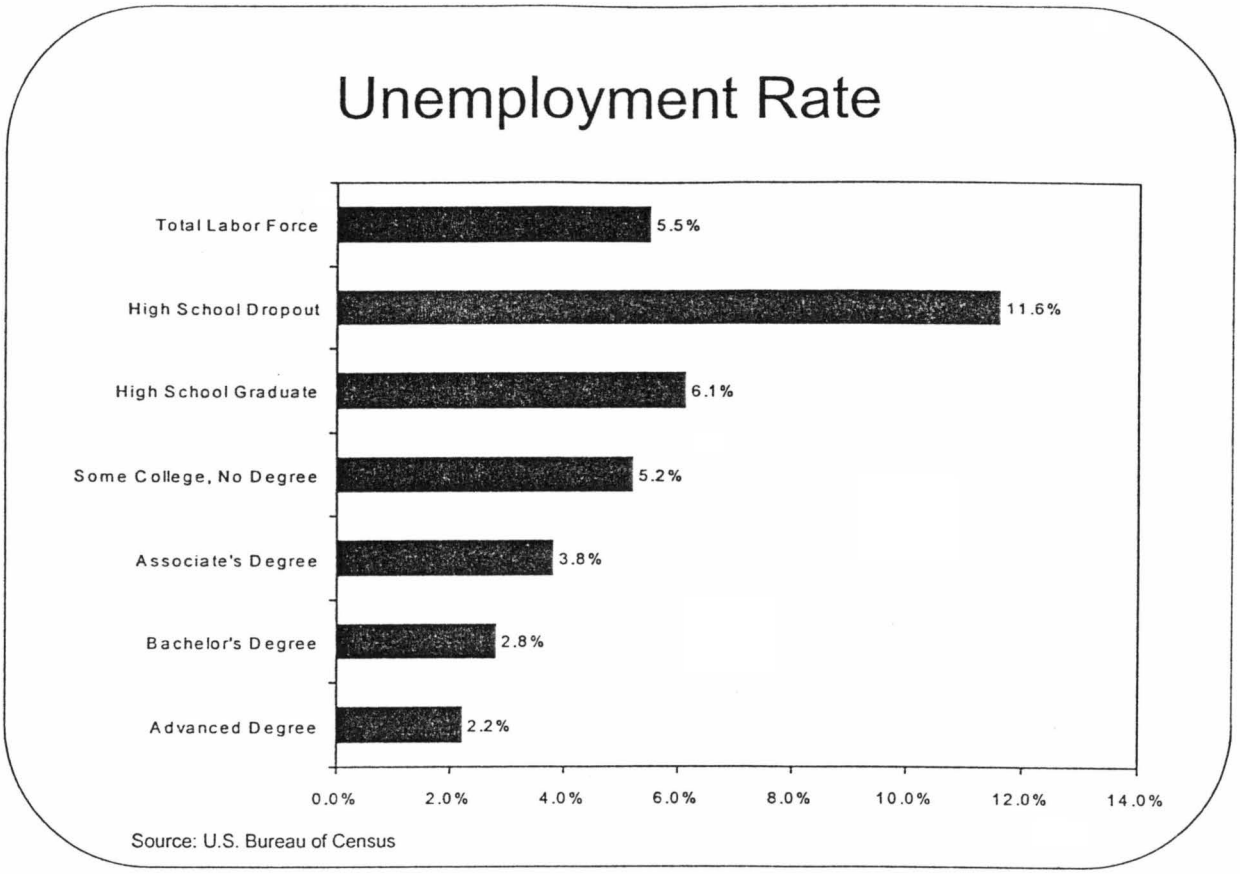
Education and Earnings (cont.)

The chance of obtaining and keeping a job greatly improves with the level of education achieved.



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Students—Performance Indicators

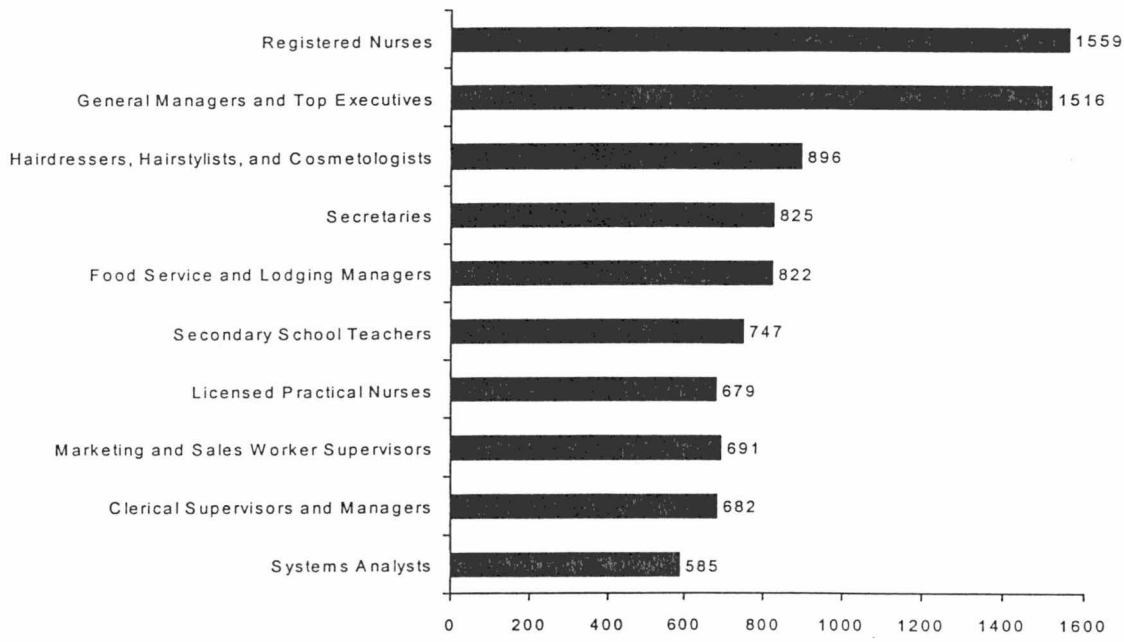
December 1998

Job Market Outlook

Labor market projections indicate that occupational growth in North Dakota between 1994 and 2005 will be highest for waiters/waitresses, nursing aides/orderlies/attendants, and truck drivers.

Among occupations requiring postsecondary education in North Dakota, growth will occur primarily in health care and business.

Ten Occupations Requiring Postsecondary Education
projected to have the largest numerical growth, 1994-2005



Source: Job Service North Dakota, Labor Market Statistics, 1998

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Students—Performance Indicators

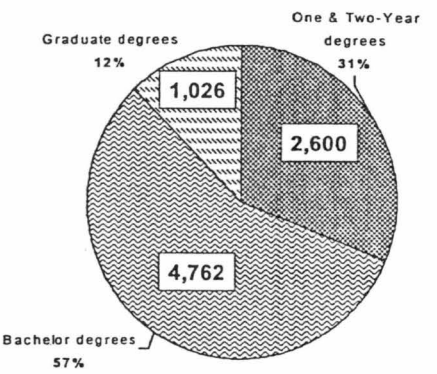
December 1998

Program Completers

Listed below are charts from the 1997-1998 NDUS Programs Offered and Programs Completed at North Dakota Institutions of Postsecondary Education.

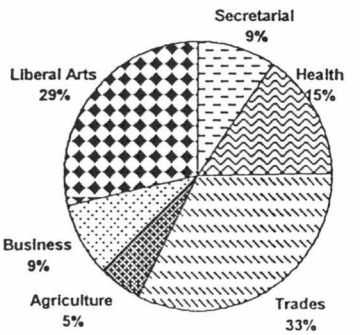
NDUS Program Completers by Level of Award
Academic Year 1997-98

One & Two-Year	
Cert.	515
Dipl	96
Assoc	1,989
Sub-total	**2,600**
Bachelor	**4,762**
Graduate	
Masters	766
Sp.	12
Ed.D & Ph.D.	71
Prof.	178
Sub-total	**1,027**
TOTAL	**8,389**



NDUS One & Two Year Degrees by Discipline
Academic Year 1997-98

Agriculture	134
Business	234
Health	400
Liberal Arts	742
Secretarial	246
Trades	844
Total	**2,600**



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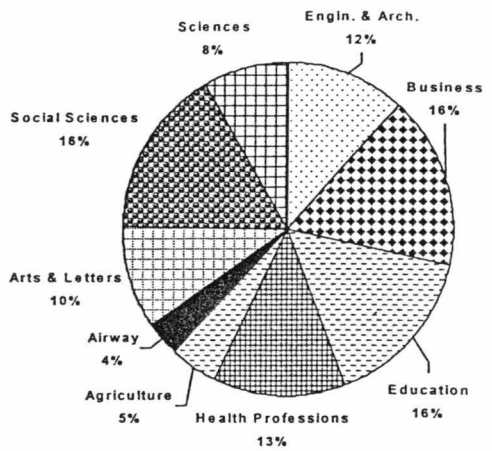
Program Completers (cont.)

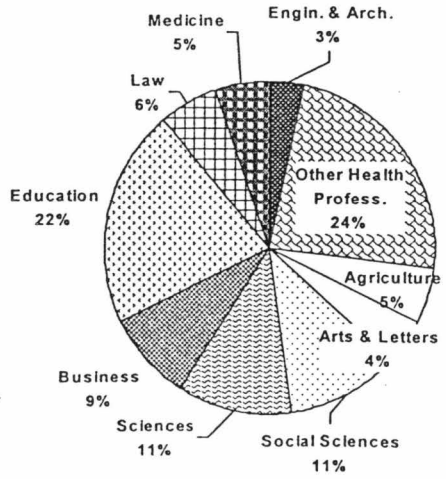
NDUS Bachelor Degrees by Discipline
Academic Year 1997-98

Agriculture	220
Airway	169
Arts & Letters	473
Business	793
Education	753
Engin. & Arch.	552
Health Professions	628
Sciences	395
Social Sciences	779
Total	**4,762**



NDUS Graduate Degrees by Discipline
Academic Year 1997-98

Agriculture	55
Arts & Letters	45
Business	93
Education	217
Engin. & Arch.	35
Health Profess.	241
Sciences	114
Social Sciences	114
Law	58
Medicine	55
Total	**1,027**



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NORTH DAKOTA
University System

Finances

December 1998

How Does ND Compare
(Regional and National Comparison)

State Profiles: Financing Public Higher Education 1998 Rankings, prepared annually by Kent Halstead of Research Associates of Washington, provides one of the best state-to-state comparative references. All data is collected on a uniform basis. Some comparisons take into account such items as type of institutions within a given state -- its mission, level of instruction, size, etc., and also local cost of living. Systems with predominately university and four-year college enrollments operate upper division undergraduate and graduate programs, which are typically more costly to operate. More than 80 percent of total NDUS students are enrolled at four-year campuses. The remaining 20 percent attend one of the five two-year campuses.

The following analysis focuses on public higher education comparative information for the last 19 years in basically four areas: enrollment, taxes, appropriations, and tuition and fees.

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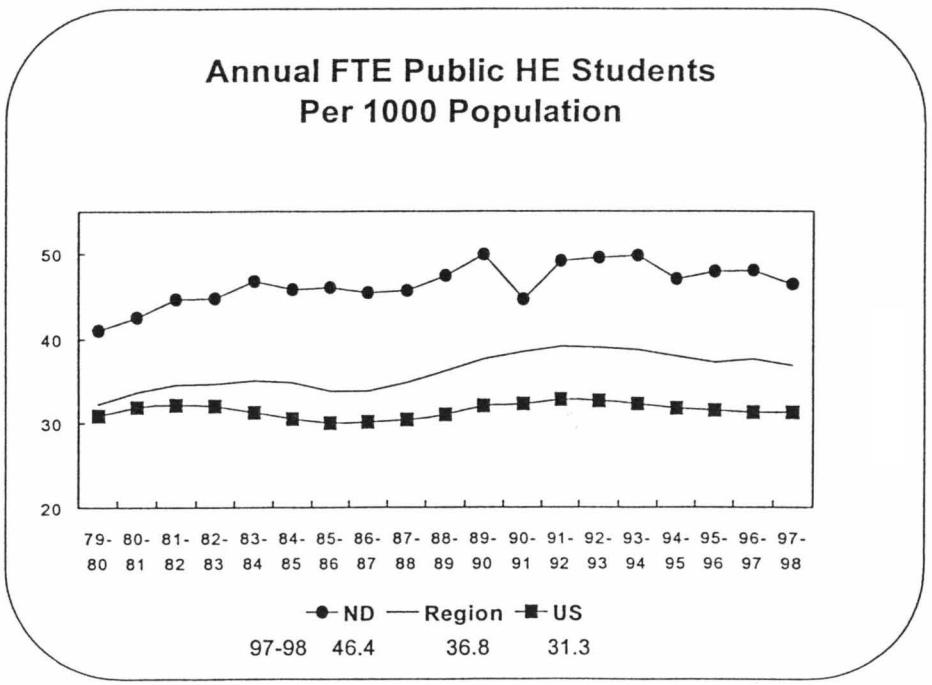
How Does ND Compare (cont.)

Enrollments

- North Dakota has 13.2 high school graduates per 1,000 population, which is the **third highest** in the country after Utah at 15.6 and Wyoming at 13.2 per 1,000 population. Because of North Dakota's aging population, the number of high school graduates on a per capita basis has declined even more precipitously than the general population, from 18.1 per 1,000 population in 1978 to 13.2 in 1998. This is nearly a **30 percent decline in high school graduates in the last 20 years.**

- North Dakota has one of the **highest ratios of students enrolled in public higher education** per 1,000 population. Despite the gradual decline in high school graduates per 1,000 population from 18.1 in 1978 to 13.2 in 1998, the number of students attending public higher education in North Dakota continues to increase from 41 in 1978 to 46.4 per 1,000 population in 1998. North Dakota's participation rate is higher than the regional average of 36.8 per 1,000 population or the U.S. average of 31.3.



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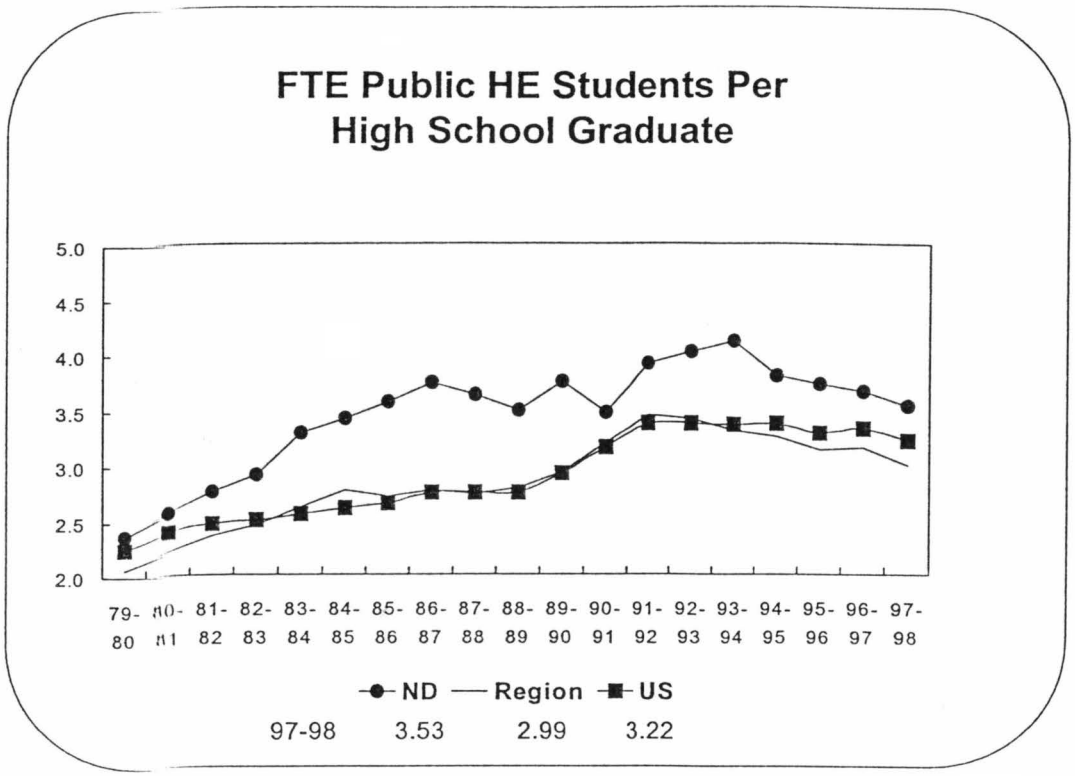
How Does ND Compare (cont.)

- For each high school graduate, public higher education in North Dakota has 3.53 FTE students. This compares to 1978 when the ratio was 2.28 FTE higher education students per high school graduate. North Dakota is very successful in providing attractive, accessible postsecondary education opportunities to its citizens.



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How Does ND Compare (cont.)

Taxes

- North Dakota is one of four states that collects the fewest tax dollars per FTE student. North Dakota collects approximately $53,972 in tax revenues per higher education student, compared to the U.S. average of $87,785. **Only Alabama, Wyoming, and New Mexico collect less revenue per student than North Dakota.** This factor is not only greatly influenced by the ability of North Dakota to generate revenue but also by the large number of public higher education students served in North Dakota.

- Because of the relative size of the public higher education system in North Dakota, North Dakota contributes a larger percent of its tax revenues to higher education. In North Dakota, roughly 8.6 percent of tax revenue is contributed to higher education compared to the regional average of 7.5 percent and the U.S. average of 6.0 percent.

- **Tax revenues collected per capita** have increased from $666 in 1978 to $2,506 in 1998, an increase of 276 percent. **Conversely, state appropriations per post-secondary student** have increased by 102 percent over the same period (not adjusted for inflation).

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How Does ND Compare (cont.)

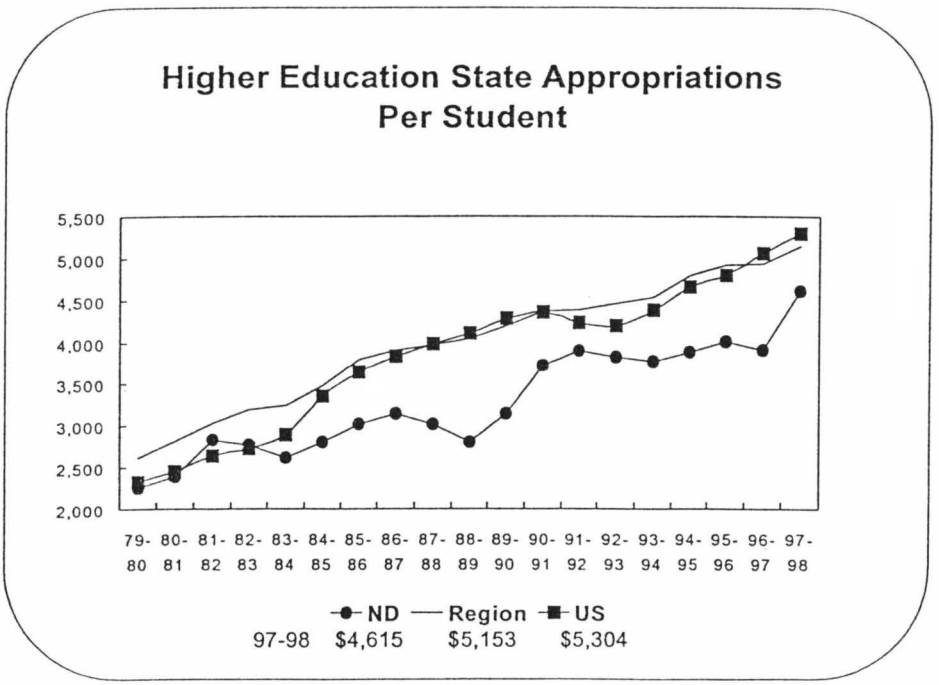
State Appropriations

- North Dakota's budget priorities continue to shift. Funding for public higher education in North Dakota has declined from a peak of **13.4 percent of state and local government budgets in the early 1980's to 8.6 percent in 1997-98.** The national average is 6.0 percent.

- The purchasing power of state appropriations per FTE student has declined 25.6 percent in North Dakota since 1978. The erosion of constant dollars means that colleges and universities have less real resources to maintain their education programs.

- North Dakota's state appropriation of **$4,615 per FTE is $689 or 15 percent less than** the national **average of $5,304**. If the North Dakota University System were to receive the national average appropriation per student, the University System would have $20 million more in state appropriations per year. If the regional average appropriation per FTE of $5,153 were applied to North Dakota's enrollments, this would generate nearly $16 million more per year for the University System.

- North Dakota spends just under $267 of state tax funds for higher education operating expenses per capita.



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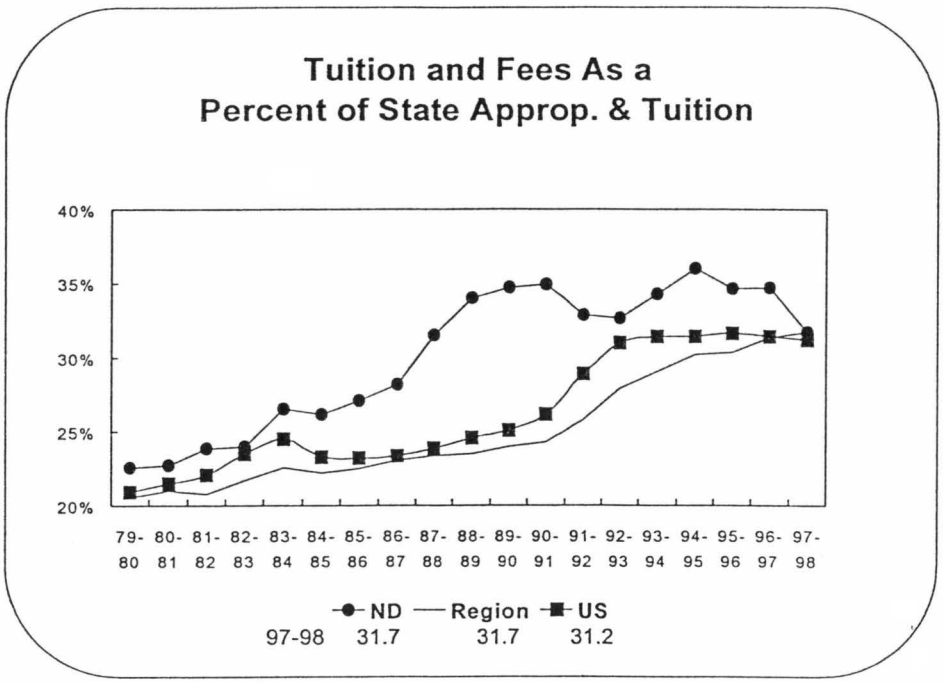
How Does ND Compare (cont.)

Tuition and Fees

Public institutions in North Dakota are becoming increasingly more dependent on tuition revenue as state support declines. In 1997-98, North Dakota **students paid 31.7 percent** of the cost of their education. This is up considerably from 1978 when tuition made up less than one-fourth of the budget. The national average is **31.2 percent** and the regional average is 31.7 percent. ND's tuition **and fees in 1998-99 continue to be close to $400 less than regional averages**, still making North Dakota higher education a good buy.



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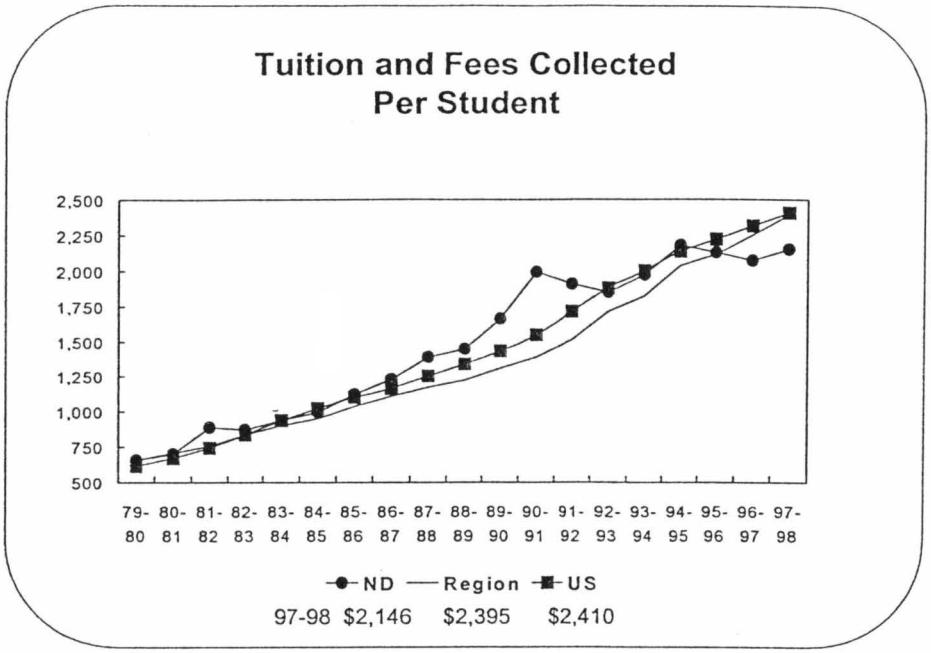
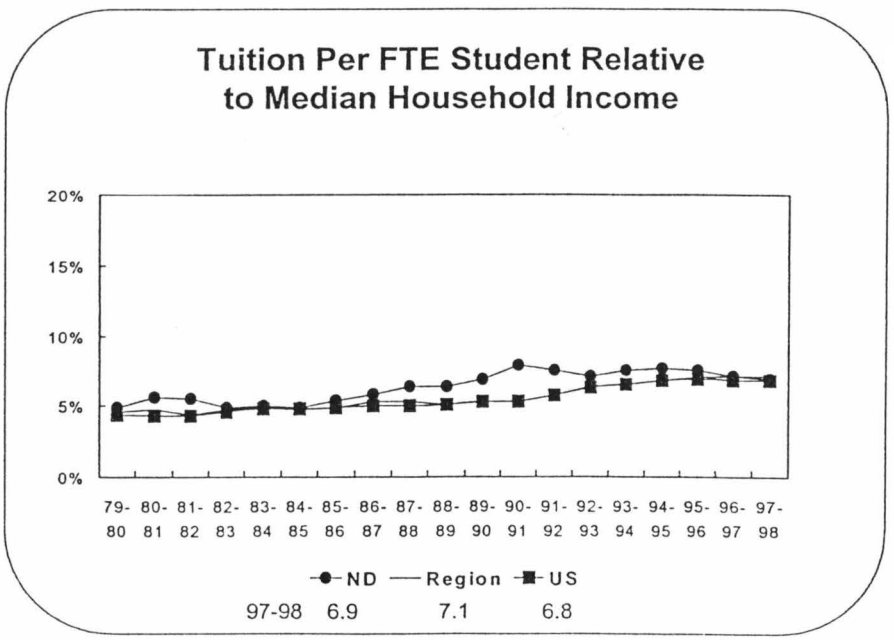
How Does ND Compare (cont.)

Although ND students pay a larger portion of the cost of their education, in real dollars they still pay less than most of the regional and national counterparts. Yearly net tuition and fees in North Dakota averaged $2,146 per student in 1997-98. The regional average is $2,395 and the national average is $2,410.



Public tuition in North Dakota is 7.1 percent of the median household income, which continues to be reasonable when compared to the United States average of 6.8 percent.



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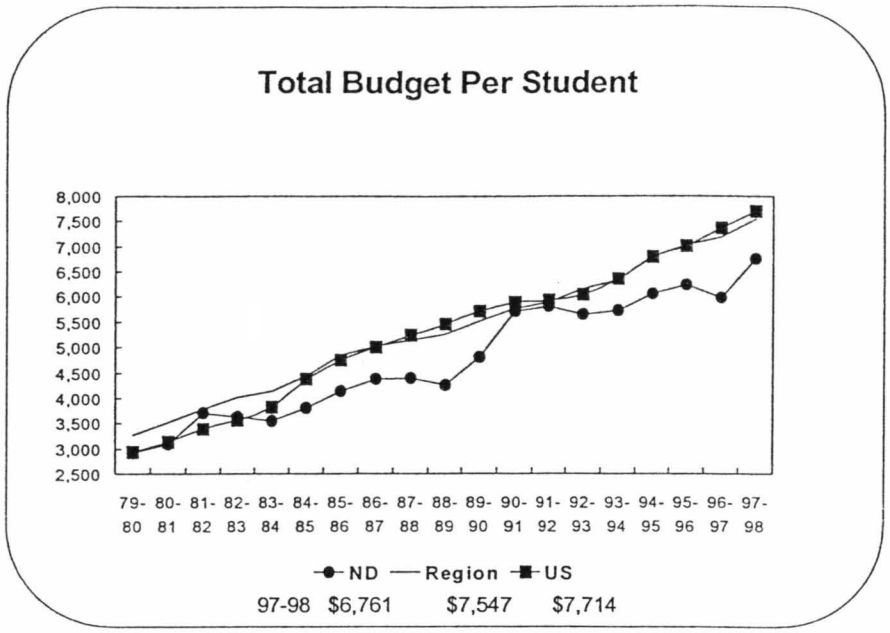
How Does ND Compare (cont.)

Total Budget (Appropriations, Tuition and Fees)

The total budget per student in North Dakota, including state appropriations, tuition and fees of $6,761 lags both regional and national per student averages by $786 and $953 respectively.



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How Does ND Compare (cont.)

How North Dakota Higher Education Compares

1997-98	Ranking (out of 51 states)			
	North Dakota		U.S. Average	
	1997-1998	1996-1997	1997-1998	1996-1997
STUDENTS:				
Higher education students per 1000 population	46.4	48.0	31.3	31.3
FTE public HE students per high school graduate	3.53	3.66	3.22	3.32
STATE APPROPRIATIONS:				
State appropriation per student (SSI adjusted $)	$4,615	$3,913	$5,304	$5,058
20 year change in state appropriations (after inflation)	-21.5%	-25.6%	-8.3%	-5.5%
TUITION AND FEES:				
Tuition and fees as a percent of budget	31.7%	34.7%	31.2%	31.4%
Tuition and fees collected per student	$2,146	$2,078	$2,410	$2,313
20 year change in tuition and fees (after inflation)	52.2%	44.6%	60.7%	64.6%
Tuition per FTE student relative to median household income	6.9%	7.2%	6.8%	6.8%
OTHER:				
Combined state appropriations plus tuition and fees per student (SSI adjusted $)	$6,761	$5,992	$7,714	$7,371
20 year change in **total** appropriation (after inflation)	-5.7%	-10.5%	6.1%	9.1%
Agricultural research, medical school, and other research appropriations as a percent of total higher education state appropriation	21.4%	21.9%	15.6%	15.8%

SOURCE: State Profiles: Financing Public Higher Education 1998 Rankings

SSI adjusted - An adjustment factor that establishes equivalent real investment among the states. Factors affecting costs that are taken into account are (1) types of institutions and programs (2 yr, 4 yr), (2) institutional size (economies of scale), and (3) local cost of living.

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How Does ND Compare (cont.)

How North Dakota Higher Education Ranks

	1997-98									
	Ranking (out of 51 states)									
	88-89	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98
STUDENTS:										
Higher education students per 1000 population	1	1	1	2	1	1	1	1	2	1
Higher education students per high school graduate	4	3	8	11	7	7	11	10	11	11
STATE APPROPRIATIONS:										
State appropriations per student (SSI adjusted)	48	45	42	26	37	38	41	42	44	41
20 year change in state appropriations (after inflation)	51	49	44	20	35	40	43	42	44	---
TUITION AND FEES:										
Tuition and fees as a percent of budget	10	10	12	19	23	22	19	22	22	29
Tuition and fees collected per student	24	18	14	18	29	28	25	32	35	36
20 year change in tuition and fees (after inflation)	15	10	6	10	23	19	21	26	33	---
Tuition per FTE student relative to median household income	19	12	11	11	26	24	24	26	21	32
OTHER:										
Combined state appropriations plus tuition and fees per student (SSI adjusted)	49	45	36	22	36	40	44	45	48	42
20 year change in **total** appropriation (after inflation)	50	42	29	12	35	38	40	42	43	---
Agricultural research, medical school, and other research appropriations as a percent of total higher education state appropriation	10	13	14	14	14	14	12	15	14	13

SOURCE: State Profiles: Financing Public Higher Education 1998 Rankings

SSI adjusted - An adjustment factor that establishes equivalent real investment among the states. Factors affecting costs that are taken into account are (1) types of institutions and programs (2 yr, 4 yr), (2) institutional size (economies of scale), and (3) local cost of living.

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NORTH DAKOTA
University System

Finances

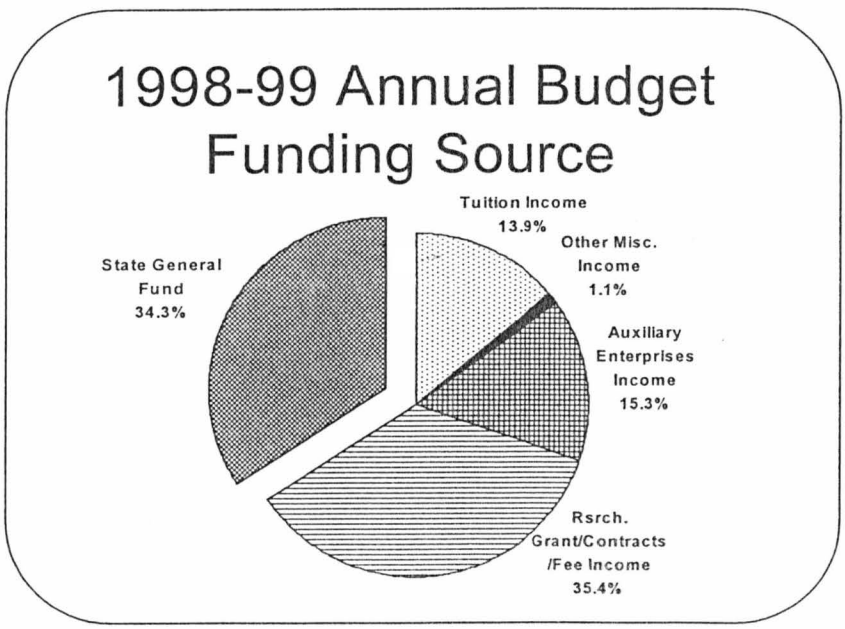
December 1998

1998-99 Budget Highlights

The North Dakota University System is projecting total operating expenditures of approximately $508 million during the 1998-99 fiscal year. ***Approximately one-third of total operations are supported by the state general fund.*** *The remainder of the operations of the University System are self-supporting through tuition, room and board fees paid by students, and private and federal research grant and contract collections.*

1998-99 Operating Budget Supported by:		
Tuition Income	$ 70.6 million	13.9%
Other Misc. Income	5.4 million	1.1%
Auxiliary Enterprises Income	77.6 million	15.3%
Research Grants & Contracts and Fee Income	179.7 million	35.4%
Subtotal	333.3 million	65.7%
State General Fund	174.5 million	34.3%
TOTAL	$507.8 million [1/]	100.0%

[1/] Does not include $50.5 million in capital improvements (including 95-97 carryover) and capital projects for 1997-99.



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NORTH DAKOTA
University System

Facilities

December 1998

Summary

*The plant value of the eleven campuses of the North Dakota University System totals approximately **$1.2 billion**, consisting of almost **13 million square feet** in **500 buildings**.*

North Dakota University System

1999-01 Facilities Data

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Replacement Value						Gross Square Footage			
	# Bldgs.	Type I	Type II	Infrastruc-ture	Subtotal (1) – (3)	Type III	Total (1) – (5)	Type I	Type II	Type III	Total
BSC	12	$25,914,400	$2,547,600	$5,049,380	$33,511,380	$4,192,600	$37,703,980	304,156	38,612	52,041	394,809
UND-LR	11	8,725,700	2,630,200	1,778,782	13,134,682	3,480,400	$16,615,082	125,101	41,801	52,140	219,042
UND-W	11	7,937,440	351,720	3,045,688	11,334,848	1,692,512	$13,027,360	115,217	10,044	28,359	153,620
UND	229	162,061,426	135,297,579	54,696,808	352,055,813	131,652,569	$483,708,382	1,887,214	1,305,107	1,968,453	5,160,774
NDSU	81	139,123,123	38,761,348	48,066,529	225,951,000	68,446,917	$294,397,917	1,774,530	371,411	995,565	3,141,506
NDSCS	33	44,952,321	22,258,765	13,125,643	80,336,729	31,723,535	$112,060,264	614,251	146,955	470,136	1,231,342
DSU	25	21,967,857	8,837,605	3,896,030	34,701,492	11,285,817	$45,987,309	255,402	136,861	171,023	563,286
MASU	22	12,718,635	5,158,049	3,270,543	21,147,227	8,520,460	$29,667,687	176,720	54,688	143,095	374,503
MISU	26	52,040,659	10,993,887	11,468,053	74,502,599	16,205,318	$90,707,917	639,107	99,132	220,628	958,867
VCSU	29	19,403,791	8,560,138	3,312,075	31,276,004	9,448,367	$40,724,371	258,857	101,412	144,870	505,139
MiSU-BC	15	6,799,328	1,054,668	1,590,178	9,444,174	4,120,494	$13,564,668	131,919	11,563	66,564	210,046
TOTAL	494	$501,644,680	$236,451,559	$149,299,709	$887,395,948	$290,768,989	$1,178,164,937	6,282,474	2,317,586	4,312,874	12,912,934

Definitions:
Type I & II - Academic and other Administrative Buildings
Type III – Auxiliary Buildings (I.e. residence halls, food services, etc.)

Data taken from 1999-01 facilities data and infrastructure formula worksheets.
Based on replacement value as required for insurance.

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Facilities

December 1998

Major Capital Project Priority List

1999-2001 Major Capital Project Priority List
Approved by State Board of Higher Education

Priority Rank			Source of Funding			
			State	Local	Federal	Total
Renovation/Addition/Infrastructure						
Approved by Board for 1999-2001 Budget Request (- #5)**						
**	BSC	Student Union Renovation		$250,000		$250,000
**	NDSU	College of Business - Offices & Classrooms Addition		5,998,860		5,998,860
**	NDSU	Sudro Hall (Pharmacy) Renovation		1,500,000		1,500,000
**	DSU	Student Center Renovation/Addition		3,200,000		3,200,000
1	System	Infrastructure Pool	10,000,000			10,000,000
2	UND-LR	Auditorium Renovation/addition	499,544	495,000		994,544
3	VCSU	McFarland, Vangstad Auditorium and McCarthy Sprinklers & Exit Upgrades	454,300			454,300
4	MiSU	Old Main Renovation - Phase I	2,817,000			2,817,000
5	BSC	Schafer Hall Renovation – Phase II	3,712,900	596,830		4,309,730
		Subtotal	**$17,483,744**	**$12,040,690**	**$0**	**$29,524,434**
Projects not approved for 1999-2001 Budget Request (#6 - #11):						
6	NDSU	South Engineering Renovation	1,227,420			1,227,420
7	UND	O'Kelly Hall Renovation	5,000,000			5,000,000
8	DSU	Murphy Hall Renovation/addition	4,000,000			4,000,000
9	NDSU	Minard Hall Renovation	9,673,052			9,673,052
10	UND	Education Renovation	4,700,000			4,700,000
11	NDSU	Ceres Hall Phase II Renovation	2,995,920			2,995,920
		Subtotal	**$27,596,392**			**$27,596,392**
New Construction						
Approved by Board for 1999-2001 Budget Request (- #2)**						
**	NDSU	Health & Wellness Ctr		4,500,000		4,500,000
**	UND	Bookstore Construction-Barnes and Noble		4,000,000		4,000,000
1	NDSU	Animal Research Facility 1/	2,207,500	347,040	1,860,460	4,415,000
2	UND-W	Health & Wellness Center Addition	1,500,000	3,000,000		4,500,000
		Subtotal	**$3,707,500**	**$11,847,040**	**$1,860,460**	**$17,415,000**
Project #3 not approved for 1999-2001 Budget Request						
3	BSC	HE Center/Skills Training Facility	2,900,000	2,900,000		5,800,000

1/ $2,207,500 to be provided by local and/or federal sources. If NDSU is able to raise one-half of the total cost of the entire Animal Research Facility from local and federal sources they can proceed with the construction of both the large animal and laboratory facility as follows: $5,865,650 state and $5,865,650 local/federal.

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NORTH DAKOTA
University System

Facilities

December 1998

Outstanding Capital Needs

North Dakota University System						
	Health & Safety[1]	ADA Handicap Accessibility	Major Repairs[2]	Major Renovations Networking	Remodel/ Renovation	Total
BSC	$125,000	$300,000	$2,345,000	$465,000	$8,695,000	$11,930,000
UND-LR	60,000	120,044	855,800	8,845	1,443,250	2,487,939
UND-W	0	135,997	1,539,335	321,510	2,939,000	4,935,842
UND	836,410	4,646,424	16,392,782	4,055,924	36,240,000	62,171,540
NDSU	203,000	2,542,005	13,191,438	2,852,300	18,809,700	37,598,443
NDSCS	677,996	297,828	3,494,393	1,232,824	5,160,000	10,863,041
DSU	752,490	838,358	2,119,734	764,240	0	4,474,822
MaSU	629,000	701,000	2,478,000	475,000	4,702,300	8,985,300
MiSU	100,000	796,841	1,806,536	1,769,467	11,000,000	15,472,844
VCSU	782,000	849,000	3,400,000	763,000	7,845,600	13,639,600
MiSU-BC	73,500	218,305	407,040	251,080	2,786,540	3,736,465
NDFS	28,000	71,700	31,061	0	476,761	607,522
NDSU-AES					740,000	740,000
TOTAL	**$4,267,396**	**$11,517,502**	**$48,061,119**	**$12,959,190**	**$100,838,151**	**$177,643,358**

[1]In addition, estimated asbestos removal costs for the system are $8-12 million.

[2]Roofs, streets, sidewalks, parking lots, curb, gutter, mechanical systems, HVAC, heating plant, and electrical project.

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Outstanding Capital Needs (cont.)

Outstanding Major Capital Projects
April 1998 Update

Plan Code	REMODELING/RENOVATION	State	Local	Federal	Total
	BSC:				
1	Schafer Hall Renovation	$4,631,000	$375,000		$5,006,000
3	Werner Hall Renovation	3,689,000			3,689,000
	Subtotal	$8,320,000	$375,000	$0	$8,695,000
	UND-LR:				
1	Auditorium Renovation/Addition	499,544	495,000		994,544
2	Phy Ed Renovation/Addition				Na
2	Remodel Learning Center Space				na
2	Bookstore Addition				na
2	Remodel dining room and kitchen facilities				na
2	Science Labs				na
2	Peace Officer Training Track				na
2	Air Conditioning				na
3	Vehicle storage				na
3	Child Care Center Remodeling	75,000			75,000
3	parking-North campus	85,000			85,000
3	street lights	50,000			50,000
3	resurface college entry road & parking	57,600			57,600
3	classroom air conditioning	40,000			40,000
3	fire alarms	60,000			60,000
3	ADA	81,106			81,106
	Subtotal	$948,250	$495,000	$0	$1,443,250

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Outstanding Capital Needs (cont.)

Plan Code	REMODELING/RENOVATION	State	Local	Federal	Total	
	UND-W:					
3	Science Center and Auditorium Renovation				na	
3	Athletic Fields				na	
3	Sheltered Walkways:				na	
3	Main Bldg. And Crighton				na	
3	Main Bldg. And Art Wood				na	
3	Main Bldg. And Dickson				na	
3	Main Bldg. And Mom's House/Abramson/Manger				na	
3	Develop 8th Ave. E. and 9th Ave. E.				na	
3	Telecommunications switch, cable and conduit	1,800,000			1,800,000	
3	Storm Sewer Area Drainage	425,000			425,000	
3	Chilling Towers and Water Loops	350,000			350,000	
3	Electrical Distribution	75,000			75,000	
3	Sanitary Sewer	182,000			182,000	
3	Water Lines and Fire Protection	107,000			107,000	
	Subtotal	$2,939,000	$0	$0	$2,939,000	
	UND:					
1	Education Building	4,700,000			4,700,000	
1	Harrington Hall	2,200,000			2,200,000	
1	Hyslop	7,400,000			7,400,000	
1	Medical School	6,000,000			6,000,000	
1	Memorial Stadium	1,200,000			1,200,000	
1	Robertson/Sayre	2,100,000			2,100,000	
1	Beck Hall Basement		120,000		120,000	
1	Johnstone/Fulton Halls		2,100,000		2,100,000	
1	West Green I		320,000		320,000	
2	O'Kelly Hall including Ireland Research Ctr. (Med Science South)	5,000,000			5,000,000	
2	University Bookstore and Auxiliary Ops.		1,200,000		1,200,000	
2	EERC-Bldg. W		400,000		400,000	
3	Electrical Distribution System-Phase III	3,500,000			3,500,000	
	Subtotal	$32,100,000	$4,140,000	$0	$36,240,000	

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Outstanding Capital Needs (cont.)

Plan Code	REMODELING/RENOVATION	State	Local	Federal	Total	
	NDSU:					
1	Admin Building II	991,000			991,000	
1	Ceres Hall II	2,995,920			2,995,920	
1	Walster/Waldron	3,165,360			3,165,360	
2	Thorson Maintenance Center Addition	500,000			500,000	
2	South Engineering Renovation	1,227,420			1,227,420	
2	Sudro Hall Classroom Renovation		1,500,000		1,500,000	
2	Ag/Engineering Renovation				na	State
2	Center for Lifelong Learning				na	State/local federal
2	Child Care Facility				na	State
2	Classroom building				na	State
2	Dunbar-Union Skywalk				na	State/local
2	Golf Course/Horticulture Trails				na	Local
2	Harris Hall Addition				na	State
2	Loftsgard Hall auditorium				na	Local
2	Northern Boundary Heritage Art Gallery				na	State/local/federal
2	Hotel/Motel Complex (19th Ave)				na	Local
3	Engineering/Arch-Family Life Skywalk				na	State
3	Stevens-Hastings-IACC Skywalk				na	State
3	Energy Management Systems	4,000,000			4,000,000	
3	Engineering Laboratories Renovation	540,000			540,000	
3	Ladd Hall (Chemistry) renovation				3,390,000	State/local/federal
3	Reinke Fine Arts Center Renovation	500,000			500,000	
3	Tech. Research Park				na	Local
	Subtotal	$13,919,700	$1,500,000	$0	$18,809,700	
	NDSCS:					
1	Horton Hall	2,000,000			2,000,000	
3	Alumni Stadium Renovation		450,000		450,000	
3	Roof Replacement	1,198,000	224,000		1,422,000	
3	Electrical Distribution Upgrade	1,288,000			1,288,000	
	Subtotal	$4,486,000	$674,000	$0	$5,160,000	
	DSU:					
	none					

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Outstanding Capital Needs (cont.)

Plan Code	REMODELING/RENOVATION	State	Local	Federal	Total
	MaSU:				
1	Old Main-Main Bldg.(basement,W. 1st floor, theater)	1,124,600			1,124,600
1	East Hall	120,000			120,000
2	West Hall Remodel TLC and 1st floor	73,500			73,500
3	Power Plant Improvements	760,000			760,000
3	Steam Line Distribution Replacement	1,050,500			1,050,500
3	Main Bldg. Life Safety	395,600			395,600
3	West & Science Bldgs. Life Safety	96,100			96,100
3	Classroom Bldg-air conditioning	82,000			82,000
3	Old Main-Main Bldg. Air conditioning	1,000,000			1,000,000
	Subtotal	$4,702,300	$0	$0	$4,702,300
	MiSU:				
1	Old Main Renovation-Phase I	2,817,000			2,817,000
1	Hartnett Hall	750,000			750,000
1	Swain Hall	1,100,000			1,100,000
3	Old Main renovation-Balance of add'l phases	6,333,000			6,333,000
	Subtotal	$11,000,000	$0	$0	$11,000,000
	VCSU:				
1	Robertson Hall		169,000		169,000
1	Graichen Gymnasium	1,354,000			1,354,000
3	McFarland Hall Air Conditioning	1,600,000			1,600,000
3	Vangstad Hall Air Conditioning	692,000			692,000
3	Snoeyenbos Hall Air Conditioning	800,000			800,000
3	Vangstad Auditorium Remodeling	270,000			270,000
3	Power Plant Improvements	740,000			740,000
3	Steam Line Distribution System Replacement	1,312,300			1,312,300
3	McFarland, Vangstad, McCarthy sprinklers & exits	454,300			454,300
3	Fire alarms and smoke detectors in Main, Science, Library, Fieldhouse, Old Gym, & Classroom Bldgs.	184,000			184,000
3	Vangstad Building Remodeling	270,000			270,000
	Subtotal	$7,676,600	$169,000	$0	$7,845,600

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Outstanding Capital Needs (cont.)

	REMODELING/RENOVATION					
Plan Code		State	Local	Federal	Total	
	MiSU-BC:					
1	Old Main	2,140,000			2,140,000	
2	Dormitory Renovation (carpet replace and computer labs)		50,000		50,000	
3	Fire Alarm System Upgrade-All Bldgs.	68,500	60,000		128,500	
3	Office & Storage Addition to Physical Plant	65,000			65,000	
3	Traffic Barrier-Thatcher and Mead		5,000		5,000	
3	Gross Hall Window Replacement		46,000		46,000	
3	Milligan Hall Remodeling		255,000		255,000	
3	Student Union Conference/Meeting Rooms	15,000			15,000	
3	Exercise & Athletic Training Conversion	10,000			10,000	
3	Thatcher Hall Air Conditioning	35,000			35,000	
3	Thatcher Electrical Supply Upgrade	11,975			11,975	
3	Water Tech. Bldg. Sewer System Improvement	15,000			15,000	
3	Heating Plant Roof Repair	10,065			10,065	
	Subtotal	$2,370,540	$416,000	$0	$2,786,540	
	ND Forest Service					
2	ADA Restrooms at Pelican, Sandy and Twisted Oaks	21,700			21,700	
2	Construct Hazardous Material Storage Bldg.	10,000			10,000	
2	Finish Tree Storage Improve	90,000			90,000	
2	Renovate Nursery Shop	25,000			25,000	
3	Public restrooms modif. at Bottineau, Lisbon, Walhalla Field Offices and Towner Nursery Office	50,000			50,000 na	
3	Repair (2) water wells-Strawberry and Twisted Oaks	3,000			3,000	
3	Greenhouse Boom Water System-Towner Nursery	15,000			15,000	
3	Irrigation Lines/Wells-Towner Nursery	48,000			48,000	
3	Paving projects at Lisbon and Bottineau Offices	60,000			60,000	
3	Towner Nursery-remodel kitchen and polebarn storage	28,000			28,000	
3	Paving-Hahn's Bay Recreation Area	75,000			75,000	
3	Equipment Storage Bldg-Lisbon	20,000			20,000	
3	Misc. Repair Projects	31,061			31,061	

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Outstanding Capital Needs (cont.)

Plan Code	REMODELING/RENOVATION	State	Local	Federal	Total
	Subtotal	$476,761	$0	$0	$476,761
	NDSU-AES				
2	Main Station-Solid Waste System	220,000			220,000
2	Reside Swine and Beef Barns	100,000			100,000
2	Dickinson Residence Renovation	30,000			30,000
2	Hettinger Animal Crematorium	20,000			20,000
2	NC Research Ctr. Truck Scale	80,000			80,000
2	Carrington-Renovate Plot Lab	20,000			20,000
3	(6) pesticide handling facilities	140,000			140,000
3	Main Station-reglaze range 1 greenhouse	130,000			130,000
	Subtotal	$740,000	$0	$0	$740,000
	TOTAL NDUS	$89,679,151	$7,769,000	$0	$100,838,151

Plan Code:

1 = included in original 1994 master plan
2 = added in 1996 master plan update
3 = added in 1998 master plan update

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Outstanding Capital Needs (cont.)

Outstanding Major Capital Projects
April 1998 Update

Plan Code	NEW CONTRUCTION/ADDITIONS	State	Local	Federal	Total
	BSC:				
1	16 plex apartment unit		3rd party		
1	Plant Services Building	$235,000			$235,000
1	Student Union Addition/Renovation		2,250,000		2,250,000
2	Higher Ed Center/Customized Training Facility	5,220,000	580,000		5,800,000
2	Purchase Office Systems, Inc.				na
2	Fine Arts Center				na
2	Library Addition				na
2	(5) classroom buildings				na
2	(3) student dormitories				na
2	(10) 8-plex student apartments				na
	Subtotal	$5,455,000	$2,830,000	$0	$8,285,000
	UND-W:				
1	Health and Wellness Center Addition	1,500,000	3,000,000		4,500,000
	Subtotal	$1,500,000	$3,000,000	$0	$4,500,000
	UND:				
1	Allied Health Sciences	3,500,000			3,500,000
1	Building Connections	1,500,000	750,000		2,250,000
1	Burtness Theatre Expansion	3,500,000			3,500,000
1	Conference Center		3,700,000	3,500,000	7,200,000
1	Indoor Fitness and Intramural	7,000,000			7,000,000
1	IT and Computer Support	3,100,000			3,100,000
1	Alumni Center		2,500,000		2,500,000
1	Apartment Storage Facility		420,000		420,000
1	Auxiliary Storage Facility		250,000		250,000
1	Plant Services-Storage and Recycle		375,000		375,000
3	EERC Commercialization Center				na
3	Rural Technology Center Addition				na
3	Health Care Center				na
3	Climate controlled walkways:				na
3	Law School to Memorial Union	150,000			150,000
3	Johnstone to Gamble	250,000			250,000

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Outstanding Capital Needs (cont.)

Plan Code	NEW CONTRUCTION/ADDITIONS	State	Local	Federal	Total	
3	Leonary to Witmer	185,000			185,000	
3	Witmer to Abbott	130,000			130,000	
	Subtotal	$19,315,000	$7,995,000	$3,500,000	$30,810,000	
	NDSU:					
1	Animal Research Facility				na	
1	Bio Mech/Engineering Facility	$5,250,000		$5,250,000	$10,500,000	
1	Engineering Complex Addition				na	
1	NCI Pilot Plant				na	
1	Recreation complex		900,000		900,000	
1	Thorson Center Addition	500,000			500,000	
2	Minard Hall Renovation/Addition	9,693,052			9,693,052	
2	Health and Wellness Center		4,500,000		4,500,000	
2	Animal Research Facility	9,870,840		1,860,460	11,731,300	
3	Ag Research Greenhouses				6,956,300	state/fed
3	Alba Bales House Renivation/Addition		703,880		703,880	
3	Bentson-Bunker Fieldhouse Renovation/Addition	512,200			512,200	
3	Bison Sports Arena Renovation/Addition				10,000,000	state/local
3	College of Business Office & Classroom Addition		5,998,860		5,998,860	
3	Library Renovation/Addition	1,410,000			1,410,000	
3	Material Science Research Classroom Facility	20,200,000			20,200,000	
3	Memorial Union Renovation/Addition		6,572,600		6,572,600	
3	Visual Arts Classroom/Laboratory	5,000,000			5,000,000	
	Subtotal	$52,436,092	$18,675,340	$7,110,460	$95,178,192	
	DSU:					
1	Murphy Hall Addition/Renovation	$4,000,000			$4,000,000	
1	Stoxen Library Addition/Renovation	3,350,000			3,350,000	
1	May Hall Addition	900,000			900,000	
1	AS Complex Addition	1,300,000			1,300,000	
1	Stadium Facility		1,250,000		1,250,000	
	Subtotal	$9,550,000	$1,250,000	$0	$10,800,000	

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Outstanding Capital Needs (cont.)

Plan Code	NEW CONTRUCTION/ADDITIONS	State	Local	Federal	Total
	MaSU:				
1	Science/Library Addition	$526,950			$526,950
1	Head Start	363,100			363,100
1	Family Housing		$396,000		396,000
	Subtotal	$890,050	$396,000	$0	$1,286,050
	MiSU:				
1	Green House	$200,000			$200,000
1	Physical Plant Building	300,000			300,000
1	Ceramics Building	200,000			200,000
1	Athletic Facility	300,000			300,000
	Subtotal	$1,000,000	$0	$0	$1,000,000
	VCSU:				
1	Library Addition	$1,130,000			$1,130,000
1	Student Union Addition		$1,277,000		1,277,000
1	Pipe Fitting Shop Addition	34,800			34,800
1	Athletic Facility	3,650,000			3,650,000
1	Plant Service Building	384,000			384,000
1	Technology Building	1,554,000			1,554,000
	Subtotal	$6,752,800	$1,277,000	$0	$8,029,800
	ND Forest Service				
2	(2) storage buildings	$56,000			$56,000
3	New tree Storage Building	90,000			90,000
3	New Hazardours Materials Bldg.	10,000			10,000
	Subtotal	$156,000	$0	$0	$156,000
	NDSU-Ag Experiment Station:				
1	Aquaculture Facility			$410,000	$410,000
2	Williston See Cleaning Plant	$425,000			425,000
3	Multi-use cattle research/housing/feeding facility	450,000			450,000
	Subtotal	$875,000	$0	$0	$875,000
	TOTAL NDUS	$97,929,942	$35,423,340	$10,610,460	$160,920,042

Plan Code:

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3 = added in 1998 master plan update

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Campus Utilities

UTILITIES Institution: Bismarck State College — 19-Oct-98 - Revised

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	14,005		10,000	10,000		15,000	15,000
2. Unit Cost	$0.83		$0.60	$0.30		$0.90	$0.45
Subtotal	$11,596	$0	$6,000	$6,000	$0	$13,500	$13,500
C. Natural Gas							
1. Quantity	29,742	27,479	31,707	59,186	32,651	33,578	66,229
2. Unit Cost	$3.1000	$3.5900	$4.1000	$3.8450	$4.3000	$4.5000	$4.4000
Subtotal	$92,200	$98,650	$129,999	$228,648	$140,399	$151,101	$291,500
D. Electricity							
1. Quantity	4,001,200	4,844,760	6,344,633	11,189,393	6,575,845	6,707,348	13,283,193
2. Unit Cost	$0.0540	$0.0531	$0.0531	$0.0531	$0.0540	$0.0550	$0.0545
Subtotal	$216,065	$257,257	$336,900	$594,157	$355,096	$368,904	$724,000
E. Water/Sewer/Solid Waste Removal-Total Cost	$48,200	$41,200	$45,000	$86,200	$47,300	$49,700	$97,000
F. Telephone-Total Cost	$100,000	$101,500	$105,000	$206,500	$110,000	$115,000	$225,000
G. TOTAL REQUEST-UTILITIES	$468,061	$498,606	$622,899	$1,121,505	$652,795	$698,205	$1,351,000 ✓

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Handout from Celeste at an informal meeting re HB 1003 Campus utilities

UTILITIES | Institutir | UND-Lake Region | 21-Sep

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	1,500	0	3,000	3,000	5,000	5,000	10,000
2. Unit Cost	$0.73	$0.67	$0.67	$0.67	$0.71	$0.75	$0.73
Subtotal	$1,091	$0	$2,000	$2,000	$3,550	$3,750	$7,300
C. Natural Gas							
1. Quantity	14,736,000	11,324,286	12,387,800	23,712,086	12,343,200	12,343,200	24,686,400
2. Unit Cost	$0.0040	$0.0042	$0.0047	$0.0045	$0.0050	$0.0053	$0.0052
Subtotal	$58,944	$47,562	$58,223	$105,785	$61,716	$65,419	$127,135
D. Electricity							
1. Quantity	1,508,965	1,448,316	1,534,483	2,982,799	1,546,500	1,546,500	3,093,000
2. Unit Cost	$0.0570	$0.0570	$0.0580	$0.0575	$0.0610	$0.0647	$0.0629
Subtotal	$86,011	$82,554	$89,000	$171,554	$94,337	$100,059	$194,395
E. Water/Sewer/Solid Waste Removal-Total Cost	$16,251	$15,873	$16,500	$32,373	$17,490	$18,540	$36,030
F. Telephone-Total Cost	$30,223	$29,961	$33,000	$62,961	$34,980	$37,080	$72,060
G. TOTAL REQUEST-UTILITIES	$192,520	$175,950	$198,723	$374,673	$212,073	$224,848	$436,920

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UTILITIES | Institution: UND-Williston | 09-Sep-

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	2,750		4,706	4,706	4,706	4,706	9,412
2. Unit Cost	$0.80		$0.85	$0.43	$0.90	$0.96	$0.93
Subtotal	$2,188	$0	$4,000	$4,000	$4,240	$4,494	$8,734
C. Natural Gas							
1. Quantity	5,638	4,837	4,890	9,727	4,890	4,890	9,780
2. Unit Cost	$3.3488	$3.8940	$4.1207	$4.0073	$4.37	$4.6300	$4.4989
Subtotal	$18,880	$18,835	$20,150	$38,985	$21,359	$22,641	$44,000
D. Electricity							
1. Quantity	1,190,733	1,359,072	1,440,678	2,799,750	1,440,678	1,440,678	2,881,356
2. Unit Cost	$0.0594	$0.0546	$0.0590	$0.0568	$0.06	$0.0663	$0.0644
Subtotal	$70,687	$74,162	$85,000	$159,162	$90,100	$95,506	$185,606
E. Water/Sewer/Solid Waste Removal-Total Cost	$10,656	$10,363	$13,000	$23,363	$13,780	$14,607	$28,387
F. Telephone-Total Cost	$33,502	$31,911	$35,000	$66,911	$37,100	$39,326	$76,426
G. TOTAL REQUEST-UTILITIES	$135,913	$135,271	$157,150	$292,421	$166,579	$176,574	$343,153

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UTILITIES

Institution: University of North Dakota

09-Sep-9

	Approved 1997-98	Approved 1998-99	Approved 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:						
1. Quantity	63,724	59,051	122,775	60,567	59,051 *	119,618
2. Unit Cost	$30.32	$31.53	$30.92	$29.38	$30.26	$29.82
Subtotal	$1,931,857	$1,861,798	$3,793,655	$1,779,458	$1,786,883	$3,566,342
B. Heating Oil:						
1. Quantity	240,000	240,000	480,000	233,280	251,942	485,222
2. Unit Cost	$0.83	$0.87	$0.85	$0.91	$0.94	$0.93
Subtotal	$199,680	$207,667	$407,347	$212,285	$236,825	$449,110
C. Natural Gas						
1. Quantity	320,233	320,233	640,466	595,673	552,189	1,147,862
2. Unit Cost	$0.4576	$0.4759	$0.4668	$0.5974	$0.6153	$0.6064
Subtotal	$146,539	$152,400	$298,939	$355,855	$339,762	$695,617
D. Electricity						
1. Quantity	67,856,582	69,162,182	137,018,764	63,250,000	65,147,500	128,397,500
2. Unit Cost	$0.0273	$0.0284	$0.0285	$0.0284 ^	$0.0284 ^	$0.0284
Subtotal	$1,854,462	$1,965,749	$3,820,211	$1,796,300	$1,850,189	$3,646,489
E. Water/Sewer/Solid Waste Removal-Total Cost	$460,907	$504,693	$965,600	$529,148	$574,902	$1,104,050
F. Telephone-Total Cost	$1,265,500	$1,280,800	$2,546,300	$1,341,430	$1,357,648	$2,699,078
G. TOTAL REQUEST-UTILITIES	$5,858,945	$5,973,107	$11,832,052	$6,014,476	$6,146,210	$12,160,686

Notes:

Escalation Amounts	Quantity	Rate
Coal	0%	2%
Heating Oil	8%	3%
Nat. Gas	3%	3%
Electricity	2%	2%
Water/Sewer/Landfill	0%	10%
Telecommunications	0%	6%

The 97-99 columns are the authorized totals.

The increase in the coal rate is due to the expected contract transportation cost increase for the upcoming years. The increase in quantity will be due to inefficient steam line system from flood damage, approx. 10% loss.

The Electricity quantity increase is based on added facilities: 2 Skywalks, Abbott Hall Renovation, Animal Quarters (2nd year).

The Water/Sewer/Landfill rates are increasing 10% from the City of Grand Forks.

Based on Heating Degree Days (24 yr. average of 9,245.2) based on Data from the Geography Dept.

Continue all efforts to increase energy conservation.

Reflects the $320,000 reduction for utility savings as proposed to campus reduction plan.

* Reduce the stockpile to 3,000 tons for FY'2001.

^ Generator payments of $127,809.90 per year to reduce electrical rates.

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UTILITIES

Institution: North Dakota State University

20-Oct-' Revised

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity	17,294	17,467	17,510	34,977	17,800	17,800	35,600
2. Unit Cost	$24.15	$23.57	$25.00	$24.29	$27.81	$28.31	$28.06
Subtotal	$417,695	$411,715	$437,750	$849,465	$495,018	$503,918	$998,936
B. Heating Oil:							
1. Quantity	61,719	0	20,285	20,285	42,500	42,500	85,000
2. Unit Cost	$0.74	$0.72	$0.72	$0.72	$0.74	$0.80	$0.77
Subtotal	$45,876	$0	$14,605	$14,605	$31,450	$34,000	$65,450
C. Natural Gas							
1. Quantity	280,088	222,194	300,000	522,194	300,000	300,000	600,000
2. Unit Cost	$2.7134	$2.8793	$2.8400	$2.8597	$2.9000	$2.9000	$2.9000
Subtotal	$759,991	$639,763	$852,000	$1,491,763	$870,000	$870,000	$1,740,000
D. Electricity							
1. Quantity	43,039,708	42,705,206	51,755,439	94,460,645	46,460,000	46,926,000	93,386,000
2. Unit Cost	$0.0402	$0.0410	$0.0410	$0.0410	$0.0416	$0.0416	$0.0416
Subtotal	$1,729,465	$1,752,690	$2,121,973	$3,874,663	$1,932,736	$1,952,122	$3,884,858
E. Water/Sewer/Solid Waste Removal-Total Cost	$631,346	$737,236	$768,517	$1,505,753	$811,781	$881,062	$1,692,843
F. Telephone-Total Cost	$282,900	$302,703	$323,892	$626,595	$333,609	$343,617	$677,226
G. TOTAL REQUEST-UTILITIES	$3,867,272	$3,844,107	$4,518,737	$8,362,844	$4,474,594	$4,584,719	$9,059,313

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$8,882,508

UTILITIES | Institutic | NDSCS (Revised) | 20-Oct- | Revised

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	80,250	62,195	63,101	125,296	63,199	64,199	127,398
2. Unit Cost	$0.86	$0.82	$0.86	$0.84	$0.78	$0.81	$0.79
Subtotal	$69,103	$51,000	$54,267	$105,267	$49,295	$51,680	$100,975
C. Natural Gas							
1. Quantity	291,640	147,200	151,388	298,588	172,982	174,713	347,695
2. Unit Cost	$3.6906	$3.2500	$3.4000	$3.3250	$3.4500	$3.5000	$3.4750
Subtotal	$1,076,337	$478,400	$514,719	$993,119	$596,788	$611,496	$1,208,283
D. Electricity							
1. Quantity	23,100,545	11,572,430	12,227,937	23,800,367	12,508,850	12,633,939	25,142,789
2. Unit Cost	$0.0337	$0.0303	$0.0352	$0.0328	$0.0345	$0.0350	$0.0348
Subtotal	$778,488	$350,645	$430,423	$781,068	$431,555	$442,188	$873,743
E. Water/Sewer/Solid Waste Removal-Total Cost	$221,448	$108,090	$124,040	$232,130	$113,001	$116,072	$229,073
F. Telephone-Total Cost	$246,698	$112,770	$129,151	$241,921	$124,300	$124,388	$248,688
G. TOTAL REQUEST-UTILITIES	$2,392,074	$1,100,905	$1,252,600	$2,353,505	$1,314,939	$1,345,824	$2,660,763

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UTILITIES Institution: Dickinson State University 30-Sep

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	4,572	11,514	18,803	30,317	18,000	18,000	36,000
2. Unit Cost	$0.70	$0.58	$0.56	$0.57	$0.62	$0.68	$0.65
Subtotal	$3,200	$6,678	$10,530	$17,208	$11,160	$12,240	$23,400
C. Natural Gas							
1. Quantity	54,109	44,831	47,319	92,150	53,521	53,509	107,030
2. Unit Cost	$2.7300	$3.2200	$3.7200	$3.4700	$4.0900	$4.5000	$4.2950
Subtotal	$147,718	$144,356	$176,027	$320,383	$218,901	$240,791	$459,691
D. Electricity							
1. Quantity	4,880,371	5,243,076	5,403,296	10,646,372	5,366,643	5,527,643	10,894,286
2. Unit Cost	$0.0540	$0.0530	$0.0540	$0.0535	$0.0560	$0.0560	$0.0560
Subtotal	$263,540	$277,883	$291,778	$569,661	$300,532	$309,548	$610,080
E. Water/Sewer/Solid Waste Removal-Total Cost	$29,625	$28,542	$34,252	$62,794	$35,278	$36,336	$71,614
F. Telephone-Total Cost	$40,266	$121,067	$136,911	$257,978	$141,019	$145,250	$286,269
G. TOTAL REQUEST-UTILITIES	$484,349	$578,526	$649,497	$1,228,023	$706,890	$744,165	$1,451,054

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UTILITIES Mayville St Un MaSU 04-Sep-

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity				0			0
2. Unit Cost				$0.00			$0.00
Subtotal	$0	$0	$0	$0	$0	$0	$0
B. Heating Oil:							
1. Quantity	308,835	295,904	284,000	579,904	300,000	300,000	600,000
2. Unit Cost	$0.46	$0.46	$0.50	$0.48	$0.53	$0.57	$0.55
Subtotal	$142,064	$136,116	$142,000	$278,116	$159,000	$171,000	$330,000
C. Natural Gas							
1. Quantity	1,496	1,747	2,353	4,100	3,000	3,000	6,000
2. Unit Cost	$0.7600	$0.7300	$0.8500	$0.7900	$0.8500	$0.8800	$0.8650
Subtotal	$1,137	$1,275	$2,000	$3,275	$2,550	$2,640	$5,190
D. Electricity							
1. Quantity	2,415,487	2,488,827	2,604,166	5,092,993	2,500,000	2,500,000	5,000,000
2. Unit Cost	$0.0483	$0.0469	$0.0480	$0.0475	$0.0490	$0.0510	$0.0500
Subtotal	$116,668	$116,726	$125,000	$241,726	$122,500	$127,500	$250,000
E. Water/Sewer/Solid Waste Removal-Total Cost	$33,290	$56,795	$55,065	$111,860	$60,000	$62,000	$122,000
F. Telephone-Total Cost	$81,912	$90,657	$100,481	$191,138	$103,000	$106,000	$209,000
G. TOTAL REQUEST-UTILITIES	$375,071	$401,569	$424,546	$826,115	$447,050	$469,140	$916,190

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UTILITIES | Instituti | MINOT STATE UNIVERSITY | 19-Aug

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity	4,093	219	3,410	3,629	3,410	3,410	6,820
2. Unit Cost	$22.04	$21.78	$22.00	$21.89	$22.87	$23.78	$23.33
Subtotal	$90,210	$4,770	$75,020	$79,790	$77,987	$81,090	$159,077
B. Heating Oil:							
1. Quantity	18,224	12,075	12,100	24,175	12,100	12,100	24,200
2. Unit Cost	$0.66	$0.61	$0.62	$0.62	$0.65	$0.67	$0.66
Subtotal	$12,010	$7,390	$7,502	$14,892	$7,805	$8,107	$15,912
C. Natural Gas							
1. Quantity	40,431	116,283	55,960	172,243	55,960	55,960	111,920
2. Unit Cost	$1.9800	$1.7800	$1.8000	$1.7900	$1.8700	$1.9400	$1.9050
Subtotal	$80,053	$206,984	$100,728	$307,712	$104,645	$108,562	$213,208
D. Electricity							
1. Quantity	6,890,555	8,451,735	8,500,000	16,951,735	8,500,000	8,500,000	17,000,000
2. Unit Cost	$0.0635	$0.0531	$0.0550	$0.0541	$0.0572	$0.0595	$0.0584
Subtotal	$437,550	$448,787	$467,500	$916,287	$486,200	$505,750	$991,950
E. Water/Sewer/Solid Waste Removal-Total Cost	$81,999	$94,764	$95,000	$189,764	$98,800	$102,752	$201,552
F. Telephone-Total Cost	$268,111	$246,179	$250,000	$496,179	$260,000	$270,400	$530,400
G. TOTAL REQUEST-UTILITIES	$969,933	$1,008,874	$995,750	$2,004,624	$1,035,436	$1,076,661	$2,112,098

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UTILITIES

Institution: Valley City State University

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity	828	1,327	800	2,127	1,200	1,200	2,400
2. Unit Cost	$29.23	$28.24	$26.00	$27.12	$30.00	$31.00	$30.50
Subtotal	$24,202	$37,480	$20,800	$58,280	$36,000	$37,200	$73,200
B. Heating Oil:							
1. Quantity	8,095	20,661	21,000	41,661	20,000	20,000	40,000
2. Unit Cost	$1.27	$0.56	$0.86	$0.71	$0.90	$0.95	$0.93
Subtotal	$10,281	$11,570	$18,060	$29,630	$18,000	$19,000	$37,000
C. Natural Gas							
1. Quantity	47,798	37,575	47,470	85,045	45,500	45,500	91,000
2. Unit Cost	$2.5500	$2.8900	$3.1600	$3.0250	$3.2000	$3.2500	$3.2250
Subtotal	$121,885	$108,592	$150,005	$258,597	$145,600	$147,875	$293,475
D. Electricity							
1. Quantity	3,479,211	3,413,289	3,282,000	6,695,289	3,400,000	3,400,000	6,800,000
2. Unit Cost	$0.0380	$0.0380	$0.0390	$0.0385	$0.0400	$0.0420	$0.0410
Subtotal	$132,210	$129,705	$127,998	$257,703	$136,000	$142,800	$278,800
E. Water/Sewer/Solid Waste Removal-Total Cost	$47,303	$49,599	$48,000	$97,599	$50,800	$53,800	$104,600
F. Telephone-Total Cost	$63,300	$96,070	$97,387	$193,457	$98,000	$100,000	$198,000
G. TOTAL REQUEST-UTILITIES	$399,181	$433,016	$462,250	$895,266	$484,400	$500,675	$985,075

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UTILITIES

Institution: Minot State University - Bottineau Campus

24-Aug-

	Actual 1996-97	Actual 1997-98	Estimate 1998-99	Total Est. 1997-99	Estimate 1999-00	Estimate 2000-01	Total Est. 1999-01
A. Coal:							
1. Quantity	1,204	1,099	1,210	2,309	1,220	1,220	2,440
2. Unit Cost	$22.97	$23.25	$23.75	$23.50	$24.00	$24.25	$24.13
Subtotal	$27,656	$25,552	$28,738	$54,289	$29,280	$29,585	$58,865
B. Heating Oil:							
1. Quantity	56,559	46,623	64,220	110,843	64,000	64,000	128,000
2. Unit Cost	$0.77	$0.65	$0.77	$0.71	$0.78	$0.78	$0.78
Subtotal	$43,319	$30,305	$49,449	$79,754	$49,920	$49,920	$99,840
C. Propane							
1. Quantity	15,500	11,660	16,000	27,660	16,000	16,000	32,000
2. Unit Cost	$0.9453	$0.5206	$0.7500	$0.6353	$0.7500	$0.7500	$0.7500
Subtotal	$14,652	$6,070	$12,000	$18,070	$12,000	$12,000	$24,000
D. Electricity							
1. Quantity	1,305,668	1,398,872	1,400,000	2,798,872	1,420,000	1,420,000	2,840,000
2. Unit Cost	$0.0327	$0.0333	$0.0340	$0.0337	$0.0340	$0.0350	$0.0345
Subtotal	$42,714	$46,612	$47,600	$94,212	$48,280	$49,700	$97,980
E. Water/Sewer/Solid Waste Removal-Total Cost	$15,467	$15,989	$16,500	$32,489	$17,000	$17,500	$34,500
F. Telephone-Total Cost	$15,000	$16,012	$17,000	$33,012	$18,000	$19,000	$37,000
G. TOTAL REQUEST-UTILITIES	$158,807	$140,540	$171,287	$311,827	$174,480	$177,705	$352,185

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NORTH DAKOTA
University System

Employees

December 1998

Employees

*The North Dakota University System employs nearly **12,500 people**. This number includes approximately 2,200 faculty and over 3,600 staff who provide services in such areas as student housing, food services, counseling, and maintenance/physical plant. The remaining positions are temporary employees who fill a variety of short-term campus functions in both instructional and non-instructional roles. Additionally, the University System employs an average of **4,000** students, giving them an additional resource from which they can fund their college education.*

NDUS Employee Count
October 1998

	FACULTY		CLASSIFIED		OTHER NON-CLASSIFIED[1]		TEMPORARY		STUDENTS	TOTAL
CAMPUS	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Instructional	Non-Instruct		
BSC	95	3	79	4	19	1	68	58	97	424
DSU	67	4	73	6	14	0	55	8	194	421
MaSU	40	8	57	15	12	1	8	17	133	291
MiSU[2]	189	24	167	23	22	0	56	56	363	900
NDSCS	140	14	161	13	28	3	24	42	300	725
NDSU[3]	757	96	986	80	60	2	479	350	1215	4025
UND[4]	638	65	1,384	137	199	10	550	520	1602	5105
UND-LR	22	12	31	2	8	0	49	8	66	198
VCSU	53	2	64	6	14	1	24	28	187	379
TOTALS	**2,001**	**228**	**3,002**	**286**	**376**	**18**	**1,313**	**1,087**	**4,157**	**12,468**

[1] Presidents, VP's, and Officers of Institution.
[2] Includes MiSU-BC.
[3] Includes Extension & Experiment.
[4] Includes UND-W.

FOR MORE INFORMATION CONTACT:
***Mike Sandal**, Director of Human Resources*
(701) 328-3401 Mike_Sandal@ndus.nodak.edu

NORTH DAKOTA
University System

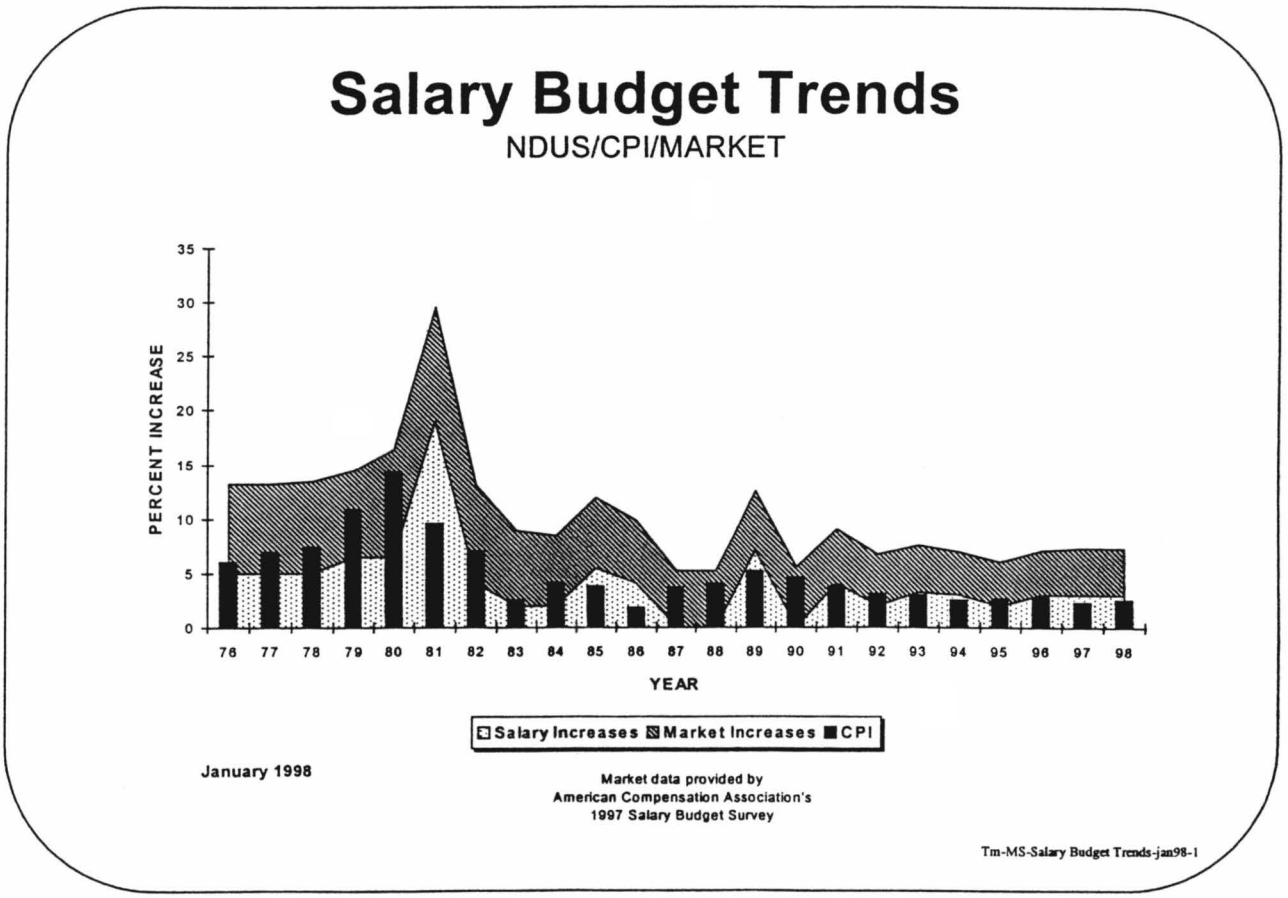
Employees

December 1998

Salary Levels

The University Systems' competitive advantage in the recruitment and retention of skilled employees has eroded over the past 20 years. Salary increases have not kept pace at a level with changes in market conditions and rates of inflation.

General salary increases for System employees have exceeded the rate of inflation in only 7 of the past 22 years. During this same time, average market increases have matched or exceeded the annual rate of inflation.



FOR MORE INFORMATION CONTACT:
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Salary Levels (cont.)

Market Comparison:

FACULTY – Currently, faculty salaries lag the regional market by 15 percent at the two-year colleges and by up to 33 percent at the doctoral universities. In comparison to the national market, faculty salaries lag by 28 percent at the two-year colleges and by 42 percent at the doctoral level. This compares to 1982-83 when salaries were only 8 percent behind the region at UND and NDSU and were at or above the region at other campuses.

Amount and Percent North Dakota Average Faculty Salaries Lag Behind the National and Regional Markets 1982-83 and 1993-94 through 1996-97
(In thousands of dollars)

	Doctoral			Comprehensive			Baccalaureate			Two-Year		
Year	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.
1982-83	30.2	28.9	26.8	26.9	24.8	24.8	24.5	23.6	24.7	24.2	22.2	23.2
1993-94	51.5	50.0	39.5	45.0	41.9	36.8	40.0	39.6	33.3	39.7	35.0	31.6
1994-95	53.6	52.1	40.4	46.4	43.8	37.8	41.4	40.7	33.9	41.2	36.4	32.4
1995-96	57.8	54.1	40.6	47.8	44.3	38.1	42.5	41.7	34.7	41.6	37.3	32.3
1996-97	59.5	55.7	42.0	49.2	45.6	39.5	43.8	43.0	35.8	42.8	38.4	33.4
Percent Variance From Market												
1982-83	-12.7	-7.8	---	-8.5	0.0	---	0.8	4.5	---	-4.3	4.3	---
1996-97	-41.7	-32.6	---	-24.6	-15.4	---	-22.3	-20.1	---	-28.1	-15.0	---

ADMINISTRATIVE AND PROFESSONAL STAFF – Salaries for administrative and professional staff lag regional markets by 6 percent at the comprehensive level and by 17 percent at the doctoral level. Nationally, the variance ranges from 11 percent at the baccalaureate level to 29 percent at the doctoral level.

Average Administrative Staff Salary by Type of Institution U.S. Region, and North Dakota University System 1990-91 to 1995-96
(In thousands of dollars)

	Doctoral			Comprehensive			Baccalaureate			Two-Year		
Year	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.
1990-91	59.0	59.6	45.1	---	---	---	39.8	43.8	36.5	43.1	42.7	34.6
1993-94	65.9	63.6	50.7	49.8	46.8	44.4	39.8	43.9	36.2	42.3	41.7	35.0
1995-96	71.5	64.8	55.5	51.8	46.2	43.5	43.2	43.0	38.8	45.3	40.0	35.7
Percent Variance From Market												
1995-96	28.8	16.8	---	19.0	6.2	---	11.3	10.8	---	26.9	12.0	---

FOR MORE INFORMATION CONTACT:
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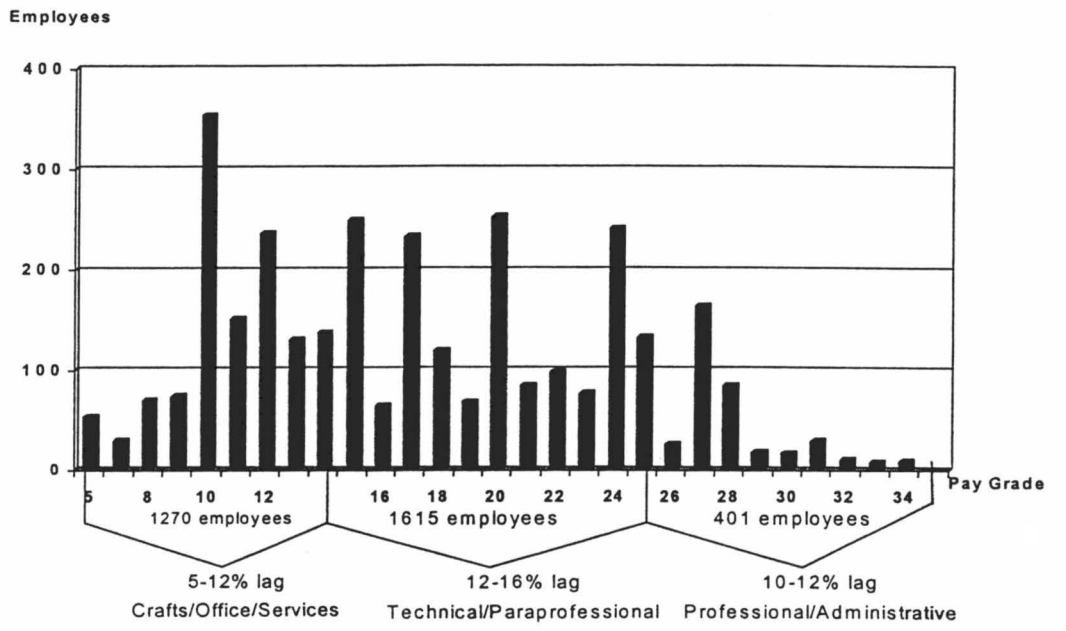
Salary Levels (cont.)

TRADE, TECHNICAL, AND SUPPORT STAFF – Salaries for all University System classified employees average 14 percent below the local and ten state regional market. The area in which the System is most divergent from market is in technical/paraprofessional positions. (Pay grades 15-25) Employees in these positions are on average 12-16 percent below market. A majority of University System employees fall within this category.

Market Variance and Distribution

by Pay Grade

(Feb. 96)



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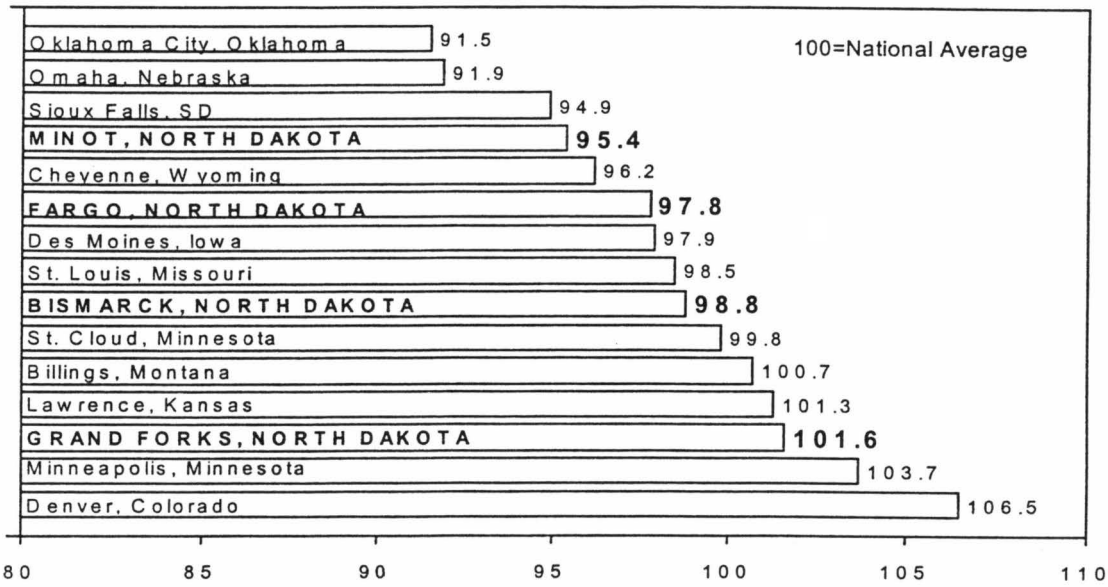
Salary Levels (cont.)

COST OF LIVING

According to the American Chamber of Commerce, the cost of living in Bismarck and Fargo approaches the national average and is higher than several competing metropolitan areas. The cost of living in Grand Forks is currently higher than the national average.

Cost of Living Index

Selected Regional Metropolitan Areas
1st Quarter 1998



Data Provided by: American Chamber of Commerce Research Association

NOTE: The American Chamber of Commerce Research Association considers the following categories when determining an area relative to cost of living: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services.

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Salary Levels (cont.)

FRINGE BENEFITS

Employee benefits are an asset in the recruitment and retention of faculty and staff. The level of fringe benefits provided to System employees compares favorably with regional markets, as well as with other North Dakota employers.

Fringe Benefit Comparisons
1998

Benefits	State of North Dakota	ND* Other In-State Employers	State of Minnesota	State of South Dakota	State of Montana	Average
Annual Leave **	15 days	15 days	16.3 days	15 days	15 days	15.3 days
Sick Leave	12 days	10 days	13 days	14 days	12 days	12.2 days
Other Leave	3 days (funeral)	1 day	0 days	5 days (funeral)	0 days	1.8 days
Legal Holidays	10.5 days	8 days	11 days	10 days	10.5 days	10.0 days
Retirement (contribution % of salary) agency/ State employee	PERS*** 9.12% TIAA 9.5(10%)/1.5%(2%)	(0/13.65)	4.20/4.07	5.00/5.00	6.70/6.70	6.26/5.26
Life Insurance (State paid coverage)	$1,300	Unavailable	1 x salary	1 x salary	$10,000	NA

*In-state market in North Dakota. Includes both private and public companies.
**Based on an employee with service of six years.
***PERS 9.12% includes 1% of pre-funded health insurance.

Health Insurance Comparisons
1998

	Monthly Cost State		Monthly Cost to Employee		Major Medical Deductible (per calendar year)		Major Medical Co-Insurance	Annual Out-of-Pocket Maximum	
	Employee Only	Employee & Family	Employee Only	Employee & Family	Employee Only	Employee & Family	Co-Payment	Employee Only	Employee & Family
MN	162.16	405.41	0.00	243.25	100	300	80%/20%	580	1,160
MT	235.00	248.64	0.00	75.30	200	600	75%/25%	950	2,100
ND	139.69	345.32	0.00	0.00	150	450	80%/20%	1,150	2,450
SD	220.29	220.29	0.00	218.39	500	1,250	75%/25%	2,000 per person	

FOR MORE INFORMATION CONTACT:
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NORTH DAKOTA UNIVERSITY SYSTEM

TO: Rep. Janet Wentz, Chair
House Appropriations Subcommittee

FROM: Laura Glatt, Vice Chancellor for Administrative Affairs

DATE: February 2, 1999

RE: Additional Amendments to HB1003

Bd of Higher Ed pay

The State Board of Higher Education at their meeting last week voted to request an increase in the Board's per diem pay. This increase would be consistent with increase called for in SB2055. SB2055 increases compensation for members of the Legislative Assembly for attending meetings of the legislative council or its committees from $62.50 per day to $75 per day.

The State Board of Higher Education currently receives $62.50 per day when carrying out Board responsibilities per NDCC 15-10-08. The attached proposed amendments would amend this section to remove the specific dollar reference and replace it with language that would allow Board member per diem to be at the same rate as that provided to members of the Legislative Council. These amendments provide an automatic increase in Board per diem in the future at the same rate of increase for Legislative Council members.

As with Legislative Assembly members, Board members currently dedicate a good share of their personal time and energy serving on the State Board of Higher Education. They do receive pay for some of their time, although not at a level to adequately reimburse them for their lost income and expenses. They also spend a great deal of time on Board matters that they are not reimbursed for since the budget contains limited funds to cover Board per diem pay. Issues they must deal with are difficult and can greatly impact the students and citizens of North Dakota. Their job is not easy.

The increase in per diem pay from $62.50 to $75.00 per day would cost an additional $9,850 per biennium. The current budget proposal before you does not include an additional appropriation to cover this increased cost. We are not asking for an increase in the budget to cover this cost. Rather, I would be prepared to find the additional funds needed to support this amendment from within the salary and operating budget of the NDUS Office as proposed by the Governor. While resources are also needed in salaries and operating, we feel that it is important to pay members at a level that recognizes their efforts and allows the state to attract quality Board members.

We have incorporated this amendment into the previous amendments submitted during our budget hearing. This should provide you with a comprehensive set of amendments to work from during your budget deliberations. If you have any questions please feel free to contact me at 328-4116.

Attachment

LGto\1100:HB1003 Additional Amendments

State Capitol - 600 E. Boulevard Ave. Dept. 215, Bismarck, North Dakota 58505-0230 - (701) 328-2960
Fax 701.328.2961 - Internet NDUS_office@prairie.nodak.edu

The North Dakota University System is governed by the State Board of Higher Education and consists of: Bismarck State College - Dickinson State University - Mayville State University - Minot State University, Minot and Bottineau Campus - North Dakota State College of Science - North Dakota State University, Fargo - University of North Dakota, Grand Forks, Lake Region and Williston - Valley City State University

PROPOSED AMENDMENTS TO HOUSE BILL 1003

Page 1, line 2, after "system" insert ", to amend and reenact section 15-10-08 of the North Dakota Century Code, relating to compensation of board of higher education members, and to declare an emergency"

Page 3, line 11, replace "9,006,341" with "5,006,341"

Page 3, line 14, replace "149,847,873" with "145,847,873"

Page 3, line 15, replace "56,492,071" with "52,492,071"

Page 4, line 10, replace "2,893,962" with "693,962"

Page 4, line 11, replace "21,380,019" with "19,180,019"

Page 4, line 12, replace "8,340,726" with "6,140,726"

Page 6, line 11, replace "system capital pool" with "capital improvements emergency pool, board initiatives"

Page 6, line 13, replace "North Dakota university system" with "state board of higher education"

Page 6, line 15, after "fund" insert ", capital improvements emergency pool, board initiatives"

Page 6, line 20, replace "university system" with "state board of higher education"

Page 7, line 12, replace "North Dakota university system" with "state board of higher education"

Page 7, line 21, remove "North Dakota"

Page 7, line 22, replace "university system" with "state board of higher education"

Page 7, line 26, remove "this"

Page 7, line 27, replace "Act" with "chapter 32 of the 1997 Session Laws"

Page 7, line 29, replace "university system" with "state board of higher education"

Page 8, line 2, replace "North Dakota university system" with "state board of higher education"

Page 8, line 3, replace "North Dakota university system" with "board"

Page 8, line 9, after "college" insert "music addition"

Page 8, line 10, after "Region" insert "auditorium renovation"

Page 8, line 12, remove "or" and after "private" insert "or other"

Page 8, line 13, replace the comma with a period and remove "for the biennium"

Page 8, remove line 14

Page 8, line 16, remove "or" and after "private" insert "or other"

Page 8, line 17, replace the first comma with a period and remove "for the biennium beginning July 1, 1999, and"

Page 8, remove line 18

Page 8, remove lines 24 through 30

Page 9, replace lines 1 through 7 with:

SECTION 11. BOND ISSUANCE - PURPOSES. The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding $4,750,000 for the purpose of financing capital projects at institutions under the control of the board, including an amount not exceeding $250,000 for student union renovation at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university. Bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 12. USE OF PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 11, or so much of the sum as may be necessary, in the amount of $250,000 for the student union renovation at Bismarck state college and $4,500,000 for a health and wellness center at North Dakota state university and other available funds from other sources are hereby appropriated for these projects. Any unexpended balance from the sale of bonds must be placed in a sinking fund for the retirement of the authorized bonds.

Page 9, after line 17, insert:

SECTION 15. AMENDMENT. Section 15-10-08 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations. Each member of the state board of higher education, except the student member, is entitled to receive as compensation ~~sixty-two dollars and fifty cents per day~~ the same amount provided for members of the legislative council for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 16. EMERGENCY. The capital improvements line item contained in subdivision 9 of section 1 includes $760,000 for boiler repair and fuel storage at Mayville state university and that project and the health and wellness center at North Dakota state university in the amount of $4,500,000 authorized in sections 11 and 12 are declared to be emergency measures.

Renumber accordingly

North Dakota University System

Report of the Board's Committee on Employee Compensation

Presented to the State Board of Higher Education
February 19, 1998

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PURPOSE

The North Dakota University System (NDUS) Compensation Committee was created by the State Board of Higher Education (SBHE) to develop recommendations and a long-term strategic plan as it related to salary and compensation of NDUS faculty and staff. Accordingly, a committee was set up in April 1997, with representatives from the NDUS Office, SBHE, faculty, staff, and administration representatives from institutions within the NDUS.

MEMBERS

P. Conn (DSU), L. Glatt (NDUS), J. Hoeven (SBHE), L. Isaak (NDUS), R.S. Krishnan (NDSU, Chair), R. Lindgren (BSC), D. Nelson (UND), J. Olson (NDSCS), J. Peltier (SBHE), R. Rayl (NDSU), M. Sandal (NDUS), L. Severson (BSC), P. Venzke (MiSU).

INTRODUCTION

We begin with the caveat that we have a "story" to tell. It is a story not unfamiliar to many, but with such stories, we all have heard various versions or parts of it at various times. But this story deals in realities, dilemmas, and its conclusion is yet to be written. Therefore, in order to collaboratively create a conclusion, this story requires active participation rather than passive disengagement. And this story has the traditional imperative; in this case, economic. We as a committee hope that this collective tale will resound with our audience(s). An addendum of the studies the committee has used to draw its conclusions is attached, and references are keyed in this report for convenience.

REVIEW

At the outset, and in the face of the still extant reality of significantly below market salary levels for faculty and staff within the NDUS, the committee recognizes that recent actions by the SBHE and the Legislature to provide additional fund and budget flexibility have met with a measure of success.

To wit, SB 2003 allowed the SBHE some flexibility in basing its salary allocations upon multiple factors, rather than the tried and tested across-the-board approach. The effect of this legislation, which included an additional $3.2 million for salary initiatives, was to require the campuses within the NDUS to develop plans which prioritized their needs.

Whereas salary increases in the past were based on mission, enrollment, peer institution comparisons, programs offered, and system-wide services, with SB 2003, salary increases in July of 1997 were also based upon market, workload, responsibility, and performance, which allowed the colleges and universities a short-term ability to address critical needs. For example, out of the $3.2 million salary initiative funds, monies were allocated proportionately based upon the needs of each institution within the NDUS, and in order to address the recruitment and retention needs for both faculty and staff.

Furthermore, the flexibility provided in SB 2003 enabled the Board to establish targets for salary increases on each campus. These targets were funded through both campus internal reallocations of $3.0 million and matched with $3.2 million in new money from the legislature. These targets ranged from 4.25 percent to 4.75 percent, and in every instance, the campuses were able to meet or to exceed their targets (Exhibit I, pg. 7). These salary targets were much more aggressive than the average three percent salary increases granted to other state employees. We believe this signifies the priority we have placed on the need to pay competitive salaries within the NDUS.

In tandem with these salary increases, the campuses were directed by the Board to reduce duplication in programs, services, and activities. They were also asked to increase efficiencies within their operations--with the savings from these reductions and reallocations to be used to supplement salary increases. Citing only two examples, vacant positions were unfilled, the responsibilities for these positions being merged with others, and both service centers and administrative positions among campuses were shared. The net results of such efforts are, to cite only a few examples:

- elimination, reduction and or consolidation of 11 programs at NDSU;
- elimination of two dean positions and closure of the College of Human Resources Development at UND;
- reduction of faculty FTE at MiSU by over 20 percent; and
- in the 1993-95 biennium, the elimination of 240 positions that were funded through general fund or tuition income

In effect, the most recent efforts by the Legislature and the Board have had measurable success in correcting some of the negative impact to the system brought on by low salary levels. In the 1995-97 biennium, the university system directed both NDSU and UND to reallocate funds to provide an additional 1/2 of one-percent salary increase during that biennium (resulting in the reallocation by these institutions of $575, 000 to meet the Board directive). In the current 1997-98 biennium, all campuses have been directed to meet salary increase targets ranging from 4.25 to 4.75. The facts remain, however, that the market level of salaries has increased and appropriations stagnated, and our aggressive competitor for faculty and staff services--Minnesota--is a looming presence. To continue and build on the intentions of the Legislature and the Board to keep North Dakota competitive in the market regionally and nationally, the Committee suggests further consideration of the following.

BACKGROUND INFORMATION

It is an unavoidable fact that regionally, salaries are still lagging, ranging from 15 to 33 percent below market for faculty. This is the equivalent of $5,000 to $17,500 per faculty member per year. Administrative staff salaries lag regional average salaries by 12 to 16.8 percent, depending on the institution. This is the equivalent of $4,300 to $9,300 per year. Trade, technical and support staff salaries in the university system are paid, on an average, 14 percent less than market average (Exhibit II, pg. 9). It would take nearly $70 million to correct the salary disparities noted above. If further evidence of the effect of low salaries is needed, we need only look at the Exit interviews of departing employees (compiled from February 22, 1996 through September 26, 1997), which indicate that low salary is the foremost reason for their leaving: among those interviewed, 247, or 67.7 percent, listed low salary as a reason for leaving (Exhibit III, pg. 15).

Although turnover ratios for the NDUS are comparable today to other organizations of its size (Exhibit IV, pg. 19), the future inevitably indicates that the ratios will rise, necessitating in the need for careful planning for the future. A quarter of faculty is 56 or older and another quarter is 50 to 55 (Exhibit V, pg. 21). The turnover ratios will, surely, increase significantly in the next five years and beyond, with the system losing much of its most experienced personnel. Thus, below market salaries along with increasing numbers of potential retirees reiterate the increasing difficulty the campuses and universities have had, and will have, in recruiting and retaining young faculty and staff. Indeed, national statistics show that the pools of qualified applicants are going to decrease (Exhibit VI, pg. 23).

In compiling its data for this report, the Committee was less surprised than acutely concerned with a number of its findings. It is especially significant that Exit interviews show that nearly half of those people who leave the University system leave with less than five years of service (see Exhibit III, pg. 16). The investment we make in the training of our faculty and staff, unfortunately, benefit other institutions more than ours; we train them, and they move on, often taking with them their research grants, graduate students, and expertise in their discipline, which further undermines the ability of the system to offer quality programs. Needless to say, this demonstrates the constant struggle of attempting to meet the national and regional average salary at the time of hiring, only to quickly fall behind within the first five years of employment. This also further compounds internal equity problems, such as salary compression. We must pay competitive salaries to recruit new hires. Marketplace forces leave us no choice. However, many times it creates situations where new hires are paid more than the current staff with the same, if not more, experience. Next only to the low salary levels in the system, the most important reasons why people leave are limited opportunity for advancement, change in career, and excessive workload. It would be too obvious to say that in such situations, not only is there depletion of the investment of institutional resources, but also the increase in turnover costs in training new faculty and staff (recruitment costs being especially expensive), and providing them with the basic amenities for research, etc., becomes prohibitive. Regrettable as this situation is, the indirect loss of the benefits of basic research and loss of grant monies have consequences to the long-term interests of the state and the system.

Interestingly, the HERI studies conducted, respectively, for the American College Teacher ([1995-96], Exhibit VII, pg. 25) and South Dakota Board of Regents Universities ([1993], Exhibit VIII, pg. 27) clearly imply by comparison the value of individual contributions to the state and the community service organizations. Undoubtedly, the HERI study in fall 1998, in which North Dakota will take part will confirm the validity of the Committee's conclusions regarding the immeasurable value of these contributions.

There are Board policies in place that allow for the post-tenure review of faculty every three years, and regular review of faculty on tenure track, which processes allow the termination of faculty for poor job performance. With such checks and balances, it is even more imperative that we recognize the effect of existing realities that drive good faculty and staff out of our academic system and the state.

We mentioned earlier that the institutions within the system have been engaging in increasing efficiencies within their campuses. Such efficiencies as those that can be achieved from administrative redesign have been accomplished; for example, the administration of VCSU and MaSU was consolidated; the Bottineau Campus was realigned with MiSU. In all, between 1993 and 1995, 41 administrative positions were eliminated; a further 61 positions, including 6 administrative positions were eliminated for the budget year 1995-96. However, we cannot be certain that future internal reallocations of salary and compensation dollars will result not only in further administrative reductions and losses in student services, but more importantly in program reduction, limited access (access without sufficient funding means loss of quality), and more increases in class size and reductions in class offerings. These are imminent realities--we can ignore them, but cannot make them vanish.

Grappling with such concerns and realities, and with a view toward ameliorating some of the predicaments facing the state, the Board, and the institutions, and having discussed the targets set in the six-year plan, the Compensation Committee makes these salary and benefit recommendations.

RECOMMENDATIONS FOR SALARY

- For the 1999-2001 biennium, an increase of 4 percent per year;
- For the 2001-2003 biennium, an increase of 4.5 percent per year; and
- For the 2003-2005 biennium, an increase of 5 percent per year;

In addition to the above amounts, the Committee recommends a plan for continued internal reallocation. This plan would require an additional 5 percent increase in average salaries over the six-year period, or approximately .83 percent per year.

The Committee is of the view that the institutions be allowed maximum flexibility regarding the distribution of salaries, in compliance with each campus's Salary Administrative Plan (Exhibit IX, pg. 29).

RECOMMENDATIONS FOR BENEFITS

As indicated earlier, exit surveys indicate that after salary, employees leave because of limited opportunity for advancement and changes in career. The following recommendations, therefore, take into account considerations beyond the paycheck. Additionally, these recommendations can be implemented with changes only to internal policy and procedures and with minimal cost (Exhibit X, pg. 31).

Waiving tuition for one additional class per employee per year would encourage employees to update their skills and to obtain advanced degrees that are relevant to the personal goals and professional goals. No work release time would be granted for the additional class.

Modifying campus residence requirements for program attendance where appropriate would aid employees who are unable to leave campus, and paychecks to satisfy residency requirements. Perhaps there are ways this can be solved.

- Enhancing professional development and in-service training opportunities by compiling a needs assessment and jointly planning for more efficient delivery across the system;
- More effectively communicating options that are available for sabbatical/development leave for faculty and staff;
- Allowing retired faculty or graduate teaching assistants to fill in for faculty on leave. This would provide campuses more flexibility in filling positions temporarily vacated;
- Providing flexible hours and work week. This would provide, to the extent possible, more flexible hours and/or work week schedules for employees seeking professional development or who have personal commitments;
- Implementing career track and succession planning. This could reduce turnover and provide a plan for internal replacement.

Further recommendations include:

- reviewing early retirement to clarify that it was designed for restructuring purposes and not as a departure bonus or entitlement;
- reviewing alternatives and funding needs for replacing faculty's short term disability periods;
- reviewing pension portability.

CONCLUSION

While the Compensation Committee believes that the recommendations made in this report with regard to faculty and staff salaries over the course of the next three biennium will still not bring us to parity with regional average salaries; they will yet bring us somewhat closer. It is projected that on an average the suggested salaries will increase by approximately 33. 3 percent over the next six years (compounded on the proposed increase of 4/4.5/5 percent over the next three biennium, and taking into account the internal reallocation of 5 percent for the period covered). The committee is of the view that these recommendations, if adopted, would indicate a continuing effort on the part of the Board and the legislature to make the NDUS competitive in the marketplace. It is also worthwhile noting that throughout this report, the committee has implied, rather than directly indicated, the incontrovertible impact of the work of faculty and staff across the NDUS on the economy of the state (Exhibits XI-XIV, pgs. 39-47). In conclusion, the committee submits this report to the Board and the legislature in hopes that both these bodies will find the document a useful blueprint for the future.

EXHIBIT I

Salary Targets

Entity	Targeted Increase	Actual Increase
BSC	4.25%	4.47%
UND-LR	4.25%	4.97%
UND-W	4.25%	5.13%
UND	4.75%	4.40%
NDSU	4.75%	4.98%
NDSCS	4.25%	4.33%
DSU	4.75%	5.13%
MaSU	4.25%	3.83%
MiSU	4.75%	4.88%
VCSU	4.25%	4.71%
MiSU-BC	4.25%	4.77%
UND School of Medicine & Health Sciences	4.75%	4.41%
Forest Service	4.50%	4.94%
NDUS Office	4.75%	6.18%
Extension and Experiment	4.75%	4.78%
Northern Crops Institute	4.75%	4.84%
Upper Great Plains Transportation Institute	4.75%	5.98%

The campuses and related entities met their targets, with only a limited number of exceptions that were approved by the Chancellor. The Chancellor granted an exemption from UND's 4.75 percent target for EERC and CAS, which averaged increases of 3.7 percent and 2.5 percent, respectively. As a result, UND's overall average increase was 4.4 percent. However, when the salaries for EERC and CAS are excluded from the calculation, UND achieved an average increase of 4.81 percent for the other departments on campus. The Med School's increase was 4.41 percent, but when the salaries for the Med School are combined with UND's, the overall average is 4.73 percent.

Because MaSU and VCSU share key positions, the salaries of the two universities were combined to determine whether or not the target of 4.25 percent was met. Although MaSU reflects an average increase of only 3.83 percent and VCSU's increase is 4.71 percent, when the salaries are combined, the average increase for the two universities is 4.32 percent, which is slightly higher than the target of 4.25 percent.

EXHIBIT II

Market Comparisons for Faculty and Staff

AMOUNT AND PERCENT NORTH DAKOTA AVERAGE FACULTY SALARIES LAG BEHIND THE NATIONAL AND REGIONAL MARKETS 1982-83 THROUGH 1996-97 (In Thousands of Dollars)

YEAR	DOCTORAL				COMPREHENSIVE				BACCALAUREATE				TWO-YEAR			
	U.S.		Reg.		U.S.		Reg.		U.S.		Reg.		U.S.		Reg.	
1982-83	($3.4)	-12.7%	($2.1)	-7.8%	($2.1)	-8.5%	$0.0	0.0%	$0.2	0.8%	$1.1	4.5%	($1.0)	-4.3%	$1.0	4.3%
1983-84	($4.6)	-17.0%	($2.7)	-10.0%	($3.5)	-14.2%	($2.1)	-8.5%	($0.7)	-2.9%	($0.9)	-3.7%	($1.9)	-8.1%	($0.2)	-0.9%
1984-85	($6.5)	-23.7%	($4.7)	-17.2%	($5.1)	-20.6%	($3.3)	-13.3%	($2.3)	-9.4%	($1.9)	-7.8%	($2.2)	-9.1%	$0.5	2.1%
1985-86	($5.8)	-19.1%	($3.2)	-10.5%	($5.2)	-19.3%	($2.9)	-10.8%	($1.6)	-6.0%	($0.6)	-2.2%	($2.0)	-7.5%	$1.5	5.6%
1986-87	($7.2)	-22.9%	($3.7)	-11.7%	($5.3)	-18.5%	($2.1)	-7.3%	($1.9)	-6.8%	($1.6)	-5.8%	($2.9)	-10.5%	$0.5	1.8%
1987-88	($9.1)	-28.5%	($5.1)	-16.0%	($6.6)	-23.0%	($3.6)	-12.5%	($3.1)	-11.1%	($1.9)	-6.8%	($4.3)	-16.0%	($0.9)	-3.4%
1988-89	($10.9)	-34.0%	($7.3)	-22.7%	($9.1)	-31.4%	($5.9)	-20.3%	($5.5)	-20.1%	($3.9)	-14.2%	($6.5)	-24.1%	($3.4)	-12.6%
1989-90	($10.6)	-30.4%	($7.9)	-22.6%	($8.8)	-28.1%	($5.1)	-16.3%	($4.3)	-14.3%	($4.2)	-14.0%	($5.9)	-20.6%	($2.9)	-10.1%
1990-91	($10.7)	-29.0%	($8.6)	-23.3%	($8.7)	-26.0%	($5.3)	-15.8%	($5.6)	-18.2%	($5.7)	-18.5%	($6.6)	-22.1%	($3.2)	-10.7%
1991-92	($10.5)	-27.3%	($8.7)	-22.7%	($8.6)	-24.6%	($4.1)	-11.7%	($4.5)	-13.5%	($4.2)	-12.6%	($7.4)	-24.0%	($2.8)	-9.1%
1992-93	($11.3)	-29.2%	($10.2)	-26.4%	($8.6)	-24.4%	($5.9)	-16.8%	($5.9)	-17.9%	($6.0)	-18.2%	($7.1)	-22.8%	($4.1)	-13.1%
1993-94	($12.0)	-30.4%	($10.5)	-26.6%	($8.2)	-22.3%	($5.1)	-13.9%	($6.7)	-20.1%	($6.3)	-18.9%	($8.1)	-25.6%	($3.4)	-10.8%
1994-95	($13.2)	-32.7%	($11.7)	-29.0%	($8.6)	-22.8%	($6.0)	-15.9%	($7.5)	-22.1%	($6.8)	-20.1%	($8.8)	-27.2%	($4.0)	-12.3%
1995-96 est.	($17.2)	-42.4%	($13.5)	-33.3%	($9.7)	-25.5%	($6.2)	-16.3%	($7.8)	-22.5%	($7.0)	20.2%	($9.3)	-28.8%	($5.0)	-15.5%
1996-97 est.	($17.5)	-41.7%	($13.7)	-32.6%	($9.7)	-24.6%	($6.1)	-15.4%	($8.0)	-22.3%	($7.2)	-20.1%	($9.4)	-28.1%	($5.0)	-15.0%

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AVERAGE FACULTY SALARY BY TYPE OF INSTITUTION U.S., REGION, AND NORTH DAKOTA UNIVERSITY SYSTEM 1982-83 THROUGH 1996-97 (In Thousands of Dollars)

YEAR	DOCTORAL			COMPREHENSIVE			BACCALAUREATE			TWO-YEAR		
	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.
1982-83	30.2	28.9	26.8	26.9	24.8	24.8	24.5	23.6	24.7	24.2	22.2	23.2
1983-84	31.7	29.8	27.1	28.2	26.8	24.7	25.1	25.3	24.4	25.3	23.6	23.4
1984-85	33.9	32.1	27.4	29.9	28.1	24.8	26.8	26.4	24.5	26.5	23.8	24.3
1985-86	36.2	33.6	30.4	32.1	29.8	26.9	28.4	27.4	26.8	28.6	25.1	26.6
1986-87	38.7	35.2	31.5	34.0	30.8	28.7	29.7	29.4	27.8	30.5	27.1	27.6
1987-88	41.0	37.0	31.9	35.3	32.3	28.7	31.1	29.9	28.0	31.1	27.7	26.8
1988-89	43.0	39.4	32.1	38.1	34.9	29.0	32.9	31.3	27.4	33.5	30.4	27.0
1989-90	45.5	42.8	34.9	40.1	36.4	31.3	34.4	34.3	30.1	34.6	31.6	28.7
1990-91	47.6	45.5	36.9	42.2	38.8	33.5	36.4	36.5	30.8	36.4	33.0	29.8
1991-92	48.9	47.1	38.4	43.5	39.0	34.9	37.9	37.6	33.4	38.2	33.6	30.8
1992-93	50.0	48.9	38.7	43.8	41.1	35.2	38.9	39.0	33.0	38.3	35.3	31.2
1993-94	51.5	50.0	39.5	45.0	41.9	36.8	40.0	39.6	33.3	39.7	35.0	31.6
1994-95	53.6	52.1	40.4	46.4	43.8	37.8	41.4	40.7	33.9	41.2	36.4	32.4
1995-96	57.8	54.1	40.6	47.8 1/	44.3	38.1	42.5	41.7	34.7	41.6	37.3	32.3
1996-97 est.	59.5 1/	55.7 1/	42.0 2/	49.2 1/	45.6 1/	39.5 2/	43.8 1/	43.0 1/	35.8 2/	42.8 1/	38.4 1/	33.4 2/

1/ Based upon a 3.0% projected increase.
2/ Based upon average increases given on July 1, 1996.

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Market Comparisons:

Administrative & Professional Staff

Data for salary comparisons among peer institutions for administrative and professional staff were obtained from the *1995-96 Administrative Compensation Survey* published by the College and University Personnel Association (CUPA). The database provides an excellent and complete source for salary comparisons because of the large number of institutions represented in the survey and the consistency with which the institutions respond. Only data pertaining to public institutions of higher education were considered. In addition, only data from North Dakota institutions responding to the CUPA national survey were included in the comparisons. This encompassed approximately 1,200 NDUS administrative and professional staff employees.

The following charts present average annual salary figures for administrative and professional staff by type of institution for North Dakota, the region, and the U.S.

Chart 1 indicates a market variance of up to 28.8 percent. The regional variance ranges from 6.2 percent at the comprehensive level up to 16.8 percent at the doctoral level. U.S. variance ranges from 11.3 percent at the baccalaureate level to 28.8 percent at the doctoral level.

CHART 1
Average Administrative Staff Salary by Type of Institution
U.S. Region, and North Dakota University System
1990-91 to 1995-96
(In thousands of dollars)

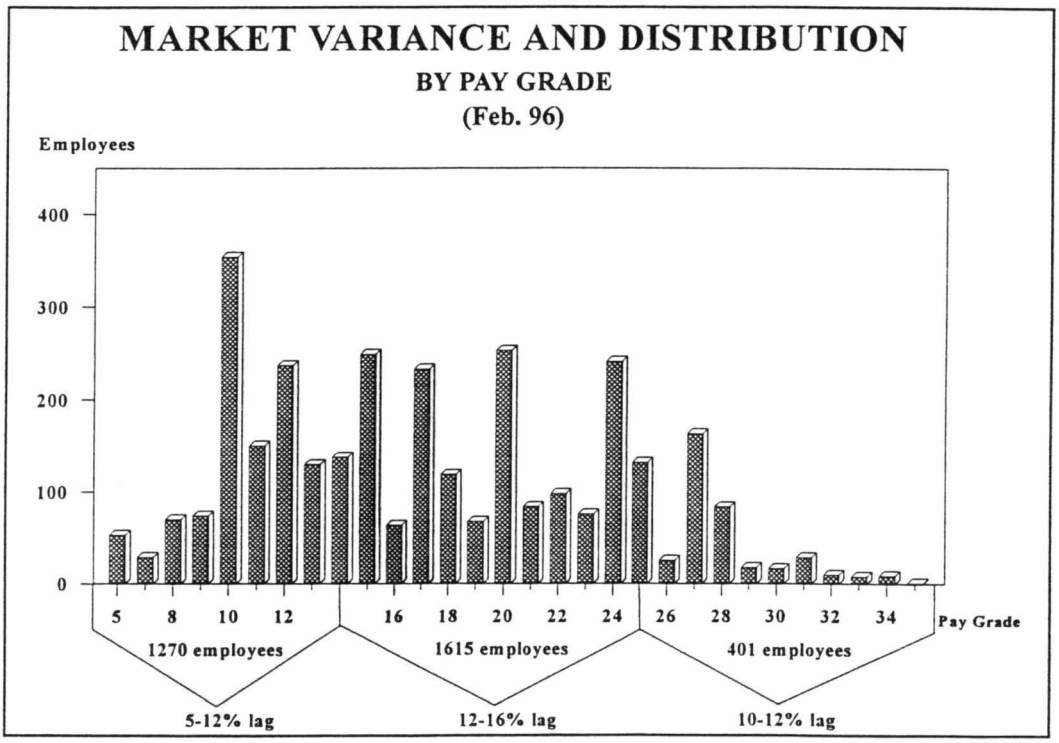
	Doctoral			Comprehensive			Baccalaureate			Two-Year		
Year	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.	U.S.	Reg.	N.D.
1990-91	59.0	59.6	45.1	---	---	---	39.8	43.8	36.5	43.1	42.7	34.6
1993-94	65.9	63.6	50.7	49.8	46.8	44.4	39.8	43.9	36.2	42.3	41.7	35.0
1995-96	71.5	64.8	55.5	51.8	46.2	43.5	43.2	43.0	38.8	45.3	40.0	35.7
Percent Variance From Market												
1995-96	28.8	16.8	---	19.0	6.2	---	11.3	10.8	---	26.9	12.0	---

Trade, Technical, and Support Staff

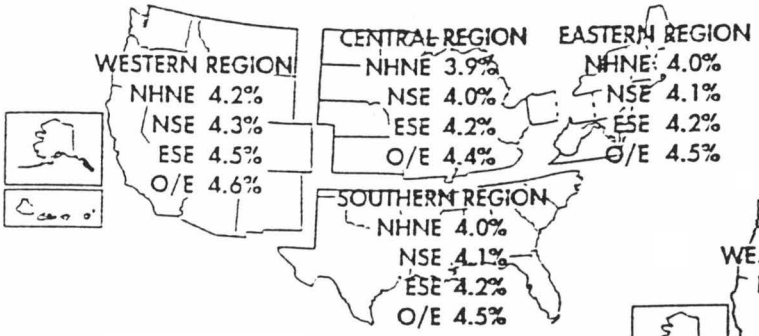
Trend analysis indicates trade, technical, and support staff salaries in the University System average 14 percent below market. According to the American Compensation Association, the salary market moved approximately 4 percent in 1995. They project 1996 salary market rates to increase an average of 4 percent. With the salary increases provided over the last biennium, our relative position to market when compared to 1994 has remained constant. Salaries continue to lag 14 percent below market rates (see Appendix F--buff).

As can be seen in Chart 2, the trade, technical, and support area in which we are most divergent from market lie between pay grades 15-25. The variance in this range averages 12-16 percent below market. The distribution of employees by pay grade indicates more employees are in ranges 15-25 than the other ranges. Of the 3,286 trade, technical, and support employees, 1,615 are in pay grades 15-25.

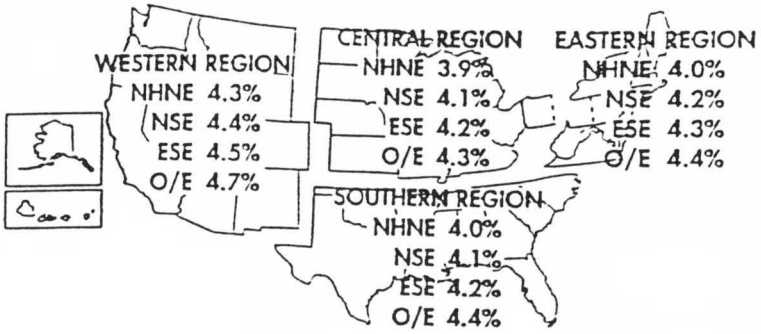
CHART 2



1997 Actual Salary Budget



1998 Projected Salary Budget



Salary Budget Trends

	Actual										Projected	
	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Nonexempt Hourly Nonunion	—	—	—	—	—	—	—	—	—	3.8%	4.1%	4.(
Nonexempt Salaried	5.0%	5.1%	5.2%	5.4%	5.0%	4.6%	4.2%	4.0%	3.9%	4.0%	4.1%	4.2%
Exempt Salaried	5.2%	5.2%	5.4%	5.5%	5.0%	4.7%	4.3%	4.0%	4.0%	4.1%	4.3%	4.3%
Officers/Executives	5.5%	5.6%	5.7%	5.8%	5.1%	4.8%	4.4%	4.1%	4.1%	4.3%	4.5%	4.4%

Salary Structure Increases

Salary structure adjustments are slightly lower than projected last year by 0.2 to 0.3 percentage points. Projections for 1998 are slightly higher than 1997 actual numbers. Historically, structure adjustments fall in a range of 60 to 70 percent of salary increases.

Salary Structure Increases	*Projected 1997*	Actual 1997	*Projected 1998*
Nonexempt Hourly Nonunion Empl. (NHNE)	2.8%	2.5%	2.6%
Nonexempt Salaried Employees (NSE)	2.8%	2.5%	2.7%
Exempt Salaried Employees (ESE)	2.9%	2.7%	2.8%
Officers/Executives (O/E)	2.9%	2.6%	2.7%

Salary History and Trends:
This chart summarizes the past 22 years of salary appropriations for University System staff. Also shown are actual employment market salary budget increases for the same periods as reported by the American Compensation Association Central Region. Historically, the American Compensation Association survey closely reflects similar salary trends in North Dakota. The Chart shows that salary appropriations for University System employees have been, for the past several years, below CPI and market averages. As a result, employees' purchasing power has been reduced and competitive stature has been compromised.

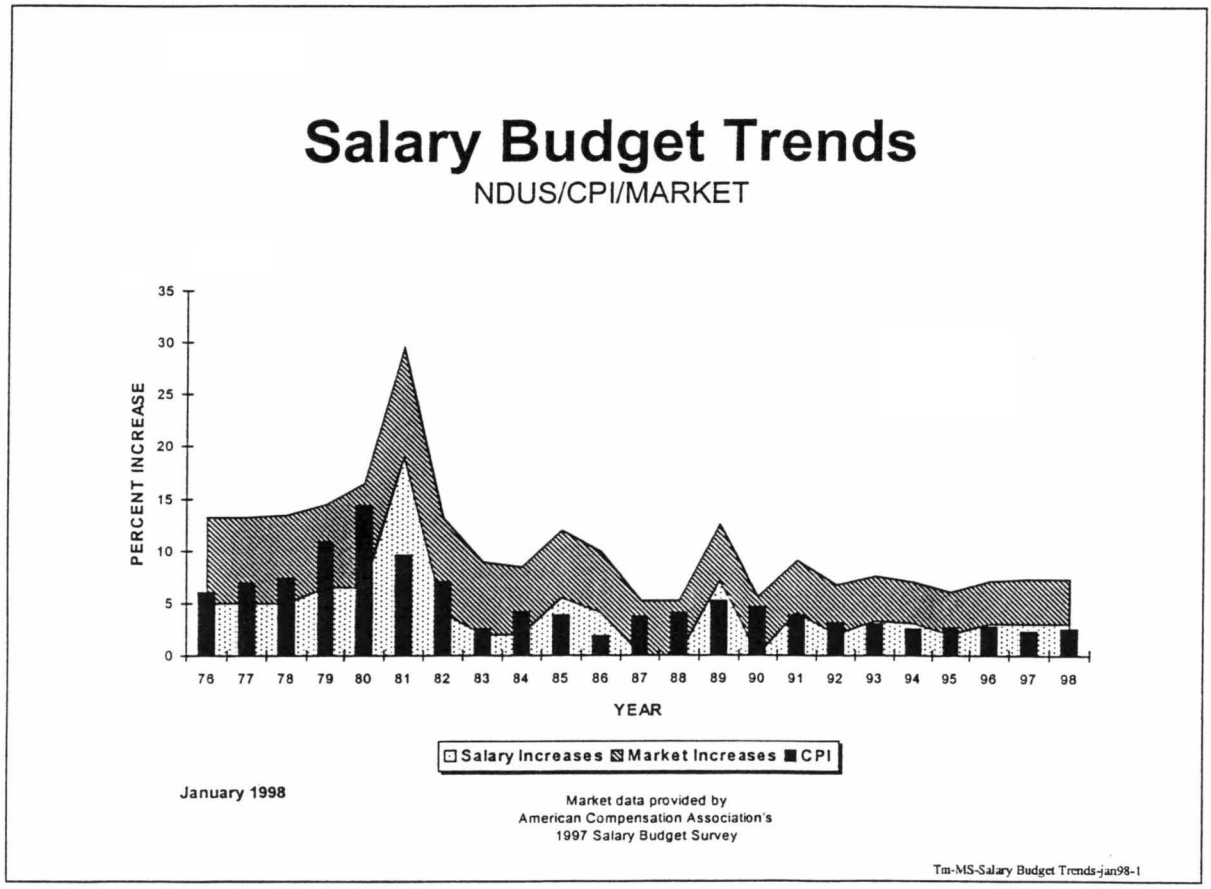


EXHIBIT III

EXIT INTERVIEWS

FACTS:

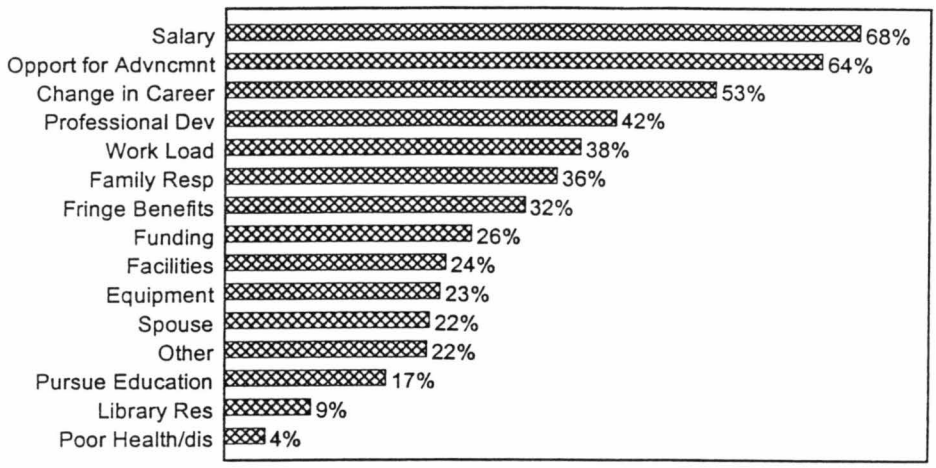
--The three main reasons people leave are because of salary, opportunity for advancement, and career changes.

Figure One

NDUS EMPLOYEE EXIT SURVEY RESULTS*

Percent of Respondents Who Indicated Factors "Greatly Influenced" or "Influenced Somewhat" Their Decision to Leave

1997 Data



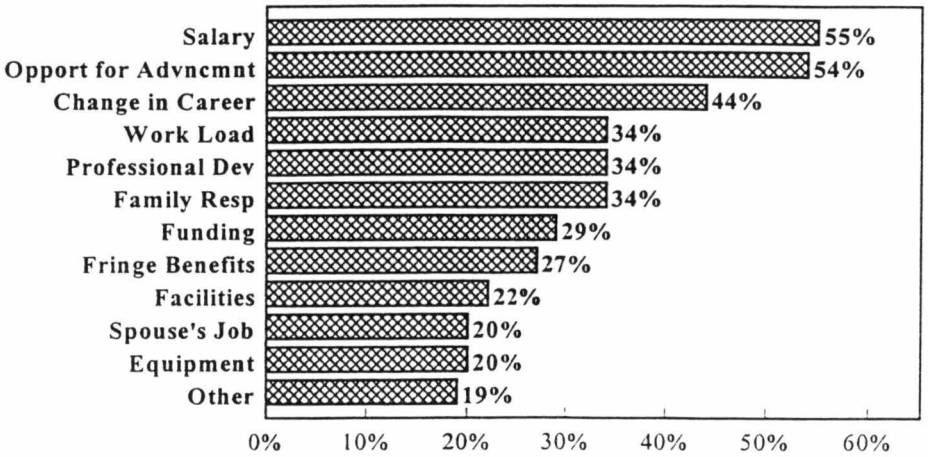
*Preliminary analysis for the period 2/22/96 to 9/26/97.

Figure One

NDUS EMPLOYEE EXIT SURVEY RESULTS*

Percent of Respondents Who Indicated Factors "Greatly Influenced" or "Influenced Somewhat" Their Decision to Leave

1996 Data



*Preliminary analysis for the period 7/1/95 to 4/2/96.

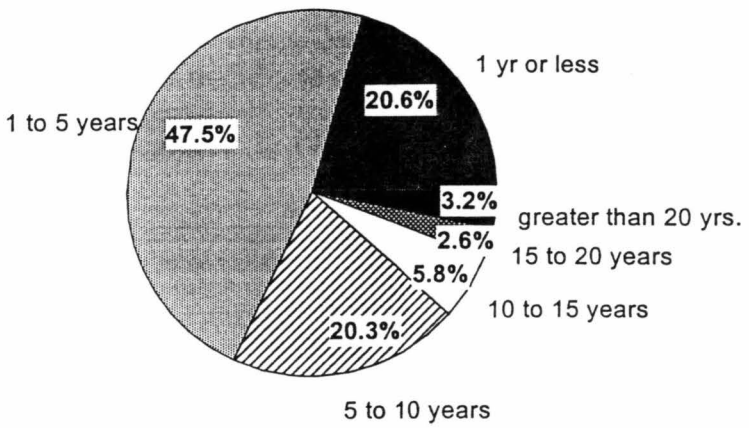
--68 % of people who leave do so in the first 5 years of employment.
--12% of people who leave do so after 10 years of employment

1997 Data

Figure Four

NDUS EMPLOYEE EXIT SURVEY RESULTS

Years of Service of Respondent Prior to Leaving



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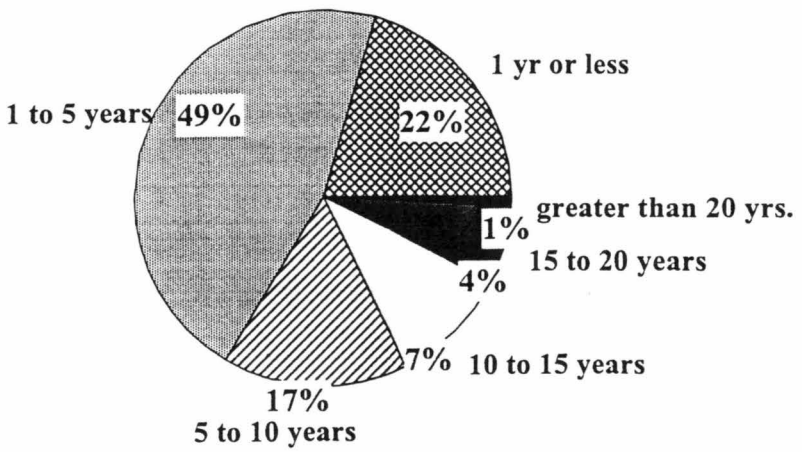
1996 Data

Figure Four

NDUS EMPLOYEE EXIT SURVEY RESULTS

Years of Service of Respondent Prior to Leaving



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--74% of people who leave are from the Instructional, Professional, and Office job categories.

Figure Two
NDUS EMPLOYEE EXIT SURVEY RESULTS
Job Category Classification of Respondents

1997 Data

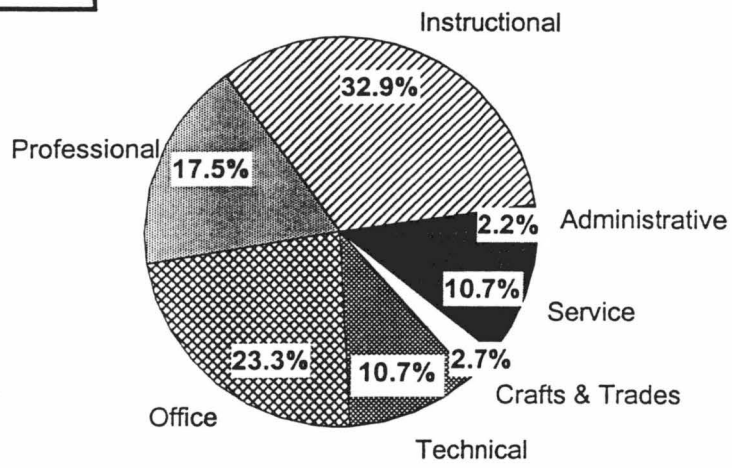
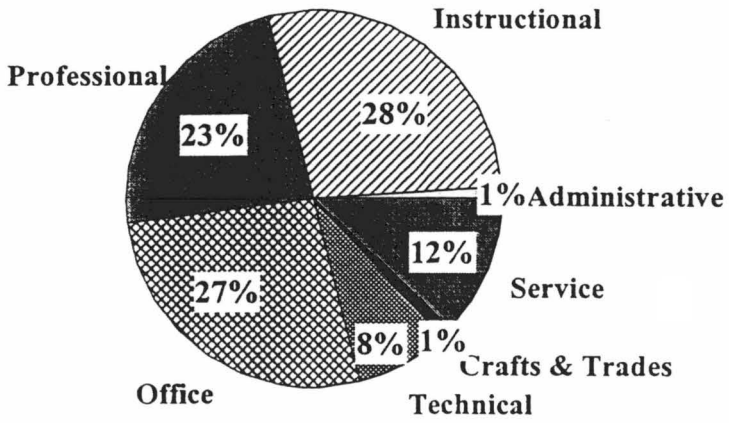


Figure Two
NDUS EMPLOYEE EXIT SURVEY RESULTS
Job Category Classification of Respondents

1996 Data



--38% of those who leave have salaries less than $20,000 annually.
--29% of those who leave have salaries between $20,000 and $30,000 annually.

Figure Three
NDUS EMPLOYEE EXIT SURVEY RESULTS
Annual Salary of Respondents Prior to Leaving

1997 Data

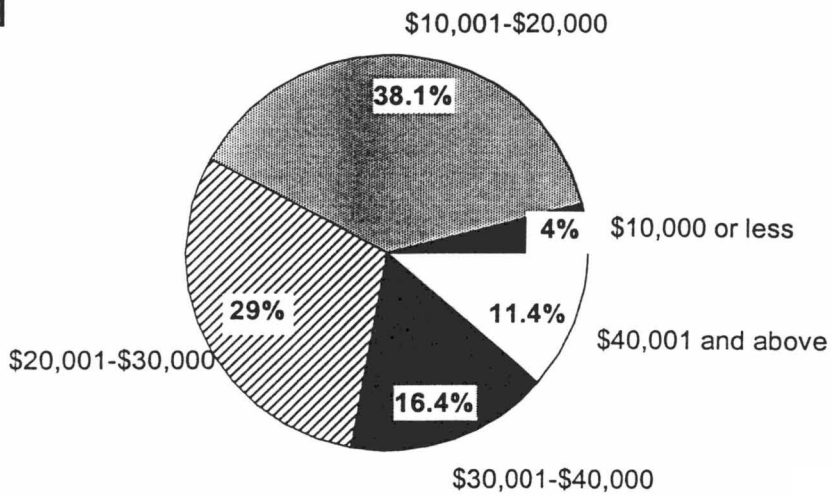


Figure Three
NDUS EMPLOYEE EXIT SURVEY RESULTS
Annual Salary of Respondents Prior to Leaving

1996 Data

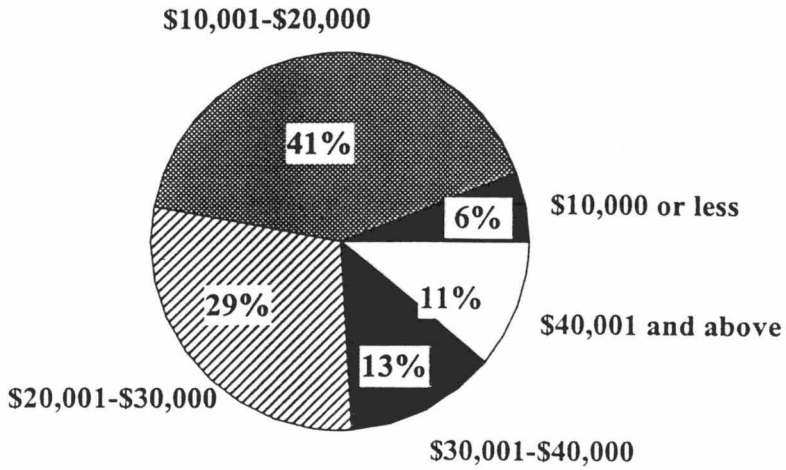


EXHIBIT IV

North Dakota University System

Employee Turnover Statistics

1996 and 1997

Campus	Benefited Employees			1996 Turnover		1996 Turnover Ratio			1997 Turnover		1997 Turnover Ratio		
	Faculty	Staff	Total	Faculty	Staff	Faculty	Staff	Total	Faculty	Staff	Faculty	Staff	Total
BSC	92	96	188	3	16	3.3%	16.7%	10.1%	0	3	0.0%	3.1%	1.6%
DSU	70	91	161	9	13	12.9%	14.3%	13.7%	9	11	12.9%	12.1%	12.4%
MASU	49	86	135	2	8	4.1%	9.3%	7.4%	3	9	6.1%	10.5%	8.9%
MiSU*	225	218	443	19	13	8.4%	6.0%	7.2%	30	13	13.3%	6.0%	9.7%
NDSCS	151	202	353	11	14	7.3%	6.9%	7.1%	8	9	5.3%	4.5%	4.8%
NDSU	839	1,117	1,956	61	129	7.3%	11.5%	9.7%	47	98	5.6%	8.8%	7.4%
UND **	718	1,770	2,488	79	181	11.0%	10.2%	10.5%	81	219	11.3%	12.4%	12.1%
UND-LR	32	43	75	0	1	0.0%	2.3%	1.3%	2	2	6.3%	4.7%	5.3%
VCSU	56	89	145	7	3	12.5%	3.4%	6.9%	3	4	5.4%	4.5%	4.8%
Total	2,232	3,712	5,944	191	378	8.6%	10.2%	9.6%	183	368	8.2%	9.9%	9.3%

* Includes MiSU- Bottineau Campus

** Includes UND-Williston

1/6/98 g:\anna\excel\employee turnover statistics.xls

Employee Turnover Trend Comparisons

	1996	1995
ND Central Payroll	8.1%	8.6%
Central States Comp Assn:	n/a	14.8%
Bureau of National Affairs:	12%	12%
All Companies	12%	12%
BNA by Industry:		
Manufacturing	10.8%	9.6%
Non-Manufacturing	12%	13.2%
Finance	13.2%	14.4%
Non-Business	13.2%	13.2%
Health Care	18%	15.6%

	1996	1995
BNA by # of Employees		
Less than 250	10.8%	12%
250-499	14.4%	15.6%
500-599	10.8%	10.8%
1000-2499	13.2%	10.8%
More than 2500	9.6%	9.6%
BNA by Region:		
Northeast	10.8%	10.8%
South	13.2%	13.2%
North Central	10.8%	12%
West	13.2%	10.8%

Data from:
Bureau of National Affairs
ND Central Personnel Division
Central States Salary Survey Conference

EXHIBIT V

Faculty Age Distribution

--24% of present faculty are currently ages 56 and above

--20% of present faculty are age 50-55

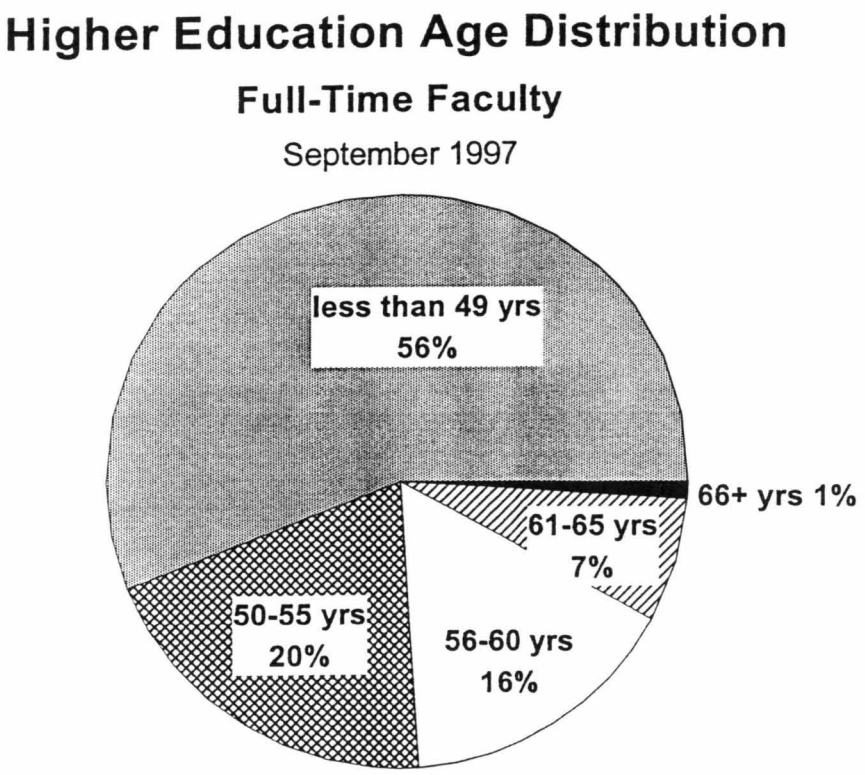


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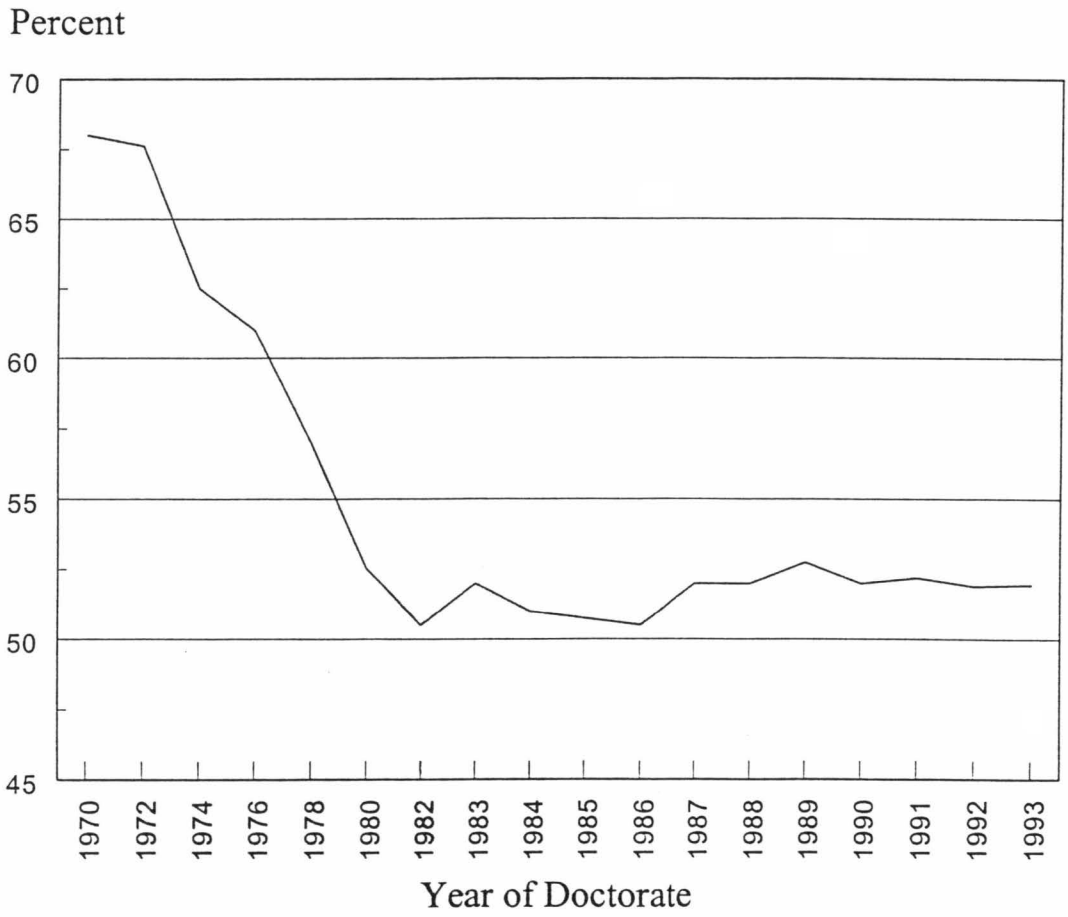
EXHIBIT VI

New PHD's Entering Higher Education

--Nationally, the percent of new doctorate recipients entering higher education have fallen from 68 % in 1970 to about 50% in 1993.

PERCENT OF DOCTORATE
RECIPIENTS ENTERING
HIGHER EDUCATION



Source: U.S. Department of Education, National Center for Education Statistics. The Condition of Education. 1995. Washington D.C.: 1995.

EXHIBIT VII

(Excerpt from)

The American College Teacher:

National Norms for the 1995-96 HERI Faculty Survey

Linda J. Sax
Alexander W. Astin
Marisol Arredondo
William S. Korn

Higher Education Research Institute • University of California, Los Angeles

--65% of faculty nationally, contribute 1-8 hours per week of community service.

WEIGHTED NATIONAL NORMS FOR FULL-TIME UNDERGRADUATE FACULTY 1996-1996

	ALL			Universities		Four-year Colleges					Two-year Colleges	
ALL FACULTY	Institutions	4-year	2-year	Public	Private	Public	All Private	Non-sectarian	Catholic	Protestant	Public	Private
HOURS PER WEEK SPENT ON: Community or Public Service												
none	32.0	33.4	27.7	36.5	45.8	27.5	30.7	35.7	29.4	25.2	27.1	37.1
1 to 4	56.3	55.6	58.4	53.3	45.9	59.9	57.7	54.0	58.1	62.2	58.7	53.5
5 to 8	8.8	8.4	10.2	7.4	6.3	9.7	9.0	8.1	9.4	9.9	10.4	6.5
9 to 12	2.1	1.9	2.6	2.0	1.6	2.0	1.9	1.5	2.3	2.1	2.5	2.8
13 to 16	0.4	0.4	0.5	0.5	0.1	0.6	0.4	0.3	0.5	0.4	0.5	0.0
17 to 20	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.1	0.4	0.1
21 to 34	0.1	0.1	0.2	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.2	0.0
35 to 44	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0
45 or more	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
Outside Consulting or Freelance Work												
none	63.7	62.5	67.3	58.8	57.9	64.9	66.9	65.6	67.6	68.3	67.4	66.9
1 to 4	28.2	29.6	23.7	33.2	31.7	28.3	25.3	25.2	25.2	25.5	23.6	25.5
5 to 8	5.4	5.5	4.9	6.1	7.1	4.7	4.9	5.6	4.5	4.2	5.0	3.8
9 to 12	1.6	1.4	2.2	1.2	2.1	1.3	1.6	1.7	1.7	1.2	2.2	3.1
13 to 16	0.5	0.4	1.0	0.3	0.7	0.4	0.5	0.5	0.4	0.4	1.0	0.6
17 to 20	0.3	0.3	0.4	0.2	0.3	0.3	0.5	0.8	0.4	0.2	0.5	0.0
21 to 34	0.2	0.1	0.2	0.1	0.2	0.1	0.2	0.2	0.1	0.2	0.3	0.0
35 to 44	0.1	0.1	0.1	0.0	0.1	0.0	0.1	0.2	0.1	0.0	0.1	0.0
45 or more	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.0
Household/Child Care Duties												
none	11.6	11.9	10.5	13.1	12.4	12.1	9.7	9.6	11.1	9.1	10.5	[illegible]
1 to 4	18.4	19.2	16.0	17.5	20.2	19.3	20.9	20.4	20.2	22.0	15.8	
5 to 8	24.1	24.2	23.6	23.3	23.4	24.9	25.1	25.0	23.6	26.2	23.6	
[illegible] to 12	17.3	17.1	17.9	17.5	17.3	16.8	16.7	17.6	15.6	16.3	17.9	18.0
[illegible] to 16	9.4	9.1	10.4	10.0	8.6	8.5	9.1	9.0	9.2	9.0	10.5	8.3
17 to 20	7.4	7.3	7.8	7.2	6.9	7.7	7.1	6.5	8.2	7.1	7.6	9.5
21 to 34	5.9	5.7	6.9	6.0	5.9	5.2	5.7	6.0	5.4	5.6	7.0	5.0
35 to 44	2.4	2.4	2.4	2.7	2.6	2.2	2.3	2.6	2.7	1.7	2.3	3.3
45 or more	3.5	3.1	4.7	2.7	2.8	3.3	3.3	3.3	4.0	2.9	4.7	4.3
Communication via E-mail												
none	25.4	19.9	43.1	13.3	15.0	23.7	26.7	22.0	25.7	33.4	42.2	56.3
1 to 4	58.5	61.6	48.7	63.4	64.1	60.7	59.1	60.9	59.4	56.6	49.4	37.5
5 to 8	13.3	15.4	6.7	19.4	17.3	13.1	11.9	14.3	12.3	8.7	6.8	4.9
9 to 12	2.1	2.3	1.3	3.0	2.9	1.9	1.6	2.0	1.6	1.0	1.3	1.2
13 to 16	0.4	0.5	0.1	0.7	0.3	0.4	0.4	0.4	0.6	0.3	0.1	0.1
17 to 20	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.0	0.2	0.0
21 to 34	0.0	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0
35 to 44	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
45 or more	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.1	0.0	0.0	0.0

EXHIBIT VIII

(Excerpt from)

HIGHER EDUCATION RESEARCH INSTITUTE (HERI)

1993 FACULTY SURVEY

ANALYSIS OF RESULTS FOR

SOUTH DAKOTA BOARD OF REGENTS UNIVERSITIES

January 1994

Prepared for the Board of Regents by:

Dr. Kris M. Smith
Institutional Assessment Coordinator
South Dakota State University

Dr. Theodore H. White
Asst. Professor in Educational Administration
University of South Dakota

ACCEPTED BY BOARD OF REGENTS
May 6, 1994

--Faculty in South Dakota provide an average of 2.7 hours per week in community service.

Table 3. Faculty Activities: Average Hours* Per Week Spent in Each Activity

	Four-year				Doctoral			
	SD-BOR (n=190)		National		SD-BOR (n=550)		National	
Faculty Activity	**Tot**	**Act**	**Tot**	**Act**	**Tot**	**Act**	**Tot**	**Act**
Scheduled teaching (actual, not credit hours)	12.7	12.7	11.7	11.7	10.9	10.9	8.9	8.9
Preparing for teaching (includes reading/grading student papers)	14.8	14.8	13.4	13.4	15.0	15.0	11.8	11.8
Advising and counseling students	5.5	5.5	5.1	5.1	4.7	4.7	5.1	5.1
Committee work and meetings	3.4	3.4	3.7	3.7	3.7	3.7	3.8	3.8
Other administration	3.9	6.2 63%	4.0	6.5 62%	3.9	6.3 62%	3.6	5.6 63%
Research and scholarly writing	3.5	4.6 76%	5.5	6.8 81%	5.9	6.8 87%	10.9	11.8 92%
Creative Products/performances	2.6	6.5 40%	2.1	6.2 33%	1.9	5.9 32%	1.7	6.4 27%
Consultation with clients/patients	1.3	4.4 29%	.9	4.1 21%	1.0	4.4 23%	1.0	4.8 21%
Community or public service	2.7	3.5 77%	2.7	3.7 73%	2.4	3.5 75%	2.3	3.7 63%
Outside consulting/freelance work	1.4	3.0 46%	1.5	4.1 38%	1.6	3.8 43%	1.7	3.9 43%

*The Tot column represents the average of the midpoints for each category including those respondents who indicated that they did not participate in a given activity; the Act column represents the average of the midpoints for each category excluding those who did not participate in the activity. For the survey items that do not have a corresponding percent representing the proportion of respondents participating in each activity, the activity is one in which all faculty participate.

EXHIBIT IX

COST ANALYSIS

NDUS
Allocation of Salary Increases
Appropriated (GF & Tuition) and Nonappropriated (Auxiliaries, Other Local, Grants and Contracts)

	1999-2001 Increase (4%/Yr)			2001-2003 Increase (4.5%/Yr)			2003-2005 Increase (5%/Yr)		
	Appropriated	Nonappropriated	Total	Appropriated	Nonappropriated	Total	Appropriated	Nonappropriated	Total
BSC	1,057,432	198,057	1,255,489	1,324,781	234,862	1,559,643	1,612,196	285,816	1,898,012
UND-LR	292,898	190,541	483,439	366,951	225,950	592,901	446,562	274,971	721,533
UND-W	356,769	31,670	388,439	446,970	37,556	484,526	543,941	45,704	589,645
UND	7,061,040	8,179,932	15,240,972	8,846,271	9,700,033	18,546,304	10,765,493	11,804,481	22,569,974
NDSU	5,810,135	1,765,178	7,575,313	7,279,101	2,093,206	9,372,307	8,858,321	2,547,333	11,405,654
NDSCS	1,524,153	522,536	2,046,689	1,909,502	619,640	2,529,142	2,323,773	754,073	3,077,846
DSU	935,741	91,296	1,027,037	1,172,322	108,261	1,280,583	1,426,661	131,749	1,558,410
MASU	541,527	164,140	705,667	678,440	194,642	873,082	825,630	236,870	1,062,500
MISU	2,085,898	484,905	2,570,803	2,613,272	575,016	3,188,288	3,180,228	699,767	3,879,995
VCSU	731,249	114,164	845,413	916,129	135,380	1,051,509	1,114,885	164,751	1,279,636
MISU-BC	263,482	54,580	318,062	330,097	64,723	394,820	401,713	78,764	480,477
Subtotal	**20,660,324**	**11,796,999**	**32,457,323**	**25,883,836**	**13,989,269**	**39,873,105**	**31,499,403**	**17,024,279**	**48,523,682**
NDUS Office	137,935	0	137,935	172,809	0	172,809	210,301	0	210,301
UND-Med Ctr	1,401,159	2,433,734	3,834,893	1,755,411	2,886,002	4,641,413	2,136,253	3,512,127	5,648,380
Forest Svc	73,032	31,548	104,580	91,496	37,411	128,907	111,347	45,528	156,875
Subtotal	**1,612,126**	**2,465,282**	**4,077,408**	**2,019,716**	**2,923,413**	**4,943,129**	**2,457,901**	**3,557,655**	**6,015,556**
UGPTI	25,654	136,731	162,385	32,140	162,141	194,281	39,113	197,317	236,430
NDSU Extension Service	584,343	1,131,307	1,715,650	732,081	1,341,541	2,073,622	890,908	1,632,592	2,523,500
N Crops Institute	35,894	21,262	57,156	44,970	25,213	70,183	54,726	30,684	85,410
NDSU Main Research	1,475,296	1,010,158	2,485,454	1,848,293	1,197,878	3,046,171	2,249,285	1,457,761	3,707,046
Branch Research Center	355,450	65,062	420,512	445,318	77,153	522,471	541,931	93,892	635,823
Subtotal	**2,476,637**	**2,364,520**	**4,841,157**	**3,102,802**	**2,803,926**	**5,906,728**	**3,775,963**	**3,412,246**	**7,188,209**
TOTAL	**24,749,087**	**16,626,801**	**41,375,888**	**31,006,354**	**19,716,608**	**50,722,962**	**37,733,267**	**23,994,180**	**61,727,447**

EXHIBIT X

Executive Summary
Compensation Committee
Benefits Subcommittee

12/97

Benefits Subcommittee Members - Dr. Phil Conn, Laura Glatt, Rita Lindgren, Lynn Severson

The Benefits Subcommittee focused on the following areas for possible enhancement:

- ❑ **Professional and Career Development for Faculty and Staff**
- ❑ **Tuition Waivers**
- ❑ **Job Sharing**
- ❑ **Flexible Hours**
- ❑ **New Insurance Programs**
- ❑ **Overload and/or Overtime Relating to Retirement**
- ❑ **Other Recommendations**

The Benefits subcommittee attempted to tie recommendations, whenever possible, to the information submitted by the Reporting/Marketing Sub-committee related to employee exit information.

The enhancements identified in the section marked minimal cost — high priority can be implemented through primarily internal procedural changes with minimal cost implications. As a result, these have been identified as high priority. The enhancements identified as high cost and high priority should also be seriously considered. However, they do require, in most cases, significant financial resources.

When we look to the future and the development of the long-term strategic plan, the University System needs to address current recruitment and retention issues, anticipate future changes/trends and be prepared for their impact, and remember the purpose of our plan: recruiting and maintaining the highest quality employees is necessary to provide a high quality education for our students.

The Benefits Subcommittee discussion and recommendations are as follows:

MINIMAL COST - HIGH PRIORITY

❑ 1. Waive Tuition for One Additional Class for Employees Per Year

Goal: Encourage employees to continually update their skills and to obtain advanced degrees that are relevant to the employees' and campuses' personal and professional goals.

Current Status: Currently, Board policy allows for the waiver of three classes per academic year with allowance of work release time.

Proposed Change: Increase the employee waiver to include one additional class per academic year, for a total of four per year. However, the class would need to be taken outside working hours since no work release time would be allowed for the additional class. The additional class waiver would only be permitted on a space available basis.

Financial Impact: Minimal additional cash outlay would be required since the waiver would only be permitted on a space available basis and no additional class sections or programs would be offered as a result. Minimal expense would be incurred for class materials and other classroom expenses. A minimal revenue loss may result if employees are already taking and paying for a fourth class per academic year. No consolidated information exists to indicate how many employees are currently taking more than three classes, although we believe it is minimal.

❑ 2.Modify Campus Residence Requirements for Employees:

Goal: Encourage employees to continually update their skills and to obtain advanced degrees that are relevant to the employees' and campuses' personal and professional goals.

Current Status: Currently, undergraduate and graduate program residency requirements vary from campus to campus depending on the level of degree and the campus involved. For example, employees attempting to attain a doctoral degree at one of our research universities must complete a two-year on-site residency requirement. This requires an extended leave of absence from their home campus that is personally difficult for many employees. For the campuses, it is difficult to find short-term and long-term replacements to cover for employees who are on leave of absence.

Proposed Change: Campuses should be encouraged to review and modify, as possible, campus residency requirements to encourage NDUS employees to seek additional degrees.

Financial Impact: The financial impact would be potentially limited to the loss of revenue that results from the employee/student living on the campus or in the community while they are fulfilling the residency requirements. It could also potentially effect the "home" institution's cost as a result of covering a partial or full leave of absence. The extent of the impact is difficult to predict.

❑ **3. Enhance Professional Development and In-Service Training**

Goal: Encourage employees to continually update their skills and to obtain advanced degrees that are relevant to the employees' and campuses' personal and professional goals in follow-up to needs identified in performance or responsibility reviews.

Current Status: Currently, some courses and programs are offered to employees over IVN or through other in-service opportunities. No current mechanism exits in the System to identify campus or system-wide professional development needs so that expanded opportunities can be provided to the employees in a more efficient manner. All employees may not have the opportunity on an annual basis to participate in a professional development experience in their area of expertise. One of the top reasons employees identify for leaving the employment of the NDUS is opportunity for advancement, career change, and lack of professional development.

Proposed Change: Identify a means of compiling campus and system wide professional development needs and identifying the most effective and efficient means of providing professional development to employees. This could mean the expanded use of video (i.e. IVN, videotape, and video conference) as a delivery mechanism. In addition, all employees should be given the opportunity to participate in a professional development experience that relates to their current position at least once per year.

Financial Impact: The financial impact would be minimal. Many of these recommendations are currently being utilized. In most instances, we would emphasize this more (i.e., IVN, videotape, video conference) with not much of an additional cost. There could be some cost tied to tracking what the needs are.

❑ **4. Communicate Options Available For Sabbatical/Development Leave for Faculty and Staff**

Goal: Campuses should have development plans in place so employees understand all the sabbatical or development opportunities that are available.

Current Status: Currently, most campuses do not have a formal plan or policy communicating to employees what options exist regarding sabbatical/development leave options.

Proposed Change: Exit interview information suggests the number two reason for people leaving the employment of the NDUS is the opportunity for advancement, career change, and lack of professional development. This is an opportunity to reduce turnover. Campuses should prepare formal development plans so that employees clearly understand what is available. A contact person would need to be designated on each campus to coordinate this effort.

Financial Impact: Financial impact would be minimal. The development of a plan and a contact person to coordinate the efforts would have minimal cost. Budget dollars should be set aside and increased based on demand for sabbatical or developmental leave for employees.

❑ **5. Allow Retired Faculty Members or Graduate Teaching Assistants to Fill in For a Faculty Member Taking Sabbatical Leave or Other Leave**

Goal: Provide campuses more flexibility in filling faculty positions temporarily vacated while faculty member is on either short-term or long-term leave.

Current Status: Board policy currently allows retired faculty members who have received an early retirement contract to teach at a state institution after their retirement with Board approval.

Proposed Change: Modify Board policy 703.1, Early Retirement, to allow the Chancellor to rehire retired faculty who have received an early retirement contract. Consider sharing graduate teaching assistants across the system to help temporarily fill in for faculty on leave.

Financial Impact: The financial impact would be minimal. In most instances, institutions currently hire a temporary replacement, so there would not be any significant budgetary change.

❑ **6. Flexible Hours and Work Week**

Goal: Provide, to the extent possible, more flexible hours and/or work week schedules for employees seeking professional development (i.e., taking classes, etc.), or in recognition of personal commitments.

Current Status: Campuses are currently providing some flexible scheduling.

Proposed Change: Encourage campuses to be more flexible in setting work schedules for employees seeking professional development, or responding to personal commitments. Exit interview information suggests that employees are leaving due to workload and the number 5 reason is family responsibility. This is an opportunity to give

employees more flexibility in their work schedules that could assist them in attempting to balance the heavy workload and family responsibility.

Financial Impact: It is assumed that flexible work scheduling would be accommodated within current staffing levels. Thus, no additional cost would be incurred. However, this will limit the campuses' ability to respond to all needs.

❑ **7. Career Track and Succession Planning:**

Goal: Reduce turnover and plan internally for employee replacement to reduce recruitment costs.

Current Status: Currently, little career track and succession planning is done within the NDUS. Most employees do not have available to them criteria and clearly- defined steps for promotion within the System. Exit interview data suggests that the number two reason employees leave the employment of the NDUS is due to a lack of advancement opportunities.

Proposed Change: Campuses would develop criteria and clearly-defined steps that are necessary to promote employees internally when positions open within the NDUS.

Financial Impact: Planning could be implemented in phases reducing the number of hours required to complete this task. This would minimize the need for additional staff to develop plans. Savings may result from reduced search costs and savings related to lost employee productivity.

HIGH COST - HIGH PRIORITY

❑ **1. Cafeteria Plan for Benefits**

Goal: Provide employees more flexibility regarding investment of benefit dollars.

Current Status: Currently, all employees are provided the same benefit package. For example, all employees are eligible to receive the PERS health insurance coverage. Couples who are both employed by the NDUS receive limited benefit of having dual coverage. The same may apply to employees' whose spouse is covered by another insurance carrier.

Proposed Change: Allow employees to "jackpot" the cash equivalent of benefits and provide a menu of options for the use of these funds. The employee would decide which benefits and level of coverage meets their personal needs. However, the committee believes that some minimal level of health insurance coverage is necessary. Another option would be to allow the employee to take the amount in additional salary dollars as

long as it does not become part of the employee's permanent base salary. In certain situations, it reduces duplication of benefits and provides opportunity for more effective use of the benefit dollars.

Financial Impact: Not determined.

HIGH COST - MEDIUM PRIORITY

❑ **1. Enhance Contributions to Supplemental Retirement Annuities (SRA)**

Goal: Encourage increased retirement saving for employees, and, thus increase employee retention and retirement satisfaction.

Current Status: Current SRA (supplemental retirement accounts) opportunities are optional for employees. Employees may contribute; no employer contribution is currently made to SRA's on the employee's behalf.

Proposed Change: Employer match on SRA contributions. If an employee contributes a fixed dollar amount, the institution would be able to match some percentage of the employee's contribution (i.e., for every $100 contributed by employee, the institution will match by $10 up to a total of $500 or $50 for the institution). This is an opportunity to provide employees a financial reward without building the cost into the employee's permanent salary base. It also provides an additional incentive to the employee to save for retirement.

Financial Impact: The financial impact of this enhancement may be significant depending on the level of employee investment.

COST - LOW PRIORITY

❑ **1. Increase Retirement Contribution Rates for Long Term Employees** - The current TIAA-CREF contribution rate for employees with 10 or more years of service is 10% employer + 2% employee = 12%. Rate could be increased after 15 years of service to 11% employer + 3% employee = 14%. Could also look at enhancing contribution rates for employees covered under PERS. The latter change would require statutory modifications.

❑ **2. Health Insurance Premium** - Employees who currently participate in PERS are covered by a retiree health insurance plan. Employees receive a fixed dollar amount for each year of service to be applied toward their health insurance premium when they retire. Explore the option of providing a similar benefit to employees covered by TIAA-CREF. Right now PERS gives $4.50 for every year an employee works 10 yrs x $4.50 = $45/month.

- ❑ **3. Sick Leave for Faculty** - Consider providing accrued sick leave for faculty. Currently, after 10 years or more of service, non-faculty employees who are eligible for sick leave receive payment of 10% of their unused sick leave balance when they leave employment. A sick leave policy for faculty is currently being considered by the College Council of Faculties.

- ❑ **4. Job Sharing** - Suggest modifications to ND statute so that employees sharing a position could prorate full time benefits between the two positions. The System would not have to provide full benefits for both employees, but would have them prorated. This would include health insurance coverage.

- ❑ **5. Tuition Reduction for Graduating Dependent(s)** - Reduced tuition could be provided for graduating dependent(s) of employees if they are employed in ND for two years after graduation.

- ❑ **6. Tuition Waiver for Spouse and Dependent(s)**

- ❑ **7. Scholarships for Employees' Dependent(s)**

- ❑ **8. Overload Pay for Faculty** - Consider a change that would allow retirement contributions to be made on overload pay for faculty.
- ❑ **9. Overtime Pay for Non-Faculty** - Consider a change that would allow retirement contributions to be made on overtime pay.

OTHER RECOMMENDATIONS

Early Retirement - Clarify purpose/use of Early Retirement agreements for the System. Early Retirement was designed for restructuring purposes and not as a departure bonus or entitlement. By specifying a policy, the System would have more funding available for other salary/benefit purposes.

Pension Portability - Explore increased pension portability. Currently, TIAA/CREF is not portable unless the institution the employee is transferring to has TIAA/CREF as their retirement plan. By increasing pension portability, we will enhance benefits the employee receive and enhance our recruitment package.

Short Term Disability - Develop a policy for the System to address funds needed, approval to hire adjuncts or issue overloads as a result of an employee's short-term disability. Currently, there is no system policy and each campus handles this issue as funding/staffing allows. Consistency and approval for hiring/overloads when these situations occur would help the institutions better deal with the absence of a faculty member on short-term disability.

EXHIBIT XI

The Economic Impact of Public Universities in North Dakota

Direct Impact:

Expenditures by the university: spending on supplies, materials, equipment, acquisition, maintenance, etc., as well as capital improvements, such as spending on construction and rehabilitation.

> *Example: For the fiscal year ending June 30, 1996, the North Dakota University System institutions' direct expenditures totaled $515 million. +*

Student spending: expenditures for off-campus housing, food, transportation, books, clothing, laundry, and other living expenses.

> *Example: It is estimated that direct economic impact of University of North Dakota students in 1996 totaled $51,904,000. This figure is based on students living off-campus with expenditures on lodging, food, automobile and transportation, insurance, utilities, and entertainment.* ♥

Employee spending: the amount of money university employees had available to spend after taxes and other deductions.

> *Example: It is estimated that salary expenditures totaled $92,364,808 for University of North Dakota faculty and staff in fiscal year 1996.* ♥

Visitor spending: the money spent by parents and others who visited campuses for athletic events, conferences, commencements, visits with children, or other events.

> *Example: Approximately $166.5 million was injected into the state's economy via spending by the University of North Dakota, its employees, students and visitors in 1992.**

Jobs, which include university employees, as well as jobs created by university spending.

Example: The North Dakota University System institutions employed more than 6,000 people in 1996. In addition, 15,699 spin-off jobs outside the campuses were created as a result of University System expenditures. ♣

Tax Revenue, the state and local taxes paid by the public institutions' employees, students and visitors.

Example: In 1996, the institutions of the North Dakota University System generated $19,819,000 in sales tax, $7,226,000 in personal income tax, and $2,516,000 in corporate income tax. +

Out-of-state revenue, including dollars that enter the state through federal support for research grants and student assistance, as well as spending by out-of-state students on everything from tuition and fees to food, housing and entertainment.

Example: Much of the non-appropriated revenue is "new wealth" attracted from outside of the state's borders by the system's institutions. The impact of the non-appropriated funds alone generated an estimated $426 million in secondary or spinoff economic activity and about 7,366 jobs outside the university system. +

Long Term Impact:

Fostering new business and creating new jobs. A range of university services promotes the creation and growth of local businesses.

Example: Through a program called UBAN, businesses may contact any of the campuses to gain access to the research, technical, business, and engineering expertise of the University System. This service provided free of charge. ♣

Promoting innovation. The System institutions promote economic growth by encouraging the transfer of their research results to industry.

Example: Business, industry and government have benefited from collaboration and partnership with the University of North Dakota's two world-class research facilities, the Energy and Environmental Research Center and the Center for Aerospace Sciences.

Enhancing the work force. Higher education makes it possible for men and women to get higher paying jobs and contribute more to the economy.

Example: People with a college degree earn up to three times more in their lifetime than those with a high school diploma. ♣

Improving the quality of life. North Dakota universities and colleges have a range of programs that contribute to the long-term economic growth of their communities by making them a better place to live.

> *Example: The agriculture extension services provided by the North Dakota State University contribute to the management, continuing education and success of farmers in every county of the state.*

> *Example: The Indians into Medicine program at the University of North Dakota supplies over 20% of Indian Health Service physicians.*

Public service. Outreach programs at North Dakota's higher education institutions help communities solve social problems.

> *Example:* In 1996, 58,000 students were enrolled in the continuing education programs offered by the North Dakota University System's campuses. ♣

10/97

Sources:

+ "The Economic Impact of the North Dakota University System", F. Larry Leistritz, 1996.

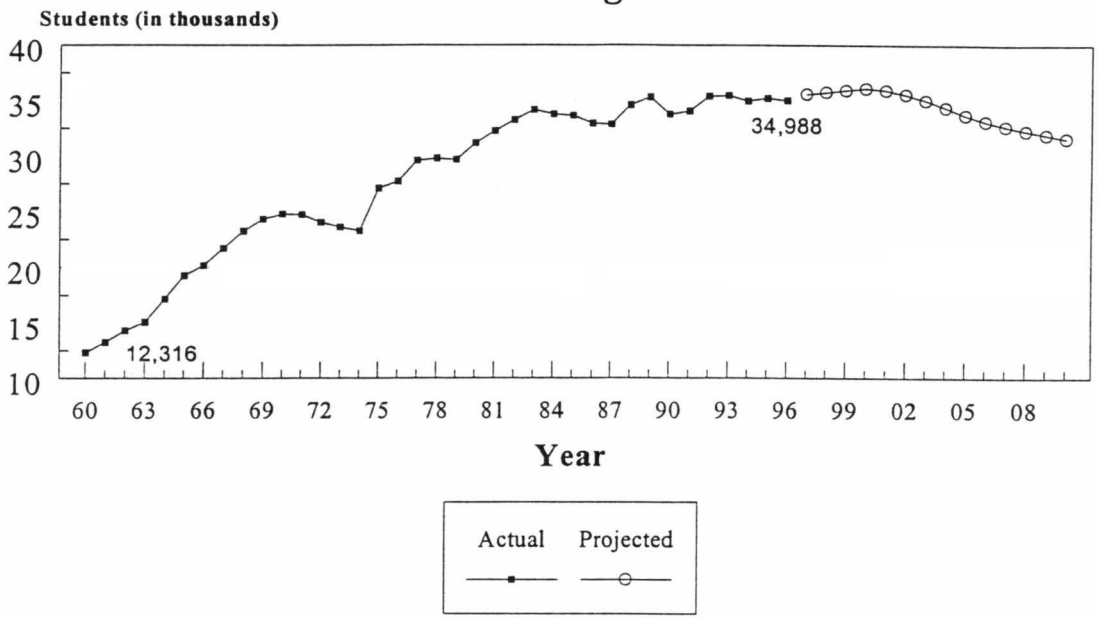
♥"The Impact of the University of North Dakota Including Its Monetary & Non-Monetary Value", Scot Stradley, 1996.

* "For Every Dollar Invested. . . the economic impact of public universities", The National Association of State Universities and Land-Grant Colleges, date?.

♣"North Dakota University System At a Glance", 1996.

EXHIBIT XII

Number of Students in Higher Education*
Headcount Enrollment: Actual and Projected
1960 through 2010



*Fall enrollments of public institutions

10/96 NBTM g:\flwwork\headcoun.pre

EXHIBIT XIII

--59% of NDUS graduates who also graduated from a high school in ND are known to have employment in ND.
--27% of NDUS graduates who graduated from a high school out of state are known to have employment in ND.
--43% of NDUS graduates who graduated from unknown high schools are known to have employment in ND.

North Dakota University System

Outcomes of 1992-93 Graduates

Employment Status by High School Residency

	High School Residency[1]										
	North Dakota			Out-of-state			Unknown			Total	
Employment Status[2]	Number	Column %	Row %	Number	Column %	Row %	Number	Column %	Row %	Number	Row %
Wage records linked	1,943	59%	63%	425	27%	14%	721	43%	23%	3,089	100%
No wage records linked[3]	1,372	41%	40%	1,138	73%	33%	955	57%	28%	3,465	100%
Total	3,315	100%	51%	1,563	100%	24%	1,676	100%	26%	6,554	100%

[1] Based upon links from ACT data files and NDUS enrollment files.

[2] Based upon links with North Dakota Job Service Wage Record files for 4th quarter of 1994 (October-December 1994) and military, Department of Defense civilian, and U.S. Postal Service employment files.

[3] "No wage records linked" does NOT necessarily mean unemployed. FINDET has not yet had the opportunity to link with employment data sources other than those described in footnote 2. Railroad employment files and persons who are self-empl

Note: Count based upon valid social security numbers.

Source of data: July 1995, October 1995, and May 1996 FINDET reports (Follow-up Information on North Dakota Education and Training).

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EXHIBIT XIV

Central States Regional Total Compensation Analysis for Classified Employees

--ND benefits as a percent of salary is 41.5%. This compares to a central states regional average of 45%.

Central States Regional Total Compensation Analysis
October 1997

State	Salary Rank	Average Salary	Annual Leave	Sick Leave	Holidays	Health Insurance	Life Insurance	Dental Insurance	Retirement	Social Security	Medicare	Total Benefits	% of Salary	Total Compensation	Total Comp Rank
Illinois	1	$21.85	$1.26	$1.01	$1.05	$1.70	$0.11	$0.15	$1.39	$0.00	$0.32	$6.99	32.0%	$28.84	1
Michigan	2	$18.01	$1.18	$0.90	$0.83	$3.00	$0.15	$0.41	$2.78	$1.12	$0.26	$10.63	59.0%	$28.64	2
Minnesota	3	$16.93	$1.06	$0.85	$0.72	$1.87	$0.00	$0.20	$0.68	$1.05	$0.25	$6.68	39.5%	$23.61	4
Colorado	4	$16.86	$0.97	$0.65	$0.65	$0.97	$0.01	$0.08	$1.94	$0.00	$0.24	$5.51	32.7%	$22.37	5
Nevada	5	$16.03	$0.93	$0.93	$0.68	$1.43	$0.09	$0.00	$1.60	$0.00	$0.23	$5.89	36.7%	$21.92	7
Wisconsin	6	$15.66	$0.90	$0.78	$0.73	$2.90	$0.18	$0.00	$1.99	$0.97	$0.23	$8.68	55.4%	$24.34	3
Idaho	7	$14.34	$0.83	$0.66	$0.55	$1.36	$0.03	$0.06	$1.66	$0.89	$0.21	$6.25	43.6%	$20.59	8
Utah	8	$14.24	$0.89	$0.71	$0.60	$2.84	$0.02	$0.33	$1.59	$0.88	$0.21	$8.07	56.7%	$22.31	6
Nebraska	9	$13.15	$0.91	$1.52	$0.61	$2.28	$0.01	$0.00	$0.74	$0.82	$0.19	$7.08	53.8%	$20.23	9
North Dakota	10	$13.04	$0.75	$0.60	$0.53	$1.99	$0.00	$0.00	$0.54	$0.81	$0.19	$5.41	41.5%	$18.45	11
New Mexico	11	$12.98	$0.75	$0.60	$0.52	$1.85	$0.05	$0.23	$2.15	$0.80	$0.19	$7.14	55.0%	$20.12	10
Kansas	12	$12.93	$0.75	$0.60	$0.50	$2.06	$0.04	$0.08	$0.41	$0.80	$0.19	$5.43	42.0%	$18.36	12
M[illegible]a	13	$12.78	$0.74	$0.59	$0.52	$1.36	$0.02	$0.11	$0.87	$0.79	$0.19	$5.19	40.6%	$17.97	13
W[illegible]ng	14	$12.71	$0.73	$0.59	$0.44	$0.95	$0.06	$0.00	$1.43	$0.79	$0.18	$5.17	40.7%	$17.88	15
[illegible]a	15	$12.56	$0.72	$0.58	$0.48	$1.97	$0.01	$0.19	$0.38	$0.78	$0.18	$5.29	42.1%	$17.85	16
[illegible]as	16	$12.22	$0.85	$0.56	$0.56	$1.59	$0.00	$0.00	$1.22	$0.76	$0.18	$5.72	46.8%	$17.94	14
[illegible]oma	17	$11.86	$0.82	$0.68	$0.46	$1.06	$0.03	$0.10	$1.42	$0.74	$0.17	$5.48	46.2%	$17.34	17
Texas	18	$11.77	$0.61	$0.54	$0.72	$2.09	$0.00	$0.00	$0.71	$0.73	$0.17	$5.57	47.3%	$17.34	18
Missouri	19	$11.77	$0.68	$0.68	$0.54	$0.87	$0.03	$0.00	$1.26	$0.73	$0.17	$4.96	42.1%	$16.73	19
South Dakota	20	$11.74	$0.68	$0.63	$0.45	$0.91	$0.03	$0.08	$0.59	$0.73	$0.17	$4.25	36.2%	$15.99	21
Louisiana	21	$11.54	$0.80	$1.07	$0.49	$1.12	$0.09	$0.00	$1.43	$0.00	$0.17	$5.17	44.8%	$16.71	20
Iowa	22	$8.98	$0.51	$0.62	$0.38	$1.88	$0.01	$0.08	$0.73	$0.55	$0.13	$4.89	54.5%	$13.87	22
Average		$13.82	$0.83	$0.74	$0.59	$1.73	$0.04	$0.09	$1.25	$0.67	$0.20	$6.16	45.0%	$19.97	

NORTH DAKOTA
University System

Partnerships - NDUS

December 1998

North Dakota Interactive Video Network (ND IVN)

Since the Fall of 1990, classes and events held over the ND IVN have greatly reduced the time and expense required for travel to a single location. Between 1992 and 1996, 137 North Dakota residents received college degrees through programs offered on IVN. Many others took courses (not leading to a degree) and participated in professional development seminars and other public and private meetings. ***Currently about 125 classes per year are offered on the network.***

- The ND IVN is a statewide videoconferencing network **connecting 19 classrooms** at the 11 North Dakota University System (NDUS) campuses plus one room at the State Capitol and the State Hospital. The network also has connections with one multi-purpose room at each of the following locations: the IACC Building at North Dakota State University (NDSU), the five North Dakota tribal colleges and the Great Western Network (K-12 consortium of 25 schools in western North Dakota). The UND School of Medicine and Merit Care Hospital in Fargo will soon be connected to the ND IVN.

- The **mission** of the North Dakota Interactive Video Network is to provide opportunities for North Dakota residents to enroll in university credit and non-credit classes and other events utilizing video conferences and associated telecommunications at strategic locations throughout the state. The system is also utilized by government, higher education and private individuals and organizations for meetings, non-credit workshops, and seminars.

- Multiple events involving two or more sites in North Dakota can be held simultaneously on IVN. These events may also involve participants or presenters in other states or countries. Each IVN room seats about 25 people and voice activated switching allows all participants to see and hear the person speaking as if they were in the same room.

- **Credit classes** have first priority for scheduling on IVN. The number of IVN credit classes taught by North Dakota University System campuses and the number of students enrolled for 1997-98 were:

Summer 1997	29 classes	434 students
Fall 1997	50 classes	1,054 students
Spring 1998	47 classes	981 students

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ND IVN (cont.)

- During 1997-98, 15 government agencies utilized the network for information and training meetings. Thirty-eight non-governmental organizations and individuals also held meetings ar professional development seminars on IVN. The state supported IVN rooms were utilized a total of **19,774 hours** or an average of 860 hours per site in 1997-98.

- The following degree programs from NDUS campuses offer all or most of their courses via the ND IVN:

NDUS DEGREE PROGRAMS ON IVN

Degree Campus	Degree Program	Degree Granted	Started	Complete Cycle	Sites
DSU	Composite in Social Science	B.A.	Fall 98	Spring 2001	BSC
DSU	English	B.A.	Fall 98	Spring 2001	BSC
DSU	University Studies	B.A.	Fall 98	Spring 2001	BSC
MaSU & VCSU	Minor in Library Media & Information Science	B.S.	Fall 98	Spring 2000	MaSU, VCSU, BSC
NDSU	Business Administration	M.B.A.	Fall 97	Summer 99	Jamestown
UND	Business Administration	M.B.A.	Fall 95	Summer 99	BSC, DSU
UND	Business Administration	B.B.A.	Fall 98	Spring 2002	UND, DSU
UND	Educational Leadership	M.Ed.	Fall 98	Spring 2000	UND, NDSU, MiSU, BSC, UND-W
UND	Elementary Education	B.S.Ed.	Fall 98	Spring 2000	New Town
UND	Elementary Education	M.Ed.	Spring 98	Spring 2001	Belcourt, BSC
UND	General Studies	M.S.	Spring 98	Spring 2001	Belcourt, BSC
UND	General Studies – Education	M.S.	Spring 98	Spring 2000	BSC
UND	Public Administration	M.P.A.	Fall 96	Spring 2000	BSC
UND	Rural Health Nursing	M.S.	Fall 98	Spring 2000	BSC, MiSU, UND, DSU, NDSCS
UND	Rural Health Nursing	M.S.	Fall 2000	Spring 2002	Jamestown, UND-W, UND, MiSU-BC, NDSU, DSU
UND	Social Work	M.S.W.	Spring 98	Spring 2000	BSC
UND-LR	Legal Assistant	A.A.S.	Fall 97	Spring 2000	BSC, UND-W

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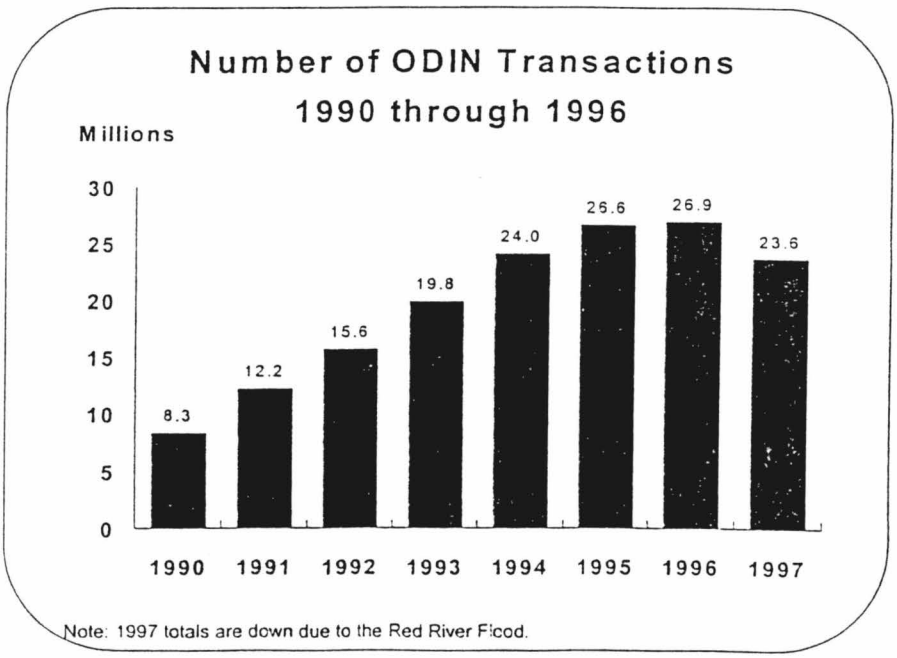
December 1998

On-Line Dakota Information Network (ODIN)

*The On-Line Dakota Information Network (ODIN) provides a computer-based library catalog for the NDUS libraries. ODIN has been online since 1989, and the number of libraries on the system and the use of the system has grown rapidly. Currently, there are **49 libraries** that are ODIN members (see below). Additionally, ODIN is part of a regional network linking Minnesota and South Dakota.*

ODIN Members (11/97)	
NDUS Libraries	15
Private Colleges and Universities	1
Public Libraries	6
K-12 Schools	9
Hospital Libraries	8
Special Libraries and State Agencies	10

Expanded Services. Access to 3.5 million items provides an important service to students and others throughout the state. The increased usage of ODIN demonstrates its success and importance to students.



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ODIN (cont.)

Enhanced Libraries. Interlibrary loans between the NDUS libraries and other participating libraries is greatly enhanced because of the single database which can be searched in one efficient search. Books can be electronically ordered without re-typing any of the information about the book.

Ease of Searches. The ease of searching the entire database in a single search provides an effective way for libraries to purchase material without duplication. Each library can see what other libraries have, and in many cases, what the other libraries have ordered.

Single Site. ODIN provides for the administration and operation of a single resource site to serve each NDUS campus. It is more cost effective than each campus purchasing and operating its own software and hardware. The software also allows each library to make its own rules regarding the loaning of books and other library functions.

Joint Purchase. Since 1992, the ODIN libraries have jointly purchased and shared several magazine and journal indexes. In 1994, the ODIN libraries made available online the full text of many of the articles in those magazine and journal databases. Also, the ODIN libraries have added a new database. The Health Reference Center-Academic database provides library users with articles on Fitness, Pregnancy, Medicine, Nutrition, Diseases, Public Health, Occupational Health & Safety, Alcohol and Drug Abuse, HMOs, Prescription Drugs, and many other related topics.

Software Replacement. Since 1989, ODIN has used software called PALS (Project for Automated Library Services) which was developed by and is supported by the Minnesota State University System (MnSCU) at Mankato State University to provide online library services to North Dakota University System libraries and other North Dakota libraries. Due to a Minnesota statewide library initiative to select a single library system vendor for all of Minnesota, MnSCU has declared that development and support of the PALS software will be discontinued in the near future. ODIN libraries are currently working to select a library software company, which would provide the type of software, and support needed to continue the existing library operations uninterrupted. During this future migration of the ODIN libraries' records to new software, the NDSU libraries, which have been using the Minnesota PALS system are planning to move their records and their daily operations to the new ODIN library system.

ODIN Migration to New Software & Hardware. The software vendor for the ODIN system has declared that they will no longer support the software after June of 2002. ODIN needs to plan to migrate to a new platform for its operations in order to not have a system critical to the support of the academic mission of the NDUS institutions (ODIN) operating unsupported. This will require a change in software and hardware and a conversion of the existing ODIN data.

Multiple ODIN working groups have been researching what is involved in this change to a new system. They have developed an ODIN migration timeline based on their best understanding of when support for the current system software will cease, what is available in the marketplace to replace the existing system, and how long it will take to implement the change to a new system. The following information is built on that timeline.

FOR MORE INFORMATION CONTACT:
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ODIN (cont.)

COST ESTIMATE:

One time news costs are summarized as follows:

	Hardware	Software	Training	Conversion	Total
GEAC	437,842	463,300	102,435		1,003,577
Ex Libris		714,000	157,500		871,500
CARL	671,785	295,550		50,000	1,017,335
VTLS	187,353	620,160	26,000	169,964	1,003,477
Ameritech	99,239	645,000	9,985	156,657	910,881
DRA	87,035	329,685	15,305	56,307	488,332
Endeavor	592,855	611,769	112,500	88,814	1,405,938
III	115,136	1,013,100		49,700	1,177,936
NDSU				40,000	
Composite high	671,785	1,013,100	157,500	209,964	2,052,349

There will be some additional costs for travel and training that will be incurred by the central ODIN staff during the migration.

Commitment to these costs would come at the time of the contract signing which is projected as December of 2000. The hardware and software costs are up-front type costs. Much of the training would be expected to occur in the first 6 months. Conversion happens as implementation occurs along the 18-month timeline. As the timeline shows, actual completion of the migration will take 12 to 18 months starting in January 2001 which extends well into the 2001-2003 biennium.

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NORTH DAKOTA
University System

Partnerships - NDUS

December 1998

Higher Education Computer Network

The Higher Education Computer Network (HECN) provides ***core information technology services*** *to the 11 System institutions. North Dakota is one of a very few states where all higher education institutions share the same basic IT services. It has proven to be a very successful model because it provides a significant level of academic and uniform administrative systems computing capabilities and support for all students and faculty in the state while holding down costs.*

The HECN is divided into two major functions: academic and administrative:

The **academic functions include**:

- site license software program coordination for all campuses and K-12 which has resulted in **cost savings of ~$400,000 per year**,
- **user help desk** for questions and problem tracking and resolutions,
- **training**, for faculty and staff in new software applications,
- directory and e-mail service which includes **~65,000 user accounts**,
- maintenance of servers for research and instructional use, and
- manage the Department of Public Instruction's (K-12) **SENDIT** program.

The **administrative functions include:**

- development, maintenance and operation of programming support for HECN applications such as:
  Student Records include prospective student, financial aid, registration (on-line, touch-tone, and batch), grade loading, transcript, career service, placement system, continuing education, and graduation audit.
  Financial Records include general ledger, purchasing, accounts receivable and payable, tuition/fee billing, store's inventory, facilities' inventory, parking, bookstore, student loans, housing, and ticket reservation.
- batch production,
- technical services, and
- help desk for administrative and technical problems or questions.

The University of North Dakota is the **north host site** and is responsible for administrative applications including financial, student records, and payroll. The **south host site**, North Dakota State University, provides instructional and research information services to the System. Together these two institutions design, implement, and maintain intrastate and Internet networks in conjunction with the State's Office of Management and Budget, Information Services Division and K-12's SENDIT.

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Service, Access, Growth and Empowerment (SAGE)

The project is named SAGE (Service, Access, Growth and Empowerment). The project vision is as follows: The North Dakota University System (NDUS) will provide an environment supporting the move to a service-oriented environment where the focus is on providing access to information and services, at any time, from anywhere.

The SAGE project will effectively replace all of the HECN North managed administrative system software applications that are now used by the eleven institutions in the NDUS. The current software was designed close to twenty years ago with an architecture that does not reflect the current reporting and organizational relationships now found in the NDUS. Though the current systems are based upon a stable and proven mainframe platform, they are restricted by the mainframe system limitations. The new systems will be based upon the client/server platform and rely heavily on WEB based access for clients. This access will encourage access by clients to view and update information using WEB tools they are familiar with, thus reducing the training and support requirements needed on mainframe platform systems. Advances in collaborative program offerings between institutions and the expansion of distance learning opportunities to mention a few, impact the way in which services in the NDUS must be provided in the future.

Project Purpose

The purpose of the SAGE Project can be summed up in its vision statement: ***From Control to Service* – The NDUS supports the move to a service-orientated environment where the focus is on providing students, faculty, staff and others access to information and services, at any time, from anywhere.**

In order to achieve this vision, the NDUS must overcome the following factors:

- Delivering education at a distance requires the NDUS to also be able to deliver support services at a distance to students.
- NDUS campuses are encouraged to share resources, but the current software systems were designed in the late 1970's to accommodate separate institutions, not a unified system.
- While the current systems are rich in functionality, some reasonable expectations can not be met. For instance, the ability to perform various business functions, such as registering students or providing them financial aid, across multiple campuses is not possible with the current system.
- The current systems have been continuously maintained and enhanced, but significant upgrades are not feasible with old software.
- Substantial manual work and duplication of effort is required to prepare transactions for entry into system and to compensate for the functionality level of the current system.
- Access to services and information for students, faculty and staff is critical to fulfilling the vision of the NDUS continuing its transformation to a true service organization. Access to information and services must also be provided to external constituencies, including the general public, the Legislature and Executive offices and agencies.

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HECN (cont.)

- The current systems were developed to meet needs of central institutional management. In the late 1970's and early 1980's, when the systems were designed and developed, distribution of management system functions was not feasible. As a result, there are now significant numbers of "shadow systems" in existence, which, while providing departmental managers vital information, require duplicated effort in recording transactions.
- Due to the architecture of current systems (mainframe and terminal), the NDUS can not fully capitalize on the changes that have taken place in desktop technology. For example, many desktop reporting tools are currently available, but the current system's security would need to be re-developed to allow end-user access to information without jeopardizing the security of the data in the system.
- The current systems have far exceeded their planned lives. At the time the systems were developed, a reasonable expectation was that the systems would meet needs for approximately 10 years. At this point, the systems are approaching nearly 20 years of service. Like any infrastructure, as computer systems age, they begin to break or malfunction for various reasons. Major fixes have been required simply to ensure that the systems continue to run. These fixes do not add functionality or allow the provision of better service. We are also experiencing problems where design limitations have started to impair the functionality of the system. For example, a nine-digit check number field may have been adequate to accommodate the number of checks which anyone could envision writing over a 10-year period, but as we now approach the 20-year anniversary of the systems, many of these types of fields are running out of capacity. It takes a significant effort to redesign and reimplement these fields – again without any improvement in functionality or service.

The project budget submitted is our best estimate and is based on information obtained in the evaluation, negotiation and early project planning processes. It reflects only what is known today. Changes in scope, timelines and staffing could alter overall project costs. For example, it is possible that delaying the project could drive the total costs up.

Current estimates are that the SAGE Project will cost approximately $22.5 million over the initial development life of the project. Following are the estimated costs:

- Project Development – Approx. $14.0 million (Implementation consultants $10.0 million+)
- Project Maintenance – Approx. $1.7 million
- Training – Approx. $0.5 million
- Hardware – Approx. $2.0 million
- Software – Approx. $3.5 million
- Other – Approx. $0.8 million

  Total – Approximately $22.5 million

The NDUS 1999-2001 biennial budget request included $6.5 million in state support to be matched with $1.5 million in internal funds to cover the first two years debt payment. The balance would need to be repaid over the next three biennia (01-03, 03-05, 05-07) at equal $6.5 million biennial payments.

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December 1998

Follow-Up Information on North Dakota Education and Training (FINDET)

Legislators and citizens have long been interested in knowing what happens to graduates of North Dakota education and training programs. In response, 15 state agencies and organizations cooperated to develop an automated follow-up system for education and training that provides the follow-up information requested. This system is cost effective, avoids duplication, and protects the privacy and confidentiality of individual information. The system is called FINDET (Follow-Up Information on North Dakota Education and Training). FINDET allows agencies and organizations involved in education and training in North Dakota to receive valuable information regarding the effectiveness of the education and training they provide.

Accomplishments

System Established. Cooperating agencies and organizations are providing the funding necessary to develop and operate the FINDET system.

Benefiting Agencies. Follow-up information (primarily job placement) from FINDET is being provided to a number of the state agencies and organizations, including the North Dakota University System, Human Services, Vocational Technical Education, the Council on Vocational Education, Job Service North Dakota, Tech Prep, and the North Dakota Transition Project.

Accounting for Graduates. The FINDET system was able to determine that **over 60 percent of the graduates of North Dakota colleges and universities, who were from North Dakota, were employed within North Dakota one year following graduation.**

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FINDET (cont.)

Status of Academic Year 1995 Graduates One Year After Graduation by Race/Ethnicity

Race	Graduates	Total Retained in North Dakota [1/]		Employed in North Dakota Only [2/]		Re-enrolled in NDUS Only [3/]		Both Employed in ND & Re-enrolled in NDUS	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Amer. Indian/ Alaskan	145	89	61.4%	64	44.1%	12	8.3%	13	9.0%
Asian/Pacific Islander	117	24	20.5%	13	11.1%	9	7.7%	2	1.7%
Black	35	11	31.4%	8	22.9%	0	0.0%	3	8.6%
Hispanic	36	11	30.6%	5	13.9%	2	5.6%	4	11.1%
White	6,124	3,190	52.1%	2,539	41.5%	293	4.8%	358	5.8%
Other	8	2	25.0%	0	0.0%	1	12.5%	1	12.5%
Race Unknown	87	40	46.0%	29	33.3%	8	9.2%	3	3.4%
Total	**6,552** [4/]	**3,367**	**51.4%**	**2,658**	**40.6%**	**325**	**5.0%**	**384**	**5.9%**

1/ Does not account for graduates who were in North Dakota but unemployed, employed in jobs not covered by unemployment insurance, or attending private school.

2/ Total graduates employed in ND = "Employed in ND Only" + "Both Employed in ND and Re-enrolled in NDUS."

3/ Total graduates re-enrolled in NDUS = "Re-enrolled in NDUS Only" + "Both Employed in ND and Re-enrolled in NDUS."

4/ Excludes 126 graduates for whom invalid social security numbers were reported.

Cooperating with South Dakota and Minnesota. Meetings have been held with state agency heads in Minnesota and South Dakota to explore the development of education and training systems that would be compatible with the FINDET system. Compatible systems would allow follow-up and accountability for graduates who leave North Dakota and become employed in these states. The South Dakota Legislature appropriated $100,000 to establish a follow-up system patterned after the systems in North Dakota and Florida.

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December 1998

College Technical Education Council (CTEC)

The College Technical Education Council (CTEC) was formed in 1993. The purpose of CTEC is to improve the coordination and cooperation among the State Board for Vocational Technical Education and the secondary and postsecondary institutions involved in vocational technical education and workforce training in North Dakota.

Major initiatives of CTEC include: formation of a subcabinet of two-year campus CEOs to focus on vocational technical education and workforce training needs; defining the common purposes, missions, roles, and responsibilities of the two-year institutions; developing a process to assist in determining the campuses at which programs are currently and/or potentially offered; improving the transferability of credits from one level of education to another and among institutions of higher education; increasing accountability regarding graduates; expediting the approval process for programs offered; and becoming more responsive and effective in the design and delivery of workforce training, including customized training.

Program Matrix. A matrix of programs offered on each of the two-year campuses has been developed. The matrix (along with the campus mission statements) is used to determine where proposed new programs are to be offered. It is also used by the two-year subcabinet to identify collaboration efforts and prevent unnecessary duplication of new programs.

Streamlined Program Approval. A streamlined program approval process has been developed which substantially reduces the time required to approve program offerings of two years or less.

Common Course Numbering. Common course numbers were developed for all courses offered on the two-year campuses. The objective is to improve the ease at which courses will transfer among the various institutions within the System and thereby have a system that is more responsive to the changing nature of students and the increased need for skill upgrading and life-long learning. The SBHE approved the **adoption of common course numbering for lower division courses at all 11 campuses** with the request that the common course numbering concept be carried beyond the lower-division level as early as possible.

Other Accomplishments. Other initiatives and accomplishments of CTEC include: providing leadership in the development of the Follow-up Information on North Dakota Education and Training (FINDET) system; developing a plan for the NDUS to identify and respond to workforce training needs; cooperating with other agencies in the development of the Customized Training Network (CTN); working with the State Board for Vocational Technical Education, Valley City State University, and the two-year subcabinet to establish a baccalaureate degree for vocational technical education instructors in secondary and postsecondary institutions and for trainers in business and industry; and initiating program enhancement (in cooperation with the State Board for Vocational Technical Education) to strengthen existing vocational technical education programs in the two-year postsecondary institutions.

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December 1998

Workforce Development and Training

A plan for the University System to meet the short-term training needs of business and industry and to offer technical programs to meet future needs was developed in 1996. Specific action items in the plan that were implemented or expanded recently are summarized in this section.

Task Force on Workforce Development and Training. The College Technical Education Council, in cooperation with the Customized Training Network, conducted a national survey in 1998 to identify common characteristics of successful workforce training programs for possible application to North Dakota. The results of the survey led to a site visit by 19 private and public sector leaders in North Dakota to Cedar Rapids, Iowa. Following the site visit, a statewide task force was formed involving 31 individuals representing the governor's office, legislative leadership, state agencies, the University System, Vision 2000, Workforce Development Council, and local development organizations. The task force will develop recommendations for consideration by the 1999 legislature and the North Dakota Workforce Development Council.

Customized Training Network. The Customized Training Network (CTN) has been established. The network is a partnership involving the State Board for Vocational Technical Education, North Dakota University System, vocational technical centers, high schools with vocational offerings, tribal colleges, Job Service, Department of Economic Development and Finance, Department of Public Instruction, and business and industry.

The CTN tailors the training it provides to business and industry according to the specific client needs. **Over 10,000 participants received customized training through 600 program offerings from NDUS faculty or staff during fiscal year 1998.**

Participants in customized training courses represent private associations, manufacturing and processing, government agencies, education, the medical field, sales and service, the trade industry, utility companies, and family services.

Business Advisory Councils. The presidents and executive deans of the System's five two-year institutions formed business advisory councils to provide input for improving services to business and industry in the state. The advisory councils assure the campuses are well connected with the current and future needs of business and industry in the region. They also alert the campus leadership of emerging trends and changes so the campuses can plan, prepare and respond to opportunities and needs in a timely manner.

Skills Training Center. The NDSU Development Foundation purchased a building near the NDSU campus and a partnership agreement between NDSU and NDSCS was entered to acquire and equip a Skills and Technology Training Center (STTC) through which workforce training

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Workforce Development and Training (cont.)

would be delivered. The **STTC's purpose** is to link NDUS campuses and other educational providers with business and industry to provide quality, cost-effective, customized, short-term job training and retraining of workers at all career stages. The Center is customer-driven and designed by clients for clients. Customers can select the training, set the schedule, and specify the curriculum. The Center will serve individuals taking general classes to get the advanced education and technical skills they need. It will also serve employers interested in increasing productivity, lowering costs, or retraining their workforce.

Start-up funding is being provided by a number of sources including the businesses and industries in the Fargo area, NDSU, NDSCS, and state legislature.

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December 1998

North Dakota State Approving Agency

There are few who know what the State Approving Agency does or its responsibilities. Each state has one and a few have two or three. Congress, in the 1940's, determined that each state should create an agency to approve the programs within their borders and to determine which programs were appropriate for ***veterans*** *to enroll in, to utilize their VA educational benefits. The first State Approving Agencies (SAA) were formed for veterans after World War II.*

- The programs which can be approved are found in institutions of higher education, non-degree institutions (vocational and technical schools), apprenticeship programs, other on-the job training programs, and flight training schools. Each state reviews the appropriateness of each program as to its own standards and laws, in addition to VA rules and regulations, along with any other applicable laws and/or regulations. Then it is either approved or disapproved. Continuous supervision is required of approved programs.

- In a few states there is one agency to approve all school programs, another agency to approve all on-the-job training programs, and then possibly a third agency to approve the flight schools.

- The approval process is ongoing and involves regular monitoring of the programs. North Dakota has approximately 2,000 eligible people enrolled in programs. The programs are found in approximately 51 schools and training establishments and businesses. About 39 liaison actions and 55 on-site visits were completed in the last fiscal year.

- The North Dakota State Approving Agency is located in Bismarck with the North Dakota University System and it approves all programs. For information or assistance call (701) 328-1682.

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NORTH DAKOTA
University System

Partnerships - NDUS

December 1998

SENDIT

SENDIT, the Internet support center for K-12 schools and libraries, offers opportunities for schools to access and disseminate information on the Internet, leadership in the area of school computer networking, and training and user support.

SENDIT is an **interagency cooperative effort** between the Department of Public Instruction (DPI) and the NDUS. DPI provides funding and the NDUS provides administration and technical support.

SENDIT provides the following areas of service:

Infrastructure

- E-mail server—E-mail accounts for each user in a school district/organization
- World Wide Web page server—Hosting of school World Wide Web pages
- Usenet news server—Access to Usenet news

Support

- Help Desk Services—Internet software support and assistance with user accounts
- World Wide Web development support—Web page building assistance
- Wide Area Networking consulting—Fee based service for direct internet connections

Resources

- SENDIT Web page—Valuable educational resources
- SENDIT user directory—Database of SENDIT users
- North Dakota educational forums—Statewide educational topics
- Training programs—Sessions for ND educators
- Newsletter—Internet information and updates
- Software licensing—Purchase software at discounted prices

Statistical Data. Nearly **30,000** educators and students are registered SENDIT users. One-half are regular users who login at least once a month. SENDIT supports **1.5 million** e-mail messages each month.

SENDIT delivers 50 full-day training sessions each year and 20 shorter, informational sessions each year. **Ninety percent** of ND schools and many K-12 organizations and public libraries are SENDIT members.

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SENDIT (cont.)

The SENDIT Help Desk receives and responds to an average 300 telephone calls per month an 500 e-mail messages. The SENDIT World Wide Web page receives at least 30,000 hits per month delivering educational resources to all SENDIT users. SENDIT hosts 50 World Wide Web pages and 40 e-mail discussion lists for K-12 schools and organizations.

SENDIT provides fiscal support and shares a FTE with the ND School Net Internet Cooperative, an organization of K-12 schools who own, operate, and manage a network infrastructure with an Internet connection to Sprint.

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NORTH DAKOTA
University System

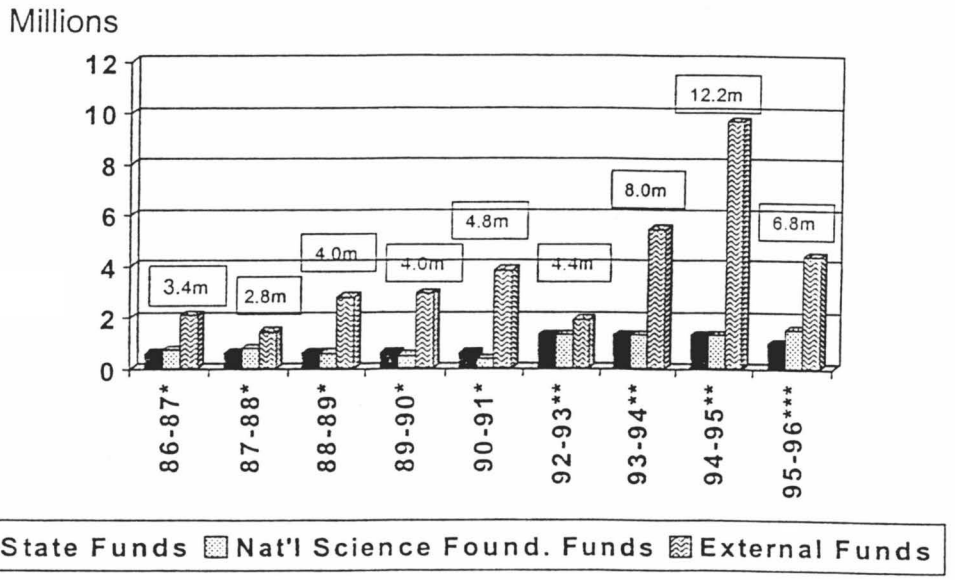
Partnerships - NDUS

December 1998

Experimental Program to Stimulate Competitive Research (EPSCoR)

With state support, the Experimental Program to Stimulate Competitive Research (EPSCoR) program has allowed NDUS researchers to increase their success rate in obtaining merit-based grants in science, engineering, and mathematics. The state's $7.9 million investment from 1986-1996 has resulted in $45.3 million in research grant funding from federal, state, and private sources being awarded to NDUS faculty.

North Dakota's Return on Investment from EPSCoR Program



*Federal fiscal year Oct 1 through Sept 20 ** Fiscal year March 15 through March 15 following year *** August 1, 1995 through July 31, 1996

Value in box equals total of all categories combined.

In addition, over 756 undergraduate and graduate students have been supported through the EPSCoR program. Faculty from all NDUS campuses may participate in EPSCoR projects which in turn, expands research opportunities for faculty and students on all of the NDUS campuses..

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December 1998

Western Interstate Commission on Higher Education (WICHE)

The Western Interstate Commission on Higher Education (WICHE) is a non-profit, regional organization established by interstate compact. It helps 15 western states work together to provide high quality, cost-effective programs to meet the educational and workforce needs of the western region.

- The **fifteen western states** that are part of the compact include: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, South Dakota, Oregon, Utah, Washington, and Wyoming.

- Each participating state pays dues to support WICHE. North Dakota's yearly dues to belong to WICHE for fiscal year 2000 and fiscal year 2001 will be $77,000 and $84,000 respectively.

- North Dakota's involvement in various WICHE Interstate Cooperative Programs has eliminated the costly start-up of professional programs and has allowed North Dakota residents to explore programs not offered in-state at reduced tuition rates.

- North Dakota's involvement in WICHE includes the participation in the Professional Student Exchange Program, the Western Undergraduate Exchange Program, the Western Regional Graduate Program, and the Western Cooperative Telecommunications Cooperative. *(See Students and Employees section for details on specific programs.)*

- A central mission of WICHE is to help policymakers develop innovative, effective responses across a range of issues affecting higher education.

- WICHE's policy analysis and information focuses on higher education in the western states, including:

  - student cost issues, such as annual tuition and fee data and state financial aid policies;
  - state support for higher education; and
  - the graduation numbers of high school students in every state and projections to alert education planners to changing state needs.

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NORTH DAKOTA
University System

Partnership - Regional

December 1998

Professional Student Exchange Program (PSEP)

The Professional Student Exchange Program (PSEP), offered through WICHE provides access to North Dakota students in veterinary medicine, optometry, and dentistry program. These professional programs are not offered in North Dakota.

- In exchange for admitting qualified ND students into their programs, the out-of-state institutions receive a pre-determined support fee from the state of ND. As a participant of the program, the student pays resident tuition rates to the public out-of-state institutions and reduced tuition to private institutions. The support fee paid by ND providers guaranteed access to these programs assuming that students are academically prepared.

History of WICHE PSEP Support Fee Paid by North Dakota
1995-96 – 2000-01

Field	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
Veterinary Medicine	$19,300	$19,900	$19,900	$19,900	$20,400	$20,400
Optometry	$8,200	$8,400	$8,800	$9,100	$9,300	$9,500
Dentistry	$13,900	$14,300	$14,300	$14,300	$14,300	$14,700

- During the 1997-99 biennium, a total of 118 students, freshmen through seniors, received support through this program with a state general fund appropriation of $1,483,210.

Number of Freshmen PSEP Slots
Funded by Year

	Veterinary Medicine	Dentistry	Optometry
1993-1994	7	4	5
1994-1995	9	5	8
1995-1996	9	3	5
1996-1997	7	1	5
1997-1998	9	2	8
1998-1999	5	2	8
1999-2000 Request*	8-9	3	9-10
2000-2001 Request*	8-9	3	9-10
*1999-2001 Request assumes the carryover of unspent 1997-99 general fund appropriation of approximately $214,000.			

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PSEP (cont.)

- For academic year 1998-99, 26 students applied for veterinary medicine, 11 in dentistry, and 26 in optometry. Sufficient funding was available to only fund 19% of the applicants in veterinary medicine, 18% of the applicants in dentistry, and 31% of the applicants in optometry.

- Approximately 60 percent of the total number of PSEP students that receive state support through this program return to the state to practice in their given profession after graduation.

- North Dakota also participates in WICHE as a receiving state for physical and occupational therapy, medicine, architecture and pharmacy programs.

Number of Students North Dakota Receives through PSEP
Fall 1998

Sending State	Physical Therapy	Occup. Therapy	Medicine	Architecture	Pharmacy	TOTAL
Alaska						0
Arizona						0
Hawaii	3					3
Idaho		4				4
Montana		1	4			5
Nevada						0
New Mexico	3					3
Oregon	3					3
Wyoming	25	2	2			29
TOTAL	**34**	**7**	**6**	**0**	**0**	**47**

- The North Dakota University System also has two additional contractual agreements that provide programmatic access for ND students interested in veterinary medicine and dentistry. Since 1991-92, Iowa State has agreed to accept up to 10 ND students per year into their veterinary medicine program at approximately $10,000 less per student per year than required through the WICHE program. Under our current agreement with Iowa State's College of Veterinary Medicine, ND students who matriculate at Iowa State will be guaranteed enrollment for the duration of their program.

- The second agreement is with the University of Minnesota-Twin Cities, which extends reciprocity rates to ND students enrolled in their professional programs of veterinary medicine and dentistry under the Minnesota/ND reciprocity agreement. Under our most recent agreement, ND students pay the MN professional program resident rate while attending the University of Minnesota-Twin Cities. The current reciprocity agreement has resulted in significant savings to the PSEP program. The state incurs no cost for ND students attending a Minnesota campus for veterinary medicine and dentistry. For academic year 1998-99, there are 20 North Dakota students enrolled in dentistry at the University of Minnesota, and 6 in their veterinary medicine program.

FOR MORE INFORMATION CONTACT:
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PSEP (cont.)

Breakdown of Funding Sources for the Professional Student Exchange Program (PSEP)			
	1997-99 Adj. Appropriation	1999-2001 System Request	1999-2001 Executive Recommendation
General Fund	$1,483,210	$1,467,303	$1,467,303

FOR MORE INFORMATION CONTACT:
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December 1998

Western Undergraduate Exchange (WUE)

The Western Undergraduate Exchange (WUE) offered through WICHE is a program through which students in 13 participating states (Alaska, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming) may enroll in designated two-year and four-year institutions and programs in other participating states at a reduced tuition level.

- Tuition for WUE students in all states is the regular in-state tuition plus 50 percent of that amount.

- All North Dakota University System institutions participate in the WUE Program and open all academic programs except the A.S. in Dental Hygiene and A.S. in Occupational Therapy Assistant at NDSCS; A.S. in Practical Nursing and B.S. in Nursing completion at DSU; upper division architecture, nursing, and pharmacy at NDSU; and B.S. in Occupational Therapy and B.S. in Physical Therapy at UND). Some states limit access to certain programs as well.

In academic year 1998-99, 475 North Dakota students enrolled elsewhere in the region under this exchange program, while 949 students from other states were enrolled at North Dakota institutions at 150% of the ND resident rate. The majority of WUE students from other states major in such North Dakota University System programs as: (1) education, (2) business administration/management, (3) psychology, (4) architecture, (5) liberal arts, and (6) social sciences. While North Dakota students enrolled elsewhere in the region under the WUE agreement major in such programs as: (1) engineering (mechanical, chemical, civil), (2) elementary education, (3) wildlife and fisheries, and (4) business (general).

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WUE (cont.)

Western Undergraduate Exchange
Fall 1997 Enrollment Summary

	State of Residence															
State of Attendance (# of inst. enrolling WUE students)	**AK**	**AZ**	**CA**	**CO**	**HI**	**ID**	**MT**	**NV**	**NM**	**ND**	**OR**	**SD**	**UT**	**WA**	**WY**	**Attend. Totals**
AK (3)	X	0	12	14	1	8	6	5	5	1	12	3	2	17	3	89
AZ (0)	0	X	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CA (1)	3	0	X	1	0	0	0	0	0	0	2	0	0	11	1	18
CO (21)	106	1	0	X	306	53	77	75	250	25	63	56	69	3	194	1,278
HI (2)	27	0	0	24	X	10	11	9	3	0	31	2	5	31	4	157
ID (6)	155	1	0	22	13	X	165	177	7	9	298	7	15	22	63	954
MT (12)	110	0	0	77	2	178	X	33	15	56	101	60	18	50	208	908
NV (6)	230	0	0	175	517	59	45	X	85	16	185	21	103	0	37	1,473
NM (10)	13	9	72	9	12	1	3	10	X	1	4	3	4	2	5	148
ND (11)	73	6	28	76	10	33	192	30	8	X	37	352	12	22	70	949
OR (6)	255	0	0	44	230	84	40	76	10	3	X	2	17	1	23	785
SD (6)	37	0	0	93	7	18	113	9	5	327	26	X	16	2	504	1,1[illegible]
UT (9)	56	0	0	90	21	254	25	126	21	4	48	9	X	11	84	749
WA (1)	25	1	8	3	6	57	12	1	1	0	21	1	1	X	2	139
WY (8)	41	11	34	337	6	54	417	23	16	33	39	196	62	17	X	1,286
2-Yr.	64	10	25	217	12	106	458	148	79	44	80	155	119	16	86	1,619
4-Yr.	1,067	19	129	748	1,119	703	648	426	347	431	787	557	205	173	1,112	8,471
Grand Total (102)	1,131	29	154	965	1,131	809	1,106	574	426	475	867	712	324	189	1,198	10,090

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Partnership - Regional

December 1998

Western Regional Graduate Programs (WRGP)

The Western Regional Graduate Program (WRGP) offered through WICHE began in 1981. The primary purpose of WRGP is to permit students from the various WICHE states (Alaska, Arizona, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming) to enroll in over 100 distinctive graduate programs within the compact.

- Students who participate in the WRGP Program pay the resident tuition rate at the institution attended rather than the much higher non-resident rates. There is no additional state payment required to support this program.

- During academic year 1998-99, nine North Dakota students took advantage of this program. During this same timeframe, North Dakota received two students under this program.

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December 1998

Western Cooperative for Educational Telecommunications (WCET)

The Western Cooperative for Educational Telecommunications offered through WICHE was established in 1989 to increase access to educational resources and to minimize costly duplication through the use of telecommunications.

Some of the goals of the Cooperative are to:

- Act as a clearinghouse for information and expertise.
- Advocate for effective policies affecting educational technology.
- Offer direct assistance to colleges and universities through the Western Cooperative Consulting.
- Provide professional development for administrators through the Institute for the Management of Distance Education.
- North Dakota has benefited from their involvement with the Cooperative through its development of a listserve which has allowed for continual networking.

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Partnerships - Regional

December 1998

Midwest Higher Education Commission (MHEC)

The Midwestern Higher Education Commission (MHEC) is an interstate compact agency that was established in 1991. The purpose of MHEC is to provide greater higher equation opportunities and services in the Midwestern region, with the aim of furthering regional access to, research in and choice of higher education for citizens residing in the several states which are parties of the compact.

As of 1997, the member states of MHEC are Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin.

- The basic charters of MHEC and the Western Interstate Commission for Higher Education (WICHE) are similar. They specify two primary functions: (1) fact-finding and research into the needs and problems of higher education within the region; and (2) developing and administering interstate or inter-institutional arrangements to provide adequate facilities and services for graduate, professional, technical and undergraduate education.
- The North Dakota University System office has included $150,000 in its needs-based budget request to support a two-year membership in MHEC. This membership would provide expanded educational opportunities for North Dakota students and administrative alignments with other Midwestern higher education institutions.

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December 1998

North Dakota/Minnesota Reciprocity

The North Dakota/Minnesota reciprocity program is a program of student exchange that has existed since 1975.

The purposes of the program are: (1) to continue to improve postsecondary education opportunities for North Dakota and Minnesota residents; and (2) to achieve improved effectiveness and economy in meeting the postsecondary education needs of those residents through cooperative and efforts by the two neighboring states.

How the Payment Works:
Students generally pay the higher of the two states rates. Thus, North Dakota students attending Minnesota campuses pay the Minnesota rate. While Minnesota students attending North Dakota campuses pay the Minnesota rate, which is generally higher than the North Dakota rate.

Minnesota students attending:

- UND and NDSU pay the average Minnesota State University System resident rate.
- Four-year campuses including MiSU pay 106% of the North Dakota resident undergraduate tuition rate.
- Two-year campuses pay the average of the Minnesota Community/Technical/Consolidated Colleges resident rate.

In the fall of 1997, for every 100 Minnesota students attending North Dakota campuses there were 72 North Dakota students attending a Minnesota campus. For each additional student North Dakota receives beyond a one-for-one exchange, the State of Minnesota makes a cash payment to North Dakota for each additional student equal to the marginal cost of education. This money provides need-based grant and scholarship dollars to the North Dakota Student Financial Assistance Program and the North Dakota Scholars Program for North Dakota students attending an eligible North Dakota postsecondary institution. **Minnesota paid North Dakota $4.1 million for the 1997-98 academic year for additional students in North Dakota.**

Number of Students Using Reciprocity (full-time equivalent)

Year	MN in ND	ND in MN	ND to MN Ratio
1990-91	5,346	4,570	.85
1991-92	5,217	4,413	.85
1992-93	5,416	4,119	.76
1993-94	5,563	4,043	.73
1994-95	5,619	3,796	.68
1995-96	5,681	3,715	.65
1996-97	5,666	3,821	.67
1997-98	5,586	3,714	.66

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ND/MN Reciprocity (cont.)

Benefits of the agreement include:

- Provides greater availability and accessibility to programs. North Dakota students interested in programs not offered in-state are provided access at a reasonable cost and location.
- Eliminates the need for North Dakota's public institutions to be all things to all people. Access is provided to programs not offered here, thereby foregoing the high costs of program start-up, faculty, staff, and related operating expenses.
- Provides the University System the opportunity to spread fixed costs over a much larger student base.
- Adds diversity to the student body.

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Statement of

Kathleen A. Mangskau, RDH, MPA
Oral Health Program Director
North Dakota Department of Health

HB No. 1003
Regarding
Professional Student Exchange

Before the
House Appropriations Committee
Division of Education and Environment

January 15, 1999

Good morning Madam Chair and members of the House Appropriations Subcommittee on Education and Environment. My name is Kathleen Mangskau. I am the Oral Health Program Director in the Division of Maternal and Child Health of the North Dakota Department of Health. The professional student exchange program in HB 1003 provides an opportunity to train the much-needed dental providers for North Dakota since there is no dental school in the state.

Access to oral health care services could become a problem for many residents of North Dakota if current trends in dental provider distribution continue. Access to dental care is already a critical issue for many low-income families in North Dakota. Only 38 percent of North Dakota dentists accept Medicaid patients on an unrestricted basis. According to the 1997 Low Income Needs Assessment conducted by the North Dakota Community Action Association, dental care ranked among the top three unmet needs.

Currently there are twelve counties designated as dental health professional shortage areas (dental HPSAs). The counties include Billings, Bottineau, Burke, Dunn, Foster, Golden Valley, Kidder, McIntosh, McKenzie, Sioux, Slope, and Towner. Four of the counties have been added since 1992; and we are currently studying two additional counties to see if they qualify. The loss of just one dentist in many of these counties places them in health professional shortage area status.

North Dakota ranks below the national average for population to dentist ratio. The current population to dentist ratio for the United States is 1859:1. The population to dentist ratio for North Dakota is 2268:1. There are 286 licensed practicing dentists in North Dakota. A November 1998 survey of North Dakota dentists conducted by the North Dakota Dental Association revealed that 12 percent of North Dakota dentists plan to sell their practice or retire in the next five years and 40 percent plan to sell their practice or retire in the next ten years. In the next five years, 40 percent of the providers in the Central District (Jamestown area) and 25 percent of the providers in the West

Slope District (Dickinson, Bowman, Hettinger area) plan to retire or sell their practices. A loss of nearly one-half of the providers in the state in the next ten years will not leave sufficient manpower to meet the needs of our residents.

Currently 24 percent of dentists report that new patients must wait more than four weeks to get an appointment. Thirteen percent of dentists report they currently do not accept new patients in their practices. Many providers report they are operating at capacity and cannot serve additional clients without displacing current clients.

Unless measures are taken to insure new dentists begin practicing in the state in the next five to ten years, access to dental care could become a crisis for many residents. Support of the professional student exchange program in HB 1003 has merit to assure the provision of dental providers for the future.

Madam Chair, this completes my formal testimony. I would be pleased to answer any questions that you or other members of the committee have regarding dental provider status.

HB 1003
HOUSE APPROPRIATIONS COMMITTEE
EDUCATION AND ENVIRONMENT DIVISION

Good Morning Madam Chair and members of the committee.

My name is Nancy Kopp.

I represent the North Dakota Optometric Association and the North Dakota Veterinary Medical Association and currently serve as executive for both groups.

We strongly support the portion of HB 1003 that provides the funding for the Professional Student Exchange Program.

The North Dakota students pursuing a career in Optometry or Veterinary Medicine are finding it increasingly more difficult to make ends meet, when they are entering into practices with a debt load in excess of $100,000 and a starting annual income of approximately $35,000 - $40,000.

Both associations on a state and national level do what they can to provide educational scholarships, and also find that the applicants by far outnumber the recipients.

It is unfortunate that our state cannot provide doctorate programs for optometry or veterinary medicine, but the Professional Student Exchange Program does provide some financial assistance and encouragement that there can be a bright future practicing in North Dakota.

I would ask for your favorable consideration and adoption of HB 1003.

March 1, 1999

Senate Committee on Appropriations

Senator David E. Nething, Chairman

House Bill 1003 - Regarding Professional Student Exchange Program

My name is Joe Cichy and I represent the North Dakota Dental Association.

The North Dakota Dental Association supports the Professional Student Exchange Program and believes it provides a very important service to the state. This program not only benefits those individuals interested in pursuing dentistry as a profession, but it also serves the residents by providing dentists to the state. It is estimated that approximately 70% of the dental students who are benefitted by this program return to North Dakota to practice.

At the present time, we are experiencing a shortage of dentists in our state, a situation which appears only to be worsening. Based upon a survey conducted by the North Dakota Dental Association, over 60% of the dentists surveyed do not actively seek new patients, and for nearly half the dentists who do see new patients, it takes longer than two weeks before a patient can get an appointment. Even more of a concern is that over 40% of the dentists who responded, indicated that they planned to sell their practice or retire from the practice of dentistry in the next 10 years. During the next 5 years our survey shows that 12% plan to retire or sell their practices. There are approximately 270 practicing dentists in North Dakota, so its plain to see that there will be significant attrition in the next decade. The general population's ability to access and address their dental needs is an existing problem. This situation will only worsen without a concerted effort to rebuild the state's dental force.

This program is very important. We must replace those dentists who are retiring so that our state's residents will not suffer for lack of available dental care. Consequently, while we

support the program, the NDDA has some concerns. First the House reduced the Governor's proposal by $150,000. This will create further problems for the NDUS in trying to address the shortage problem. Second the NDDA believes that an increase in the number of dental slots at this time is indicated based upon our aging population of dentists and the projections our survey shows. Presently the budget only provides funding for 2 or 3 dental students. It is imperative that more money be allocated for dental education and dental students.

The Association asks for your continued support of the Professional Student Exchange Program, to return the money removed by the House and if possible to increase this program so that North Dakota students will have an opportunity to study dentistry, and subsequently provide dental services to North Dakota residents.

Thank you for your time and consideration of this matter.

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Questions and Answers About North Dakota's Participation in WICHE's Professional Student Exchange Program

Q: Why does North Dakota participate in WICHE's Professional Student Exchange Program (PSEP)?

A: The main reason for North Dakota and other states to participate in PSEP has been to assure the availability of professional training for state residents. WICHE was created for this purpose as stated in the Western Higher Education Compact of 1953: "Many of the Western States individually do not have sufficient numbers of potential students to warrant the establishment and maintenance within their borders of adequate facilities in all of the essential fields of technical, professional, and graduate training, nor do all the states have the financial ability to furnish within their borders institutions capable of providing acceptable standards of training in all of the fields mentioned above." Especially as states place more emphasis on meeting professional workforce needs, access to professional education remains an important priority for WICHE states.

Q: Is it difficult for North Dakota residents to gain access to professional schools?

A: There is good reason for states to be concerned about the availability of professional training and access to these programs. The following table shows how hard it is to gain admission to public professional schools in the PSEP fields supported by North Dakota (data for 1996), and also shows that the vast majority of students enrolled in public professional schools are residents of the state in which the school is located:

	Completed Applications	Total Entering	Residents Entering	WICHE Entering	Non-WICHE Entering
Dentistry	3,883	254	213	28	13
Optometry	370	60	48	5	7
Veterinary Medicine	2,772	352	237	74	39

One of the original rationales for WICHE was that professional training in a number of fields is not generally available to non-residents in public institutions. The table shows that access to professional education is a continuing problem for WICHE states. In the Group A fields, very few students gain admission to professional schools that are not either residents or WICHE students.

Q: Why don't states allow more non-residents to enroll in their professional schools?

A: Since the costs to states of creating and operating professional schools are extremely high, they are usually very reluctant to offer scarce training slots to non-residents. WICHE overcomes this barrier because regional cooperation helps states gain access to professional schools in other states.

Q: If students can't get into public professional schools, why can't students just attend private schools?

A: While private professional schools do not give preference to residents of a particular state (unless they are state-sponsored through WICHE or a similar program), they accept a similar proportion of total applicants as public institutions. As a result, a small state cannot be assured that a satisfactory number of state residents will be able to gain admission to professional schools in a particular field. In one field (veterinary medicine) there are no private schools available in the WICHE region.

Q: Is the cost of professional education an issue for North Dakota?

A: It is no surprise that professional education, especially in private or out-of-state institutions is very expensive. This table shows the average tuition charges for WICHE and North Dakota contract schools in 1996:

	Average non-resident or private tuition	Average tuition paid by North Dakota students	Difference (savings to student)
Dentistry	$23,670	$11,009	$12,690
Optometry	16,981	9,422	7,559
Veterinary Medicine	20,353	8,514	11,839

Participation in PSEP or one of the out-of-state contracts administered by the North Dakota Board of Higher Education can make the difference for many students in being able to attend professional school.

Q: Why should North Dakota be concerned about the cost of professional education?

A: The high cost of professional education is more than an price issue – it also affects access and therefore the supply of professionals to the state. It is not enough for North Dakota students to be admitted to professional schools – they must also be able to afford to enroll.

Q: Are there jobs in North Dakota for PSEP graduates?

A: Yes. According to the Bureau of Labor Statistics of the U.S. Department of Labor, between now and 2004 there will be approximately 10 annual openings per year in North Dakota in each of the fields of dentistry, optometry, and veterinary medicine.

Q: Do WICHE graduates return to North Dakota to practice?

A: The return of WICHE graduates is very good in Dentistry and Veterinary Medicine and fair in Optometry. The following table shows the return rates of North Dakota WICHE graduates:

	Alumni with known address	No. in ND	Return rate (%)
Dentistry	34	24	70.6
Optometry	38	14	36.8
Veterinary Medicine	64	46	71.9

Professional Student Exchange Program
Applicant and Dollar Support Information

1997-1998	Optometry	Dentistry	Veterinary Medicine
Number of freshmen applicants N = 62	22 (35%)	16 (26%)	24 (39%)
Number of freshmen slots funded N = 19	8 (42%)	2 (11%)	9 (47%)
Percent of freshmen applicants funded	36%	13%	38%
Percent of dollar amount expended by field for freshman applicants only	34%	7%	59%

1998-1999	Optometry	Dentistry	Veterinary Medicine
Number of freshmen applicants N = 63	26 (41.5%)	11 (17%)	26 (41.5%)
Number of freshmen slots funded N = 15	8 (53%)	*2 (13%)	*5 (34%)
Percent of freshmen applicants funded	31%	18%	19%
Percent of dollar amount expended by field for freshman applicants only	44%	18%	38%

* For academic year 1998-99, there are also seven freshmen dentistry students and three freshmen verterinary medicine students attending the University of Minnesota at no cost to the PSEP Program.

1999-2000	Optometry	Dentistry	Veterinary Medicine
Number of freshmen applicants N = 40	18 (45%)	10 (25%)	12 (30%)
Projected number of freshmen slots funded for 1999-2001 biennium under Engrossed HB 1003 (including carryover)	7-8	1-2	7-8
Projected percent of freshmen applicants funded for 1999-2000	44%	20%	66%
Projected percent of dollar amount expended by field for freshman applicants only (1999-2000)	37%	14%	49%

Note: The number of applicants for academic year 1999-2000 in all fields is unusually low. Thus, it is difficult to predict if this trend will continue for academic year 2000-2001 and how this will impact the flow of dollars.

The Testimony of Andrew Varvel to the North Dakota Senate Appropriations Committee

March 3, 1999

Mr. Chairman and members of the committee:

My name is Andrew Varvel and I am an alumnus of the University of North Dakota with degrees in Geology and History.

I am concerned about the line item for "Board initiatives" on page two. I suspect that someone wants to resurrect the SAGE project behind our backs. This money must not go to the SAGE project. That project is a giant computer database. The SAGE project would make personal information of students and faculty available to anyone who claims to be an employer.

Freedom of information should not mean giving information freely to wife-beaters, vindictive ex-wives, telemarketers, and foreign spies. The Board of Higher Education should not subsidize Saddam Hussein's spy networks. Let the Chinese government snoop without help from North Dakota taxpayers.

Please do not give the Board money for secret projects.

I hope that you can restore funding to the Governor's budget. The budget for higher education should reflect hope for the coming century, not fear of a Buffalo Commons. HB 1003 should be an opportunity for higher education. If you mandate a joint UND-NDSU Curriculum Committee, this would be an effective means to encourage greater cooperation between the state's premier universities.

There is much more to say, but little time to say it. Thank you for your time.

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PROGRAM STATISTICAL DATA : **ND EPSCoR**

YEAR	NSF FUNDS	STATE FUNDS	EXTERNAL FUNDS	# OF SCIENTISTS
1995-98	$5,322,000*	$3,480,000**	$7,750,000†	101 Faculty 6 Post Doctoral Associates 82 Graduate students 3 Technicians 288 Undergraduates‡ 17 Other Personnel §

NSF National Science Foundation

*includes $72,000 to SBIR and a $750,000 extension to 1/31/99. **includes NDUS match through 1/31/99.
† awards official as of 2/28/98; $10, 716,000 in awards are pending. ‡ includes HRD student participants § includes EPSCoR Staff and temporary staff hired by researchers

Fifty EPSCoR researchers from 1986-1992 obtained external grants. Award total: $15,600,000.

Eighty-four researchers who received EPSCoR support from 1992-1998 have been successful in winning extramural research awards. Award total: $ 25,550,000.

Success at NSF (non EPSCoR): $2,800,000 during the period of 1986-92; $6,100,000 during the period of 1992-98 ($4,200,000 pending at NSF as of 2/28/98).

Publication of more than $1,538 papers in refereed journals by EPSCoR participants since the beginning of the program.

Technology development and transfer: four patents were awarded during 1986-92; eight patents 1992-98.

453 graduate students have been supported by the EPSCoR program since 1992.

420 undergraduate students supported by ND EPSCoR's SOAR (Science Outreach and Recruitment) program since 1992.

ND EPSCoR awarded, on a competitive basis, $1,400,000 to chairs and deans to support the research needs of new faculty.

North Dakota Goals and Achievements

Increasing Competitiveness

North Dakota has become more competitive for merit-based grants and contracts from federal, regional, and private sources. Summarized below are some recent (July 10, 1998) data from the NSF EPSCoR Almanac (http://red.www.nsf.gov/EHR/epscor/per/start.htm) that reflects, in part, the impacts of NSF support in our two most recent support periods (1992-95 and 1995-98):

- Total NSF Funding, % Change 1989-97: up 430% for North Dakota.
- Average Funding Rate for Competitive NSF Research Project Proposals, % Change between 1987-91 Rate and 1992-96 Rate: up 19.5% for North Dakota.
- Average Funding Rate for Competitive NSF Research Project Proposals, 1992-96: up 17.2% for North Dakota.
- Total Number of Competitive NSF Research Project Awards, % Change, 1992-96: up 100% for North Dakota.
- Average Funding Rate for Competitive NSF Proposals, % Change between 1988-92 Rate and 1993-97 Rate: up 16.6% for North Dakota.
- Average Funding Rate for Competitive NSF Proposals, 1993-97: up 23.8% for North Dakota.
- Total number of Competitive NSF Awards, % Change, 1992-97: up 16.7% for North Dakota.

The competitiveness is reflected in the following recent awards.

Dr. George Seielstad, Center for Aerospace Sciences, University of North Dakota, has been granted $1.7 million from the National Aeronautics and Space Administration to continue the development and implementation of a Public Access Resource Center (PARC). PARC includes faculty from the University of North Dakota, North Dakota State University, six other universities in the Great Plains region, and the U.S.G.S. EROS Data Center

Dr. Kenton Rodgers, Department of Chemistry, North Dakota State University, a recent recipient of the Presidential Early Career Award, acquired a grant of $425,000 from the Air Force Office of Scientific Research to investigate new materials with nonlinear optical properties.

Dr. Ann Flower, Dept. of Microbiology and Immunology, University of North Dakota, received a three year, $243,465 research grant from the Dept of the Army to investigate the production of proteins from bacteria, specifically *E. coli*.

Dr. Ken Nygard, Department of Computer Science, North Dakota State University, was awarded $300,000 from the Office of Naval Research to develop models for network optimization and smeantic control for remote autonomous vehicles.

Dr. Mark Hoffman, Dept. of Chemistry, University of North Dakota, received a three year, $232,111 grant from the Office of Naval Research to determine the structure and reactivity of atmospheric and high energy molecules and molecular ions.

Dr. Subbaraya Yuvarajan, Department of Electrical Engineering, North Dakota State University, received $140,000 from the Air Force Office of Scientific Research to study the role of high performance power supplies in aircraft.

Dr. Lisa Nolan, Department of Veterinary and Microbiological Sciences, North Dakota State University, received $108,000 from the USDA for fellowships to promote expertise in infectious disease of animals.

Dr. Jody Rada, Dept. of Anatomy and Cell Biology, University of North Dakota, was awarded a two year, $299,886 grant from the National Institutes of Health to continue research investigating metabolic controls of myopia.

Drs. David A. Atwood and Philip Boudjouk, Department of Chemistry, North Dakota State University, received $375,000 from the Office of Naval Research to support a program focussed on developing new low temperature methods for preparing semiconductor materials.

Dr. Kathryn Thomasson, Dept. of Chemistry, University of North Dakota, has been awarded a three year, $107,972 grant from the National Institutes of Health to define cytoplasmic structure and metabolic regulation at the cellular level.

Recent NSF Instrument awards of $598,900 and $329,764 were made to North Dakota State University and the University of North Dakota, respectively, to install NMR spectrometers.

Attracting Competitive New Faculty

The **I**nfrastructure **I**mprovement **P**rogram-**N**ew **F**aculty **S**tartup, (IIP-NFS) addresses a major impediment to our competitiveness-- offering competitive startup packages for new faculty. Twenty-two faculty have been hired through this program over a three year period.

Increasing Graduate Research and Proposal Submittals

North Dakota initiated two new programs to recruit qualified graduate students more effectively in an increasingly competitive regional and national environment. ND EPSCoR is supplementing graduate student stipends and adding new research assistantships with the **I**nfrastructure **I**mprovement **P**rogram-**G**raduate **S**tudent **E**nhancement (IIP-GSE) and IIP-**D**octoral **D**issertation **F**ellowships. IIP will add ten doctoral dissertation fellowships at each of its two research universities. Faculty advisors are expected to write at least one competitive proposal.

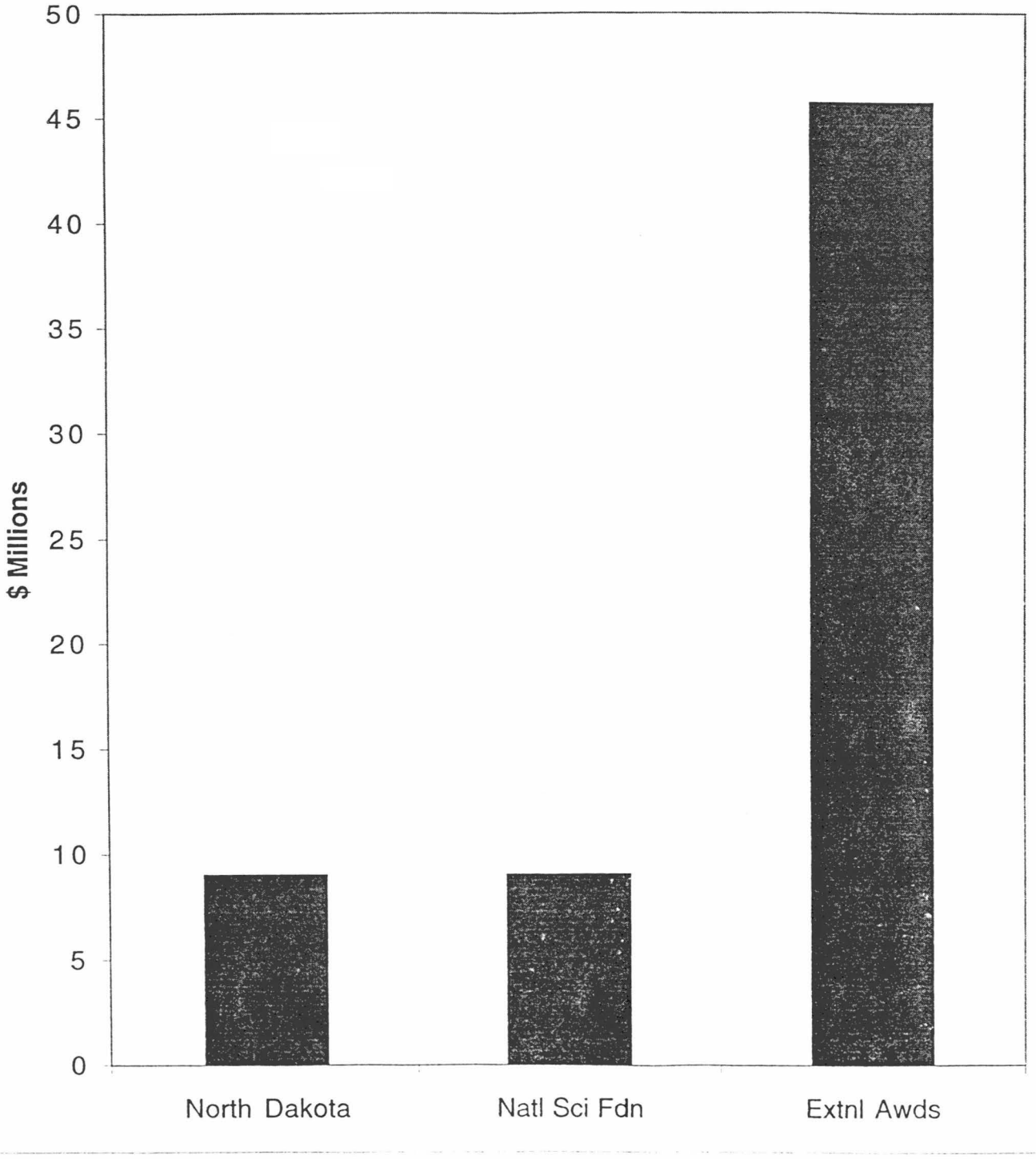
Expanding Science Outreach and Recruitment (SOAR) Programs

- Students in Technology Transfer And Research (STTAR), a program unique to North Dakota, placed 39 students with 24 North Dakota companies, an increase of four companies and students over the previous summer.
- Faculty In Technology Transfer (FITT) provided expertise to three companies. New this year, North and South Dakota cooperated to place a North Dakota faculty member with a South Dakota company.

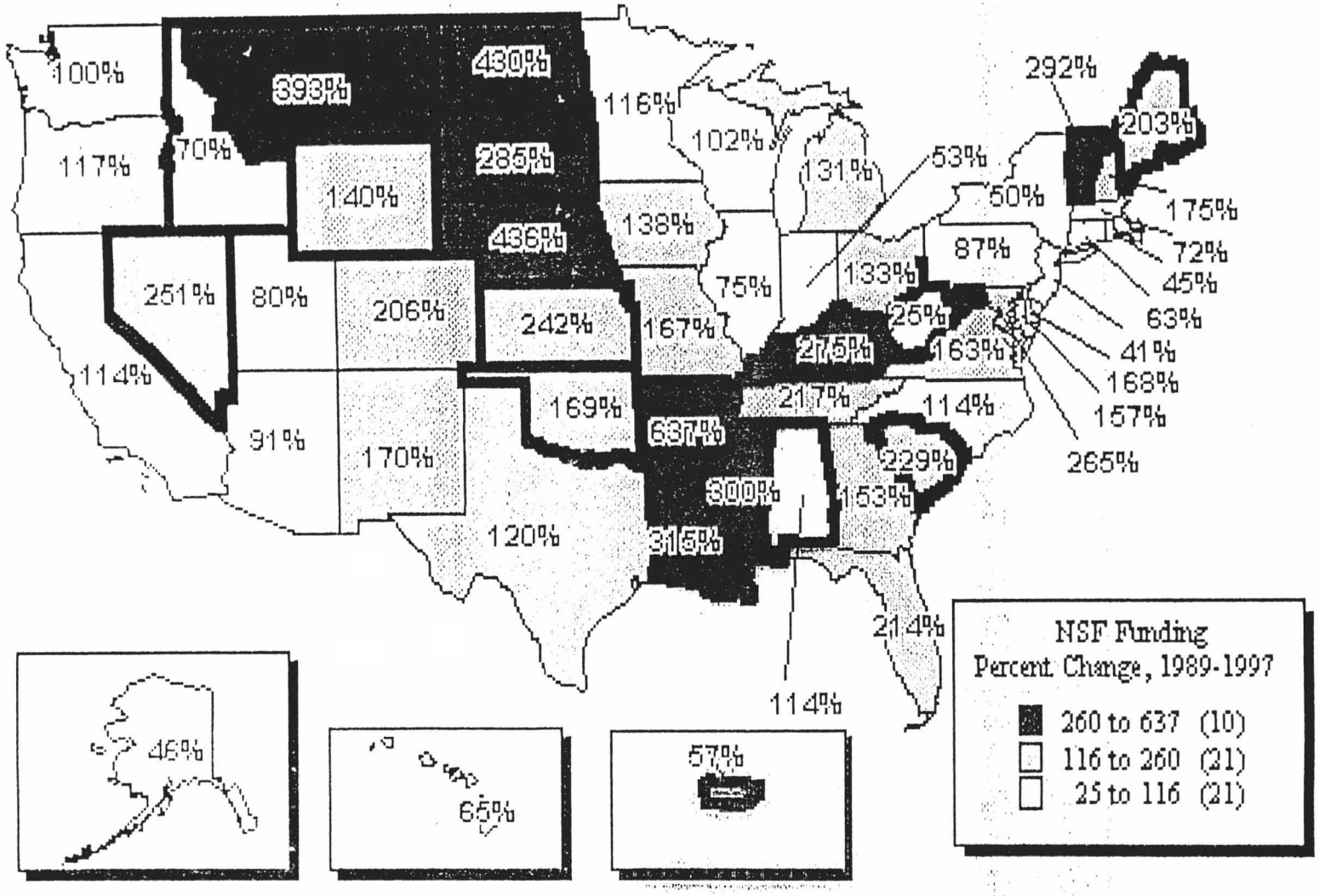
- Phase 0–Technology Research Into Commercialization (TRIC) provided competitive funds to three faculty to pursue SBIR funding.
- Advanced Undergraduate Research Awards (AURA) allowed sixteen undergrads to experience faculty-led research for 10 weeks during the summer.
- Science Bound targets graduating high school students who are interested in science, engineering or mathematics (SEM). The program recruits top-level North Dakota residents to the two research campuses and encourages consideration of graduate school. Nineteen students participated. The program will grow in the coming years.
- Faculty Laboratory And Research Experience (FLARE) allows the comprehensive and liberal arts faculty to collaborate with PIs at the research institutes. There were three awards in 1998.

Phil

ND EPSCoR's Return on Investment 1986-98



Total NSF Funding, Percent Change, 1989-1997



January 1998

ND EPSCoR Mission

Improve the competitiveness of ND researchers for merit based contracts and grants by improving our research infrastructure

Who is involved in ND EPSCoR?

453 Grad Students

420 Undergraduate Students

More than 200 faculty

20+ Postdoctoral Fellows

6 Technicians

Nearly 50 North Dakota companies (STTAR Program)

- 30 new faculty hired with equipment startup funds from EPSCoR

FY98 NSF Co-funding

18 EPSCoR States + Puerto Rico

Where is ND?

3,853,610	1,473,439
3,189,998	1,461,002
3,115,414	1,354,833
2,608,456	1,147,224
1,989,889	1,141,281
1,552,000	1,050,000
1,510,357	1,022,662
1,490,613	3,057,201 (4 states)

30,717,979

EPSCoR – a Good Deal for North Dakota

From 9/86 – 9/98, North Dakota has invested $9M in EPSCoR. The cash return has been $54.7M from NSF plus external awards to EPSCoR supported researchers.

Since 9/98 North Dakota has landed an additional $4.5M in cash from new awards and contracts to its EPSCoR supported researchers.

ND EPSCoR was recently awarded a $3.0 M grant from the National Science Foundation to continue to develop its research infrastructure and increase the number of students in science and engineering. The new grant begins May 1, 1999 and requires a 1:1 match.

ND EPSCoR has provided research opportunities (2 months summer stipend support or more plus training and supplies) for 980 students since 1992. Many of the students report that these "hands-on" experiences are what have made them more "job ready" and more competitive for positions after graduation.

In 1994, ND EPSCoR initiated a unique program of university-industry collaboration, Students in Technology Transfer And Research (STTAR) that has attracted national attention. After starting with only 5 students in the "pilot year" of 1994, the program has expanded to include a total 134 NDUS students working with 68 ND companies.

ND EPSCoR has played a critical role in hiring new faculty to its research universities. Using a combination of ND matching funds, NSF EPSCoR funds and support leveraged within the universities, approximately 25 new faculty were brought to North Dakota that would otherwise have gone elsewhere. These funds were used primarily for buying state of the art equipment to allow new researchers to compete for outside grants and contracts.

ND EPSCoR is playing a critical role in developing our research infrastructure in a broad spectrum of disciplines ranging from agriculture to energy to medicine. It is already having significant economic impact and has contributed greatly to improving our competitiveness in technical areas. This infrastructure will play a critical role in advancing our universities and in attracting new industry to North Dakota.

How are we competing? Here are some examples from the NSF:

- Total NSF Funding, % Change 1989-97: **up 430% for North Dakota.** 3rd in the USA!
- Average Funding Rate for Competitive NSF Research Project Proposals, % Change between 1987-91 Rate and 1992-96 Rate: **up 19.5% for North Dakota.**
- Average Funding Rate for Competitive NSF Research Project Proposals, 1992-96: **up 17.2% for North Dakota.**
- Total Number of Competitive NSF Research Project Awards, % Change, 1992-96: **up 100% for North Dakota.**
- Average Funding Rate for Competitive NSF Proposals, % Change between 1988-92 Rate and 1993-97 Rate: **up 16.6% for North Dakota.**
- Total number of Competitive NSF Awards, % Change, 1992-97: **up 16.7% for ND.**
- **A really good deal for North Dakota**: In FY98, NSF made $31M available to all 19 states for competition in an open pool. ND won $3.1M, 10% of all available funds! We could not have done this without the North Dakota-National Science Foundation partnership.

North Dakota University System
Distance Education
Programs in Progress
As of January 4, 1999

Degree Campus	Program	Degree Granted[1]	Sites
NDSU (TCU)/UND	Educational Administration	M.S. M.S.Ed.	Bismarck, Minot, Williston with simultaneous delivery at NDSU (TCU)/UND (?Dickinson will be contacted to see if they are interested) Grand Forks, Fargo Minot, Bismarck, and Williston
UND	Management	B.B.A.	Devils Lake/Williston
UND	Occupational Therapy	B.S. in O.T.	Caspar, Wyoming
UND	Business Administration	MBA	Bismarck DSU
UND	Space Studies	M.S.	National
UND	Social Work	M.S.W.	Bismarck
UND	M.S. in Instructional Design and Technology	M.S.	Sites to include: Minot, Fargo, Grand Forks, and Bismarck
UND	M.Ed. in Instructional Design and Technology	M.Ed.	Sites could include Minot, Fargo, Grand Forks, and Bismarck
UND	General Studies	M.S.	Bismarck, Fort Yates, Belcourt
UND	Elementary Education	M.Ed.	Belcourt, Bismarck
UND	Clinical Laboratory Science Collaboration	B.S.	U. of Mary and Jamestown College, 1993; Bemidji State U., U. of MT, & MT State U.
UND	Public Administration	M.P.A.	Bismarck
UND	Rural Health Nursing	M.S.	Bismarck, Minot, Dickinson, Wahpeton, & Grand Forks
UND	Rural Health Nursing	M.S.	Jamestown, Fargo, Williston, Dickinson, Bottineau, & Grand Forks
UND	Elementary Education	B.S.Ed.	(New Town in cooperation with FBCC)(some courses delivered to Twin Buttes and Mandaree
UND-LR	Legal Assistant	A.A.S.	Williston Bismarck/Williston
UND-LR	One year certificate and AAS in Early Childhood Education	Cert./A.A.S.	Minot
UND-W	Medical Transcription (customized training program)	Certificate	Completed: Ashley, Beach, Hettinger, Tioga, Crosby, New Liepzig, Williston, Bismarck, Dickinson, & Sidney MT January 99: Stanley, Rolla, Langdon, and Plentywood MT Spring: Fargo Tech Training Center, Jamestown, and Grand Forks
VCSU	Elementary Education	B.S.	NDSU

[1] **A.S.**=Associate of Science; **A.A.S.**=Associate of Applied Science; **B.B.A.**=Bachelor of Business Administration; **B.S.Ed.**=Bachelor of Science in Education; **B.S. in O.T.**=Bachelor of Science in Occupational Therapy; **B.S.N.**=Bachelor of Science in Nursing; **B.S.W.**=Bachelor of Science in Social Work; **M.A.**=Master of Arts; **M.B.A.**=Master of Business Administration; **M.P.A.**=Master of Public Administration; **M.S.**=Master of Science; **M.Ed.**=Master in Education; **Specialist**=Specialist degree.

North Dakota University System
Distance Education
Programs in Progress
As of January 4, 1999

Degree Campus	Program	Degree Granted[1]	Sites
BSC	Power Plant Technology	Cert.A.A.S.	MN,WI,TX,WA,CA
BSC	Process Plant Technology	Cert.A.A.S.	MN, WI, TX, WA, CA
DSU	B.A. in English	B.A.	Bismarck
DSU	B.A. Composite in Social Science	B.A.	Bismarck
DSU	Bachelor of University Studies	B.A.	Bismarck
MaSU	Early Childhood Education	A.A. or a minor	State-wide
MaSU/VCSU	Library Media & Information Science	B.S.	Bismarck, Mayville, and Valley City
MiSU	Elementary Education	M.S.	Mayville
MiSU	Elementary Education (approved to offer 2-4 yr. Cycles)	M.S.	West Fargo
MiSU	Business Management	B.S.	Bismarck
MiSU	Criminal Justice	B.S.	Bismarck
MiSU-B	Medical Secretary	Diploma, Certificate & A.A.S.	Minot
MiSU-B	Medical Office Assistant	Diploma, Certificate & A.A.S.	Minot
MiSU-BC	Information Processing-Administrative Assistant	A.A.S.	MiSU
MiSU-BC	Information Processing-Legal Secretary	A.A.S.	MiSU
MiSU-BC	Medical Office Assistant	Diploma	Minot
MiSU-BC	Office Education	Diploma	Minot
NDSCS	Practical Nursing	A.S.	Geographically scattered audience
NDSCS	Accounting (A.S.)Banking & Financial Services (A.S.)Business Management (A.S.)Computer Info. System (cert. & A.S.)Electronic Technology (A.A.S.) Liberal Arts (A.S. and A.A.)Practical Nursing (A.S.)Science Technology (A.S.)Secretarial (certificate & A.S.)Technical Studies (cert. & A.A.S.)		Minot Air Force Base
NDSCS	Licensed Practical Nursing	2 yr or less	BSC
NDSU	Business Administration	MBA	Jamestown

North Dakota University System

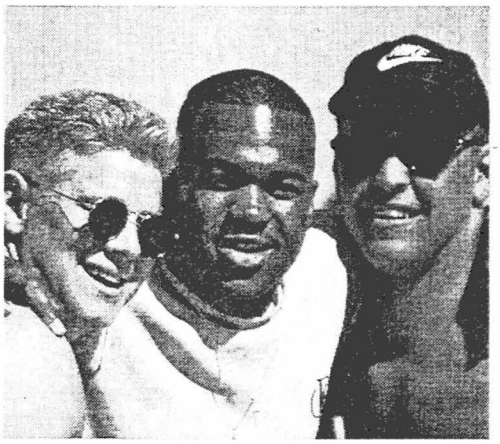
Strategic Plan 1998-2004
1998 Progress Report

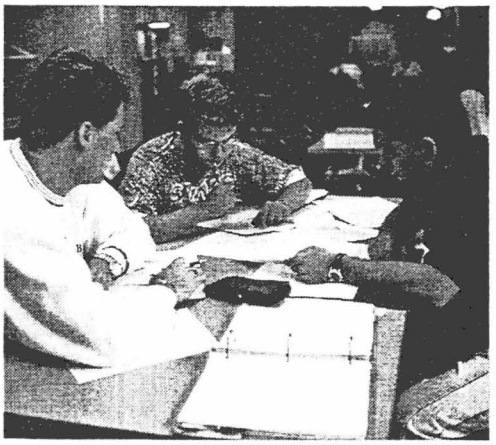
Strategic Plans

Legislative Council Library has a copy or contact University System Office for a copy

Presented to Legislative Council
November 12, 1998

Prepared by NDUS office and Campuses of the NDUS





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OR CONTACT UNIVERSITY SYSTEM OFFICE
FOR COPY

North Dakota University System

Strategic Plan

1998-2004

Greater North Dakota Association

GNDA

STATEMENT BY DALE O. ANDERSON, PRESIDENT, GREATER NORTH DAKOTA ASSOCIATION, REGARDING HB 1003; NORTH DAKOTA HOUSE APPROPRIATIONS COMMITTEE; JANUARY 11, 1999.

Chairman Dalrymple and members of the House Appropriations Committee. I am Dale O. Anderson, President, Greater North Dakota Association. Thank you for this opportunity to provide comments regarding HB 1003.

The Greater North Dakota Association is the voice for business and principal advocate for positive change for North Dakota. GNDA was organized in 1925 as a statewide, general business organization. The organization's membership of 950 is an economic and geographic cross section of North Dakota's private sector, including statewide associations and local chambers of commerce, development organizations and Convention and Visitors Organizations. GNDA is governed by a 25 member Board of Directors elected by GNDA's membership. The Board of Directors sets the organization policy.

A HISTORICAL PERSPECTIVE

GNDA historically has been and continues to be a leader in job creation in North Dakota. Recently, GNDA was one of the participants in the Vision 2000 process. This process involved nearly 7,000 people in town hall meetings to provide input into the development of a common vision for economic development in North Dakota.

The Vision 2000 Committee articulated a vision for North Dakota which is to unite together to build a new North Dakota so we may realize our highest potential in creating a solid, diversified and

successful rural economy, tailored to our needs and accomplished at a pace we can afford.

I share three selected quotes from testimony I presented to the North Dakota Senate Finance and Taxation Committee on February 1, 1989.

- **"As all of you know, North Dakota has experienced severe decline in its economic base in recent years due primarily to the depressed agricultural and energy sectors. We are all aware of those trends and I won't attempt to repeat those statistics today."**

- **There is no question that the challenge ahead of us is major and will require our best effort. It will require cooperation by the ENTIRE STATE. However, I'm convinced that without that special effort . . . without cooperation among the legislature - the private sector - the public sector . . . and without policy and attitudinal changes in North Dakota . . . the trends of lost jobs and shrinking economies will continue."**

- **"We cannot look at the situation in this state, or listen to comments from outsiders, without some important messages coming through loud and clear. These messages are: (1) the private sector alone is not going to be able to turn North Dakota's economy around; (2) the public sector along is not going to do it; and (3) we cannot look to education to do it – all alone. If we are going to turn this economy around – it will happen through a combined effort of all these sources. The building of partnerships is essential."**

One consensus which emerged through the Vision 2000 process is that North Dakota should pursue a "four-part" economy which builds on our existing strengths. When these interrelated economies grow, they tend to help strengthen and diversify each other in order to meet the needs of the global marketplace. The four part economy would consist of:

1) **Advanced agriculture and food processing;**

2) **Energy by-product development;**

3) **Export services and tourism; and**

4) **Advanced manufacturing.**

The four sectors identified above are the "new wealth creating sectors" if the North Dakota economy. These basic sectors of North Dakota's economy generated the demand for retail trade, food and lodging, professional and personal services, health care, public services, education and others.

GNDA helped set the goals for the first bipartisan Growing North Dakota legislation and worked to establish the direction of the state's economic development package. During the past 10 years, North Dakota's business people have been more optimistic about the future. Businesses have been growing, new businesses are being established at a record pace and unemployment is low. Communities across the state are experiencing the success of their efforts to grow jobs and create new wealth. The momentum of Vision 2000 and Growing North Dakota is building!

CHALLENGES

North Dakota has significant issues to address if the state hopes to continue the economic growth experienced during the past 10 years. That was the message from David Birch, one of the nation's leading business experts, at the November 1997 North Dakota Business Conference. Ten years ago, Birch told the state's business leaders that North Dakota needed to create new jobs – jobs less dependent on agriculture and large companies headquartered out of state.

Birch told those attending the 1997 Business Conference that you've done a remarkable job of changing your future, noting the state has created 40,000 jobs during the past 10 years.

However, that employment growth has created a new problem – the nation's lowest rate of unemployment and the challenge of finding enough workers to fill the jobs being created in the new, knowledge-based economy.

The future wealth and prosperity of North Dakota is not beneath your feet; its between your ears, Futurist Frank Feather told attendees to the second annual North Dakota Business Conference in November 1998. A summary of Mr. Feather's remarks is attached.

Feather said that "those who understand the enormity of the changes now sweeping the planet will grasp the promise of the information and knowledge revolution." "THEIR FUTURE WILL BE PROSPEROUS BEYOND IMAGINATION," he said.

EXPECTATIONS

The North Dakota business community looks to the North Dakota University System for a high quality, high access public higher education system where:

1) **people have the opportunity to receive the education necessary to be professionally and personally successful,**
2) **workforce training to provide business and industry in North Dakota with the most competitive workforce in the nation, and**
3) **the output of world class research.**

CONCLUSIONS

1) **The Partners for Progress Study and the North Dakota University System Strategic Plan provide useful blueprints**

for the future needs of the information and knowledge revolution;

2) **The North Dakota University System and the North Dakota business community are increasing their cooperation and collaboration; and**
3) **The North Dakota business community, through GNDA supports the budget request in HB 1003 for the 1999-2001 bienium.**

Thank you Chairman Dalrymple and members of the House Appropriation Committee.

PROSPERITY BEYOND 2000

Frank Feather

The future wealth and prosperity of North Dakota is not *beneath your feet*; its *between your ears*.

Those who understand the enormity of the changes now sweeping the planet will grasp the promise of the Information and Knowledge Revolution. Their future will be prosperous beyond imagination.

ECONOMIC PROSPECTS

What is a realistic assessment of the global economic situation? Waves of change continue to reconfigure the global economic landscape.

- **Short-Term Situation:** Crisis of thinking, not economic crisis; experiencing start of growth-recession. Asia/Japan/China; Russia; Latin America; N.America outlook.

- **Global "Super-Boom" (to 2018):** Driven by info-tech; will make the Indl Revn pale into insignificance. Low-inflation = intense price competition = focus on value-added from customer viewpoint.

- **Fast-Growing Global Population:** 6.2-bn people, rising to 8-bn by 2020 (+ 90-mn/yr; a new Mexico annually). Problem but more people + increased lifespan = increased demand for products/services of every kind imaginable as people strive to improve the quality of their lives.

- **Internet Revolution:** Faster / smaller / cheaper; microchip still doubling in performance every 18 months; new PC switched on globally every second around-the-clock. In USA, 40% of new PCs go into homes; 48% of families have at least one PC (60% in California). By 2010, 50% of Americans will enjoy a "Web Lifestyle," living their lives through the Internet: video-conferencing, tele-medicine, tele-banking, tele-shopping, distance education will be commonplace.

- **Global Free Trade** (EU/NAFTA/APEC/WTO): Cross-border flow of goods / people / capital / ideas always leads to economic expansion; globalization of business also leads firms to want to deal with global partners. NAFTA: get behind the "Central N.American Trade Corridor Assn" and its "Pathways to Progress" initiative. Twin the state and major cities/towns with states/provinces and cities/towns across the world and organize as many outbound trade and inbound investment missions as you can. Skeptics will say: *"Oh, America is big enough for our company."* But America is just one part of the global economy. Many of the biggest opportunities are out of town, out of state, out of America. All global competition is local -- i.e., it is "glocal" (global + local). All companies, from global brandnames to corner-store mom-and-pop businesses operate in a global market.

- **Emerging Markets:** Especially Asia-Pacific, led by Greater China (China's GDP will surpass that of USA in next decade). Fast-growing middle class: 400-mn of China's 1.2-bn have entered (or are on verge of) middle class, driving economic consumption.

IMPLICATIONS for INDIVIDUALS and FAMILIES

Become computer literate (family PC); Get onto the Internet. Further your education (don't "drop out" of the future); Constantly upgrade your skills. Develop freelancing skills; consider starting your own business. Incorporate your family as an economic enterprise.

IMPLICATIONS for BUSINESS SECTORS

New "5-Wave" Economy: 1st-wave is agriculture/energy/natural resources; 2nd-wave is manufacturing/processing; 3rd-wave is services; 4th-wave is info/bio-tech; 5th-wave is leisure/tourism.

- **1st-Wave AgriFood/Energy:** My family has been farming in Yorkshire for 400+ years. But, let's be honest, today's "family farm" is actually something of a myth: 90% of so-called family farm income is *not* earned on the farm. We'll see continued farm consolidation (50% could disappear within just one generation). Family farms that survive will be those which welcome change and eagerly adopt new technology. Precision farming (use of satellites for crop management) *can* be afforded by forming a "satellite farming co-operative." Do more value-added agrifood processing *within* North Dakota (*stop* sending commodity products *out*-of-state for *others* to do the value added processing); build a "North Dakota" brand for value-added agrifood products on the global market. *Energy sector:* The "energy crisis" essentially ended in 1980; there will be no return to the "good old days." Cheap energy is *not* good for the energy sector, but it sure is great for the rest of our economic efforts.

- **2nd-Wave Manufacturing/Processing:** Routine manufacturing has gone overseas. Robotize and specialize or die. Informationalize all processes. Convert the "value chain" into a "value web," linking suppliers and distributors together. Focus on value-added products. Group workers into customer-focussed teams.

- **3rd-Wave Services:** *Healthcare:* Digitize all records/files + smartcard; Return to home-centered care (e-house calls; tele-medicine); "Aging" population = gerontology boom. *Banks:* Eliminate 5% of tellers each year; none by 2020. *Retailers:* Shift to e-channels, database (1:1) marketing, issue smartcards.

- **4th-Wave Information & High-Tech:** Telco-Internet convergence statewide. Knowledge work can be done from anywhere: attract more "call center" operations to the state. (Education sector: *see below*).

- **5th-Wave Leisure:** Global recreation/tourism/hospitality boom; "Lewis & Clark 2000" (make it ongoing, not a one-time thing). Develop tourism sector to be largest by 2010.

Diversified economies will perform best. Focus on 3rd/4th/5th waves.

IMPLICATIONS for EDUCATION

- **Market-Driven/High-Tech:** Education must match the economy. Non-stop world = year-round schooling (no long summer holiday). In interim, expand and extend the "Governor's School" from 6-weeks to 8/10 weeks. Schools, colleges and universities should digitize everything and put online (course calendar, enrollment process, study assignments, grades).

- **Curriculum Reform:** Stop teaching out-dated stuff. More work-oriented courses: get regular business input + customize courses for each economic sector on a sector-by-sector basis, such as NDSU's "Retailer Education Project." Set up frequent teacher-executive "exchange" programs and use regular guest lecturers from all economic sectors. End of "factory schooling": bricks/mortar to bits/bytes; shift from mass education to individualized learning.

- **Job Market Skills Gap/Mismatch:** Today's course enrollment should "match" the *future* skill needs of the *new* business sectors. Need more *short*-term/ongoing training (with an immediate 2-year "crash" program focussed on largest skill shortages) + *long*-term workforce development. School-to-Work Initiative: expand "Workforce 2000" program and rename it "Job Futures."

- **Skills Shortage:** There is / will be a shortage of truly capable employees who possess the management and technical expertise required by a competitive economy or business. Across America there is a pressing need to forge partnerships with the education sector to ensure an adequate supply of world-class talent. Expand the School-Business partnerships (more co-op ed/apprenticeship programs and diplomas; job "shadowing").

- **Urban-Rural Development Gap:** Main towns doing well - short of workers; Rural towns need more opportunities. Expand tele-education, electronic course delivery over local TV and Internet. Create a "virtual" campus across the state, from pre-school through to PhD. Take education to the people and communities who need it.

IMPLICATIONS for the STATE GOVERNMENT

- **Entrepreneurialism:** Start a wildfire of entrepreneurialism across the state. Ignite "innovation partnerships" between education and business to develop futuristic 3rd/4th/5th-wave business courses/programs. Also form dozens of business-university R&D partnerships. Start a "Governor's *Business* School." Foster new women entrepreneurs: boost the "Women's Business Program" + start-up business assistance for spouses on farms who already have instincts of self-reliance and a determination to succeed.

- **Workplace Reform:** Share work: cut mandatory workweek by 1-hr, starting now! Encourage flex-time and part-time. Pay incentives to companies for hiring students; levy penalties for *not* hiring students.

- **Science & Technology:** World is high-tech; the state economy must be high-tech. Expand "Science Olympiad," initiate an "Internet Olympiad," and organize regular sector-focussed seminars on E-Commerce and an annual E-Commerce Conference. (I suggest "E-Commerce" be the theme of *your* business conference *next* year.)

- **Digitize Government Services:** Everything from dog tags to drivers' licenses to bylaw info and building permits. Provide 7x24 electronic access. Short recesses for State House legislators!

IMPLICATIONS for BUSINESS

- **Planetary Mindset:** Pretend you've come to N.Dakota from another planet; view the Earth as a single market. Attack global niche markets and defend your local turf against invading global competitors.

- **Visionary Renewal:** Focus not just on *today's* successful products but on what *tomorrow's* customers will need / want. Yesterday's success formula soon becomes obsolete. Constantly challenge the *status quo* to renew your company for the future, just as Baker Boy did 20 years ago when it saw a new future in frozen dough products.

- **Grow Human Capital:** Nurture people; boost recruiting capability for a truly diverse HR team (use the Internet for recruiting). Set up a homepage for each employee. Invest in skills upgrading + brainpower development. Change the basis of compensation: *stop* paying people for their *time* ($X per hr/yr) and *start* paying people for their *skills*, their expertise, team performance. Hire one student for every 10 employees.

- **Revamp Business Culture:** Be a "caring" culture, along the lines of TMI Systems Design's 7 value statements (listed on TMI's website).

- **Redefine Your Business:** Information redefines the nature of every business (e.g., couriers, banks). What business are *you* in?

- **Build Info-Capital:** We've shifted from industrial capitalism to information capitalism. Invest in future ROI: quit worrying about the "cost"; it's a critical investment in faster growth – in medium/long-term ROI. ROI also = ***"Return on Information"*** + ***"Return on Internet."***

- **Around-the-Clock R&D:** Use "follow-the-sun" 24-hr / day non-stop 24x7 innovation, thus achieving 3 times as much R&D as an 8-hour-a-day lab. All engineers are equal before technology and all companies are equal in the pursuit of innovation; you can't wait for the sun to rise. Double R&D spending, especially on embryonic projects. Be the techno-leader in a chosen field.

- **Invest in Product Innovation:** Aim for 50% of sales from "as-yet-not-invented" products by 2005. Look for breakthrough 21st century products. If you don't have or can't develop new innovations fast enough, then either partner / joint-venture or license / buy them.

- **Mass Customize:** Era of "mass" is over. Shift from mass production / consumption / marketing / advertising to mass-customization and one-to-one marketing (e.g., Dell PCs ordered online / built to order).

- **Become Digitally Competitive:** In a digital economy, by implication, the winning companies will be digitally competitive. Set-up a real-time knowledge management Intranet; manage in "Internet time" – today's new clock-speed. Move to real-time logistics / product delivery; bring an unbeatable value proposition to customers via an info-based real-time network of "virtual" activity. The 21st century growth company will be a virtual "cyberco," linked electronically with suppliers, agents/distributors and customers. And get a website; without one, in cyberspace you literally don't exist.

IMPLICATIONS for ECONOMIC DEVELOPMENT

The global economic competition is a community-to-community competition: people skills, tech R&D, economic vibrancy, info-intensity, telecom infrastructure, "green" environment.

You are part of a farming culture: you know how to grow things. Across North Dakota, develop a "home-grown" network of firms to foster new ventures and growth: build on ***existing*** strengths and capabilities; develop ***new*** strengths and capabilities.

Constantly challenge the conventional wisdom. Embrace change. Create intense teamwork (a "Team North Dakota" approach). Marshall a consensus and a momentum for change. Everybody needs to be part of this. Praise, reward, and spotlight successful change efforts. Work together in partnership to create an info-networked digitally-competitive state economy.

The destiny of North Dakota is something you ***will*** create -- together! To get to the future first, I challenge you to make break-out moves, to run faster (a lot faster!), to be more ambitious -- think big (really big! – as big as North Dakota) and be determined and unswerving in your goal.

The trends are in your favor. So just go for it! Show America and the world what North Dakota is made of.

I wish you a ***super***-prosperous and a ***super***-fantastic future together – this year, next year, and ***beyond*** 2000.

Frank Feather, President, Glocal Marketing Inc., is author of "The Future Consumer"
Tel: (905) 642-9090; Fax: (905) 642-9091; E-Mail: futura2020@aol.com

North Dakota Student Association

North Dakota Student Association
January 11, 1999
House Appropriations Committee

Diane Lochner, NDSA President

Mr. Chairman and members of the committee, my name is Diane Lochner and I am the president of the North Dakota Student Association, representing students in the state's publicly-funded institutions of higher education. Thank you for granting us the time to speak before you today.

In his budget address, the Governor noted that "North Dakota's colleges and universities are a tremendous asset for our citizens and business community." We agree. Education is an investment in North Dakota's future. Higher education's many contributions to the state are highly visible, yet others are not as easily identified. North Dakota's college and university students are a hard-working and resourceful group. As an example of student leadership, in recent years North Dakota State University students initiated and created a business plan for a health and wellness center on that campus. Certainly, for those involved, that process was extremely educational.

North Dakota's students have great potential for success. North Dakota's higher education system has produced graduates who have become leaders throughout the nation and here at home. Some of the renowned graduates include Congressman Earl Pomeroy, Governor Ed Schafer, Chicago Bulls coach Phil Jackson, and developer Ralph Engelstad. On the home front, graduates who have made a difference include Debbie Ness, a Minot State graduate who is now Bismarck's chief of police, Great Plains software CEO and NDSU graduate Doug Burgum and Colleen Holzworth, of Pingree, who is a graduate of UND's nurse practitioner program and now administers medical services in rural areas.

North Dakota is home to a number of quality programs that have been regionally, nationally, and internationally recognized. Among these are Bismarck State College's theatre arts program, which holds statewide acclaim for its productions and has been recognized nationally. The University of North Dakota is an acknowledged leader in aerospace sciences. Minot State's communication disorders program, Bottineau's wildlife management major, and NDSU's agricultural research are other examples of academic excellence. Valley City State and Mayville State's notebook computer initiative has proved beneficial to students. And at Bottineau, students come from as far away as Chicago and West Virginia to enroll in floral design and forestry programs. These prestigious programs and others, as well as nationally contending athletic teams, bring much attention to a small state that is not often recognized by national media.

Faculty are the facilitators of student potential. Indeed, a university's academic reputation is only as good as its educators. Faculty foster quality programs which not only allow students to grow and meet their potential, but bring recognition and research dollars to the state. However, all is not well with the status of faculty in the state. Students at NDSU report that an exodus of faculty in the agricultural economics program has caused numerous course cancellations in that program. In fact, one student commented that he was essentially unable to be a full time student this semester due to the cancellations.

North Dakota's economy relies heavily upon the agricultural sector, which is supplemented and assisted by research studies, data, and economic improvement ideas generated by NDSU. A weakened agriculture program at a university whose fundamental base is agriculture is not an encouraging sign. Students in this program, potential leaders in North Dakota's agricultural future, are concerned that their program may no longer be nationally competitive.

Students in programs across the state have seen inspiring and respected faculty leave the state or retire early. These students are inclined to see a direct relationship between faculty departures and the strength and quality of that program, department, or even the institution as a whole.

Students recognize that their individual potential to succeed is directly tied to a combination of visionary faculty, competitive programs, personal innovation, input, and an economic partnership with the state. Today we have explored these nationally renowned programs, these energetic instructors, and these motivated students. We have also recognized that these factors benefit the state significantly. Next, we must foster the relationship between you and us.

Students recognize the role of student dollar input. During past biennia, students have accepted opportunities to partner with the state and take on ever-increasing financial burdens in tuition hikes. Students are willing to finance higher education because we recognize the importance of a quality education and the value a college degree holds. Student dollar increases were supported with the understanding that the state's investment would also increase substantially. Indeed, the $120 per year tuition increase, as is under discussion for NDSU and UND, may not seem substantial, but consider that that $120 is comparable to one month's rent for many students. Also consider that a student must work an additional week of a part-time job, above minimum wage, to earn that $120. Already students have increased workloads to help fund their education. Students are asking the state for a reliable and stable input in this partnership. We cannot carry it on our own.

Higher education has endured sacrifices, as we have referenced here. But it has maintained an air of prestige and quality comparable to other institutions in the country. The influx of out of state and even out of country students who select North Dakota's colleges and universities do so because of low tuition and quality, unique programs. These students contribute greatly to the culture of the state as well as the economy. The purpose of higher education is to create an educated workforce which already has proven leadership ability. The institutions have proven visionary in joining with business, government, and each other to promote and progress the learning centers themselves as well as the state. We only ask that the state recognize higher education's significant contributions to the character and economy of North Dakota, and recognize that the state's future success is closely tied to the state's investment in higher education.

Mr. Chairman and members of the Committee, thank you again for the opportunity to speak. I would be pleased to address any questions the committee may have.

REPORT TO
HOUSE APPROPRIATIONS COMMITTEE
REGARDING HB1003
by
Eddie Dunn, Executive Director
College Technical Education Council
Friday, January 15, 1999

College Tech Ed. Council

I. ORIGIN OF CTEC-

The College Technical Education Council (CTEC) was created through a joint agreement between the North Dakota University System and the State Board for Vocational Technical Education in 1993. The original agreement called for the Director of CTEC to report to the Chancellor of the University System with funding appropriated through the State Board for Vocational Technical Education. During the 1995 legislative session, by mutual agreement between the Director of the SBVTE and the Chancellor, funding for CTEC was transferred from the SBVTE budget to the SBHE budget.

CTEC includes the five CEOs of the two-year institutions, the Chancellor of the University System, State Director of the Department of Vocational Technical Education, and the Executive Director of CTEC.

II. PURPOSE-

The primary purpose of CTEC is to strengthen vocational technical education and workforce training in North Dakota by increased cooperation and coordination among Higher Education, the State Board for Vocational Technical Education and the secondary and postsecondary institutions involved in vocational technical education and workforce training in North Dakota.

III. ACTIVITIES AND ACCOMPLISHMENTS -

1. Program Matrix -

A matrix of programs offered on each of the two-year campuses has been developed to help identify gaps as well as areas of potential duplication in program offerings on the five two-year campuses. The matrix identifies:

- **a.** the programs which are offered on only one campus;
- **b.** programs offered on at least two but less than five of the campuses;
- **c.** programs common and offered on all five campuses; and
- **d.** emerging programs yet to be developed and assigned to a specific campus. These emerging programs represent areas of potential focus or specialization for the respective campuses for consideration by the Board of Higher Education and the State Board for Vocational Technical Education.

2. **Transferability of Courses-**
The two-year campuses developed common course numbers for all lower division courses. The objective is to improve the ease at which courses will transfer among the various institutions within the University System and, thereby, be responsive to the changing nature of students. The changing nature includes the increased mobility and relocation of families, an increase in the older than average students, the need for skill upgrading and life-long learning. Common course numbers for all lower division courses were included in the course catalogs of the two-year institutions in the fall of 1997. A major initiative is underway to expand the common course numbering of lower division courses among all institutions and departments within the University System.

3. **Expedited Program Approval Process -**
The time required to approve program offerings of two years or less has been reduced substantially. The two-year campuses have taken on the responsibility of reviewing and making recommendations on new program requests of two years or less. This change allows the campuses with vocational/technical responsibilities within Higher Education to be more responsive to emerging needs and opportunities. The authority of final approval of programs still remains with the North Dakota Board of Higher Education.

4. **FINDET-**
CTEC, in cooperation with 14 other state agencies and organizations, developed the FINDET system (Follow-up Information on North Dakota Education and Training). The primary objective of FINDET is to provide follow-up information on education and training for organizations involved in education, workforce training, advising, job placement, and policy making.

5. **Bachelors Degree-**
A baccalaureate degree for instructors in the trade, technology, and health areas has not been available in North Dakota. The State Board for Vocational Technical Education has sought to establish such a degree for nearly 20 years. Through a cooperative effort of the SBVTE, the two-year campuses, and Valley City State University, a baccalaureate degree in the vocational technical area was established and is available through Valley City State University.

6. **Customized Training Network (CTN)-**
A customized training network (CTN) has been established and continues to develop and expand. The network is a partnership arrangement involving the State Board for Vocational Technical Education, University System, vocational technical centers, high schools with vocational offerings, Native American colleges, Job Service, Department of Economic Development and Finance, Department of Public Instruction, and industrial participants.

c. **The Central Components of CTN:**

***Professional Development** - identifying and encouraging instructors to provide training for business and industry. This component also involves providing support for professional development to assure the instructors are up-to-date, knowledgeable, and effective.

***Program Capacity** - assuring that the equipment, the processes, and technology being used are relevant and state-of-the-art.

***Delivery Mechanism** - developing a customer-driven and responsive system which draws upon all the resources (including distance learning, electronic delivery, private and public sector instructors, and joint funding) from the various entities involved in customized training.

7. **SBVTE Grant -**

A grant for $380,000 was made available, through the SBVTE during the 1997 legislative session. The purpose of the grant is to strengthen the capacity of postsecondary institutions in responding to the needs of business and industry in delivering vocational technical education and training. The funds are being used to focus on three areas:

   a. Teacher education, in-service training, and professional development,
   b. Program enhancement, and
   c. Expand customized training.

8. **Business Advisory Councils -**

Each of the presidents and executive deans of the two-year institutions have formed business advisory councils to provide input on how to improve services to the state's businesses.

9. **Workforce Development and Training-**

The College Technical Education Council, in cooperation with the Customized Training Network, conducted a national survey in 1998 to identify common characteristics of successful workforce training programs for possible application to North Dakota. The results of the survey led to a site visit by 19 private and public sector leaders in North Dakota to Cedar Rapids, Iowa. Following the site visit, a statewide task force was formed involving 31 individuals representing the governor's office, legislative leadership, state agencies, the University System, Vision-2000, Workforce Development Council, and local development organizations. The task force developed a plan for workforce training which has been sent to all legislators in Mid-November. The plan calls for a major revision in how workforce training would be carried out in North Dakota.

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North Dakota University System

Funding Equity Comparison

Based upon 1999-01 Executive Budget Recommendation

January, 1999

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In April 1997, the Board directed that a report be prepared during the 1998-99 fiscal year that would show a comparative analysis of funding levels based on current formula funding models. This report was presented to the Board in February 1998, so the information could be considered as the Board planned for the allocation of the 1998-99 salary pool and the development of the 1999-2001 biennial budget request. Due to the 1997-99 revenue shortfalls and enrollment declines, equity adjustments were not addressed as 1998-99 salary pool funds were allocated. However, the Board did include equity adjustments totaling $3 million for NDSU as part of their priorities in the 1999-01needs-based budget request, of which none was included in the Governor's Executive Recommendation.

This January 1999 update is based upon the most current enrollment information and the Governor's Executive Recommendation.

How North Dakota Compares

Comparative funding data suggests that none of the North Dakota University System institutions are overfunded. According to **State Profiles: Financing Public Higher Education 1998 Rankings**, the average ND state appropriation per student in 1997-98 was $4,615. This is $689 less than the national average of $5,304. It is also $538 less than the regional average of $5,153. Total funding per student, including state appropriation, tuition and fees, in ND in 1997-98 was $6,761. This is $953 less per student compared to the national average of $7,714. The comparable regional average was $7,547 per student. This is $786 less per student than that available to NDUS institutions in 1997-98. This difference in per-student funding results in a funding gap at NDUS institutions of approximately $16 to $20 million per year in state funding, with a total funding shortfall in the NDUS of $23 to $28 million per year.

The above funding comparisons and noted shortfalls make internal equity comparisons and equity decisions very difficult. Each and every campus in the NDUS is struggling to maintain access and quality. However, some would argue that they have to struggle more than others.

Changes in resource allocations between campuses must be approached carefully. A sudden increase or decrease in enrollment can quickly change a campuses relative position to full funding. In addition, with two-thirds of the operating budget committed to salaries it is difficult to make rapid changes in spending. Faculty have annual employment contracts and students enroll in programs with the expectation that they will be able to complete the program, not that it will be possibly terminated mid course.

History

Over the last several biennia, both the Board and the Legislature have supported equity funding adjustments at three campuses. These adjustments have been supported through increased state general fund appropriations to address equity shortfalls in support services (student services and institutional support). The amounts included in the budget requests as supported by the Board and appropriations approved by the Legislature have been as follows:

	Request		Appropriation	
1991-93				
BSC			$481,519	
MiSU			831,600	

	Request		Appropriation	
Total				**$1,313,119**
1995-97				
BSC	$250,000		$250,000	
MiSU	750,000		750,000	
Total		**$1,000,000**		**$1,000,000**
1997-99				
BSC	$478,909		$478,909	
MiSU	593,108		593,108	
UND-W	177,983		177,983	
Total		**$1,250,000**		**$1,250,000**
GRAND TOTAL				**$3,563,119**

Formula Comparisons

Projected Campus Funding Levels:

The 1999-01 Executive Recommendation includes a $16.9 million dollar salary pool in the NDUS Office budget, which will be allocated to the campuses, Forest Service, UND School of Medicine and Health Sciences (UNDSOMHS) or other Board priorities by the State Board of Higher Education during the 1999-01 biennium, if approved by the Legislature. This pool consists of a reallocation of 5% of the salary budget base of the campuses, UNDSOMHS and Forest Service. Since budget formulas identify individual campus biennial funding needs, it is necessary to have biennial budget recommendation amounts by campus. In order to accomplish this in light of the pooled 5% appropriation, it was necessary to use the 1999-01 Executive Recommendation, *before the 5% reallocation*, in this analysis. For these equity comparison purposes, it is assumed that actual allocations made by the Board for the 1999-01 biennium will not deviate materially from those contained in the Executive Recommendation before the 5% reallocation. However, no decisions have been made by the Board and these funds may be allocated to support campus/related entity operations and/or other System and State priorities as determined by the Board.

Adjustments have been made to the spending levels outlined in the Executive Recommendation. Funding for IVN, ODIN and HECN have been removed from the budget recommendation for UND and NDSU. These are systemwide activities that are managed by these two campuses, but support all of the campuses in the System. Funding for their individual campus computer centers remain part of the appropriation balance included in the comparison. Another adjustment that was made was to exclude funding for one-year salaries for terminated faculty at NDSU ($403,920), NDSCS ($162,737) and DSU ($30,360), because this adds no long-term value to the campuses and is considered one-time funding. Finally, funding for the Skills Technical Training Center has been excluded from NDSU's budget in this analysis.

Variable vs. Fixed Costs:

In the past, equity comparisons have been focused on a particular budget formula (i.e. instruction, instructional support, support services, equipment, physical plant, or capital improvements). The attention in the last several years has been targeted at equity comparisons in the support services formula. Singling out a particular formula no longer appears to be a viable option because of recent changes in budgeting methodologies in the NDUS.

During the past three biennial budget cycles, the Board gave the campuses substantial flexibility in allocating budget request resources to areas of high internal priority. Campuses have had the latitude to move new and/or existing dollars between formula components to better reflect their campus needs in the budget submitted to the executive and legislative branches. Although both branches have made changes in budget appropriations, no substantial changes in the movement of funds between formula components have been made. Campus funding priorities have been fairly well maintained throughout the budgeting process. This flexibility in budgeting between formulas is very different from past practice. The Board used to mandate uniform formula percentages that each campus had to request. This budgeting methodology provided an opportunity to make equity comparisons by formula but it did not recognize unique campus priorities. The current practice of providing the campuses the flexibility of allocating resource requests based upon their internal priorities is a much better budgeting practice. Some of the flexibility in resource allocation becomes further limited as the legislature appropriates funds and adds restrictions on the movement of funds. The legislature, at times, has limited by law or by intent, transferring funds between line items.

The 1995-97 and 1997-99 biennial budgets were prepared on an incremental basis. The campuses were guaranteed some base level of funding and new funds were targeted at maintaining base operations (inflationary increases in operating, continue salary increases, etc.) and new initiatives. The base component has been established over a long period of time and has been impacted by enrollment growth and decline, increases and decreases in state appropriations, and surpluses and shortfalls in tuition revenues. Some of the changes in base funding have happened conversely to one another. For example, some campuses have seen decreasing or stable funding at the same time their enrollments were increasing by leaps and bounds. Others experienced steady or increased funding at the same time their enrollments have been declining. As a result, some would argue that the base component of the budget is not equitably distributed between the campuses. In the 1997-99 budget request, the base budget comprised 91.7 percent of the total budget request. A significant portion of the total budget is driven by the base component. If the base budget is not equitably distributed, the inequities will continue to be perpetuated using an incremental budgeting methodology.

The 1999-01 biennial budget request was also prepared on an incremental basis, as described above. All campuses began with 95% of their current base budget and added to that their incremental share of the Board priorities, including restoration of the 5% general fund reduction. The executive recommendation did not, however, fund all priorities in the same dollar amount or same proportion to that requested. For example, six-year plan strategies and technology enhancements were funded at some, but not all campuses.

Since individual formula comparisons do not appear to be appropriate, this report will focus on examining variable and total costs. Total costs include both variable and fixed components. This comparison appears to be more fair based upon the changes in budgeting methodology outlined above. It will also minimize the effects of any radical changes in particular formula components that occur over time. Variable cost comparisons will include instructional, instructional support, support services, and equipment formulas. However, an argument can be made that much of the personnel costs for these formulas are fixed as well. Total costs will include variable costs but

will also include the additional costs of physical plant operations, maintenance and repairs (physical plant and plant improvements).

Although the size and condition of facilities needed to serve students could be and is debated on a regular basis, each campus is charged with the responsibility to maintain and protect the assets of the state. To date, the campuses have not been directed to close facilities in light of declining enrollment or poor condition. Thus, they have fixed operational costs they must cover regardless of enrollment conditions. This includes maintaining, heating, and repairing facilities and infrastructure. The size of the institution will have a substantial impact on the fixed costs and the ability of the institution to reduce their costs.

The distinction between variable and fixed costs and the factors of the formula may not be perfect. However, each campus's actual funding level is being compared to the same formula factors across the System. The formulas provide a benchmark by recognizing the unique differences between campus missions. For example:

- the instructional formula recognizes the higher cost of delivering graduate programs in a lower student to faculty ratio;
- the support services formula recognizes the fixed cost of delivering service and incremental growth in operational costs based upon increasing enrollments; and
- the instructional support services formula recognizes the high cost of instructional supplies for vocational/technical programs and it also recognizes the additional library costs associated with supporting graduate programs

The formulas are driven by a number of data elements including credit-hour production, equipment inventory value, acres maintained, and plant value. A review of past biennial formula worksheets suggested reporting inconsistencies between campuses. A sub-committee of the Administrative Affairs Council reviewed the budget formulas and developed guidelines and instructions to provide for more consistent reporting, and these were utilized in the preparation of the 1999-01 formula worksheets.

One shortfall of some of the formulas currently in place is that they do not adequately recognize the fixed costs associated with offering services, including instruction. The instruction formula is enrollment driven. Additional faculty positions and resources are only added when certain incremental increases in enrollment occur. For example, a full-time faculty position is funded for every 25 undergraduate FTE students. A fractional part of a position is funded for anything less than 25 FTE students. The formulas do not recognize that the campus needs to hire a full-time faculty member to teach the course no matter if there are 200, 25, or 10 students in the classroom. We have referred to this in the past as minimum staffing. At many of the campuses, the faculty position levels have been held relatively constant over the years. Minimal changes, either upward or downward, have been made to the number of authorized faculty positions based upon growth or decline in enrollments. The question that remains is whether the minimum faculty levels that are currently in place are adequate and equitably distributed between institutions. On the other hand, some consider minimum staffing levels to also be an internal priority choice. They would argue that these campuses have chosen to maintain staff levels, sometimes sacrificing other areas of the budget in order to sustain these levels. The formula comparisons presented below do not take into account the minimum staffing levels that are in

place at all institutions except UND, NDSU, MiSU, and DSU. The figures presented in Tables 1, 2, 3 and 4 are based upon instructional staffing levels as determined by formula calculations. Attachment I shows funding formula comparisons that adjust the instructional formula so full instructional formula funding is consistent with current minimum staffing levels at BSC, UND-LR, UND-W, NDSCS, MaSU, VCSU, and MiSU-BC.

Budget Formulas:

The formula funding comparisons are based upon formulas that have been historically used in budget preparation. Although formulas are no longer used to drive resource requirements for budgeting, they are maintained to provide some benchmark statistics for comparison purposes. A description of the formulas is as follows:

Instruction: Funding is used to support faculty positions and is based upon a three year average of actual and estimated credit-hour production and student-to-faculty ratios based on level of instruction (i.e undergraduate, vocational/technical, and graduate).

Instructional Support: Funding is used to support all costs associated with directly supporting instruction including classroom materials, support staff, academic administrative staff, and library materials. It is based on a fixed allocation per FTE student, which varies with level of instruction.

Support Services: Funding is used to support the student services and institutional support services activities of the campus. This includes functions such as registrar, admission, business, and financial aid offices. A fixed-cost component and incremental increases for growth in headcount enrollment drive it.

Physical Plant: Provides funding for day-to-day operational costs of operating the plant including staff, custodial supplies, and utility costs. It is a highly complex formula that is driven by number of acres, value, type of plant facilities, and numbers of students served.

Equipment: Funding is used to support all of the activities and offices outlined above including instructional, support services, and physical plant operations and is based on equipment inventory values and periodic replacement cycles.

Plant Improvements: Drives funding for the repair and replacement of facilities and infrastructure. It is based upon an average 100-year replacement cycle for facilities and various replacement cycles for infrastructure based upon estimated useful life. Funding is used to repair buildings and infrastructure including classroom renovations, roof replacement, steam line repair, and window replacement.

Many of the formulas are heavily influenced by credit-hour production. There does appear to be different standards used on the campuses in assigning course-credit-hour values. Some may assign more or less value than does another institution for similar courses or labs.

Formula Comparison Results:

The tables below reflect the percent of formula(s) each campus is funded at (in the Executive Recommendation) for the 1999-01 biennium. For example, when looking at variable costs only in Table I, UND-LR is funded at 92.34 percent of the three formulas included in the variable cost definition (i.e. instruction, instructional support, support services and equipment). Table 3 shows that UND-LR is currently funded at 84.61 percent of all formulas (fixed and variable) and as a result is short, at least $1,112,850 a biennium, in order to adequately meet the standards set forth in the formulas.

TABLE 1
Variable Costs Only
(Instruction, Instructional Support, Support Services, and Equipment Formulas)

Campus	Percent of Formula
MaSU	118.05%
VCSU	113.19%
MiSU	110.41%
MiSU-BC	109.29%
UND	107.66%
BSC	95.60%
NDSU	95.45%
UND-W	94.33%
DSU	93.72%
UND-LR	92.34%
NDSCS	89.49%
System Average	***101.13%***

TABLE 2
Variable Costs Plus Physical Plant Costs Including Utilities
(Instruction, Instructional Support, Support Services, Equipment, and Physical Plant Formulas)

Campus	Percent of Formula
MaSU	108.12%
MiSU-BC	107.33%
MiSU	105.23%
VCSU	104.09%
UND	99.82%
NDSU	95.25%
BSC	94.10%
DSU	92.91%
UND-W	92.44%
NDSCS	90.18%
UND-LR	89.07%
System Average	*97.56%*

TABLE 3
Total Costs Including Variable, Physical Plant and Plant Improvements
(Instruction, Instructional Support, Support Services, Equipment, Physical Plant, and Plant Improvement Formulas)

Campus	Percent of Formula	Dollar Variance
MiSU	100.28%	$ 105,160
MiSU-BC	98.45%	(84,267)
MaSU	97.63%	(266,168)
VCSU	92.39%	(1,255,417)
UND	91.85%	(12,278,936)
BSC	91.07%	(2,201,415)
DSU	90.41%	(2,104,179)
NDSU	89.25%	(14,247,498)
UND-W	87.85%	(1,013,674)
UND-LR	84.61%	(1,112,850)
NDSCS	83.36%	(6,523,656)
System Average	***91.00%***	
Total Dollar Shortfall		***(40,982,900)***

TABLE 4
Total Costs Including Variable, Physical Plant and Plant Improvements
(Excludes All One-time Funded Items in 1999-01 Executive Recommendation 1/)
(Instruction, Instructional Support, Support Services, Equipment, Physical Plant, and Plant Improvement Formulas)

Campus	Percent of Formula	Dollar Variance
MiSU-BC	98.33%	$(90,773)
MiSU	98.07%	(719,780)
MaSU	97.63%	(266,168)
VCSU	92.39%	(1,255,417)
UND	91.67%	(12,557,936)
BSC	90.91%	(2,242,195)
DSU	89.05%	(2,404,179)
NDSU	88.75%	(14,912,498)
UND-W	87.49%	(1,043,674)
UND-LR	84.06%	(1,152,850)
NDSCS	82.47%	(6,873,656)
System Average	***90.44%***	
Total Dollar Shortfall		***(43,519,126)***

1/ In addition to the funding for the Skills Technical Training Center at NDSU, and one-year salaries for terminated faculty at NDSU, NDSCS and DSU (described on page 2), which were excluded from all comparisons in this analysis, the following items that were considered one-time funding in the 1999-01 Executive Recommendation were also excluded from Table 4:

- Six-year plan strategies-$453,842 (BSC-$40,780; NDSCS-$293,722; MiSU-$119,340);
- Technology enhancements-$610,878 (UND-LR-$40,000; UND-W-$30,000; UND-$279,000; NDSCS-$56,278; MiSU-$205,600);
- Infrastructure-$1,465,000 (NDSU-$665,000; DSU-$300,000; MiSU-$500,000);
- One-time adjustment to extraordinary repairs at MiSU-BC-$6,506.

One can quickly see that the funding formulas used by the NDUS are conservative, at best. Table 3 points out that the NDUS is underfunded by almost $41 million a biennium based upon formula standards. Total per-student funding comparisons at both the regional and national average indicate that NDUS institutions receive about $23 to $28 million less per year than their regional and national counterparts. This is about eighteen to forty-four percent more than the amount identified in the formula comparisons. Thus, trying to reach a minimum standard of 100 percent of formula funding is not an unreasonable expectation and still falls short of other regional and national campus support levels.

Funding for variable costs range from 89.49 percent to 118.05 percent of formula in Table 1. Table 3 shows funding for total costs, which range from 83.36 to 100.28 percent of formula. When minimum staffing levels are considered, the range for variable costs narrows somewhat in Attachment I, Table 1. The gap ranges from 88.70 percent to 110.41 percent of the formulas for variable costs. The gap in total costs changes only slightly, from 82.13 to 100.28 percent of formulas (Attachment I, Table 3).

There continues to be a wide funding gap of variable costs (Table 1) between UND and NDSU, with UND at 107.66 percent and NDSU at 95.45 percent of formula funding. However, this gap narrows considerably when physical plant is taken into consideration. This relates to the relative value and size of the physical plant facilities and infrastructure. UND's campus consists of approximately 3.2 million square feet at a total replacement value of $352 million. NDSU's plant consists of approximately 2.1 million square feet at a total replacement value of $226 million.

Funding Per Student

Per-student funding provides another approach for comparing campus-funding levels. In recent years, the Cabinet has made a commitment to refrain from using per student funding comparisons. This was supported because none of the institutions are overfunded compared to their peers across the country and a belief that nothing is gained by comparing ourselves to one another. Rather, the Cabinet suggested that all comparisons be focused on each campus's relative position to a funding benchmark. The benchmark that has traditionally been used is the formula comparisons outlined above. During early discussion concerning this equity funding comparison report, some campuses suggested that the report should include per student funding comparisons. As a result, a per-student funding comparison is presented here.

TABLE 5
Per-Student Funding
Based Upon 1999-01 Executive Budget Recommendation

Annual Total Funding Per FTE Student:

	Total, Excluding Plant Improvement		Total, Including Plant Improvement	
	Amount per student	Variance from tier average	Amount per student	Variance from tier average
UND	$7,921	465	$8,064	462
NDSU	6,977	(479)	7,125	(477)
Average	*7,456*		*7,602*	

	Total, Excluding Plant Improvement		Total, Including Plant Improvement	
	Amount per student	Variance from tier average	Amount per student	Variance from tier average
MaSU	8,391	851	8,524	781
VCSU	8,134	594	8,278	535
MiSU	7,609	69	7,829	86
DSU	6,664	(876)	6,906	(837)
Average	*7,540*		*7,743*	
Average without MiSU	*7,485*		*7,673*	
UND-LR	6,687	733	6,798	754
NDSCS	6,561	611	6,691	647
MiSU-BC	6,558	608	6,670	626
UND-W	5,344	(606)	5,409	(635)
BSC	5,177	(773)	5,232	(812)
Average	*5,950*		*6,044*	
TOTAL	***7,148***		***7,293***	

Annual Total Funding Per Headcount:

	Total, Excluding Plant Improvement		Total, Including Plant Improvement	
	Amount per student	Variance from tier average	Amount per student	Variance from tier average
UND	$5,859	103	$5,965	97
NDSU	5,640	(116)	5,759	(109)
Average	*5,756*		*5,868*	
MaSU	6,840	1,103	6,949	1,057
VCSU	6,331	594	6,443	551
MiSU	5,550	(187)	5,711	(181)
DSU	5,216	(521)	5,405	(487)
Average	*5,737*		*5,892*	
Average without MiSU	*5,899*		*6,047*	
MiSU-BC	6,440	1,570	6,550	1,602
NDSCS	6,086	1,216	6,207	1,259
UND-W	4,748	(122)	4,806	(142)
BSC	3,860	(1,010)	3,872	(1,046)
UND-LR	3,809	(1,061)	3,902	(1,076)
Average	*4,870*		*4,948*	
TOTAL	***5,571***		***5,684***	

This comparison seems to support some of the findings outlined in the formula comparison above.

- A funding difference exits at UND and NDSU. Based upon average tier FTE student funding comparisons, UND receives roughly $465 more per student and NDSU receives $480 less per student on an annual basis. This is equivalent to a gap of approximately $945 per fte student.
- MiSU, VCSU, MaSU, and UND have the highest funding per fte student in the System. Whereas MiSU ranks first in total formula funding, it is fourth in per fte student funding.

Some significant differences also appear to emerge when comparing per student and formula funding. In the formula funding comparison, it appeared that BSC was in a better position relative to full formula funding than was NDSCS. UND-W and UND-LR are fairly close to one another in the percent of formula funded; however, in per student funding comparisons a gap between these two institutions emerges. The factor that seems to influence this is the simplification of the per-student funding calculation. Simple FTE student and headcount comparisons do not give significant recognition to the mix of students served by the campus. For example, at NDSCS two-thirds of the students are enrolled in vocational/technical programs while one-third are in academic parallel programs. At BSC, vocational/technical enrollments constitute about one-third of total enrollment, while two-thirds are enrolled in academic parallel programs. Utilizing a simple per-student computation, the higher costs associated with offering vocational/technical programs is not adequately recognized. In the formula comparisons, additional weight and value is assigned to vocational/technical students in recognition of the additional costs and higher student-to-faculty ratio associated with these programs. I believe this explains some of the variance.

The same argument cannot be made for the difference between UND-LR and UND-W since about one-third of both of their enrollments is in vocational/technical programs, with the remaining two-thirds enrolled in academic parallel programs. Some of the variance between FTE student and headcount funding comparisons can be attributed to the high number of high school students enrolled at UND-LR under the dual enrollment program (198 during the fall of 1998). With each of these students included in the headcount figures, the overall cost per headcount student is reduced. These students generally take one course per semester. This could also account for some of variance between formula funding and per student funding comparisons between UND-W and UND-LR. This large group of dually enrolled students is also included in the FTE student count based upon the number of credit hours enrolled at UND-LR.

Another factor that is not taken into account in a per student funding comparison is the size of the physical plant. NDSCS has a much larger physical plant than BSC, and their funding for physical plant is more than double BSC's. As a result, per student funding for physical plant at NDSCS is over twice as much as BSC, since their total FTE and headcount enrollments are similar.

The per-student amounts outlined in Table 5 differ from the North Dakota statistics quoted from the *Financing Public Higher Education Rankings 1998* report addressed earlier in this report. This variance is the result of differences in reporting methodologies. North Dakota's figures are converted to standards set by Research Associates as they survey states to compile their report. This is done to ensure consistent comparisons between the states. For example, FTE students are calculated based upon 15 semester hours at the undergraduate level. In North Dakota's per-student funding comparisons in Table 5, FTE students are calculated based upon 16 semester hours. There are additional variances that will cause the differences in figures. However, none of them influence the trends that both statistics support.

Major Capital Project Funding

The Table on the following page provides a historical funding perspective of major capital projects from 1985-2001, including $12.1 million that is included in the 1999-01 Executive Recommendation.

North Dakota University System
Plant Value (Per 1999-01 Worksheets), and
History of State Funding For Major Capital Projects for 1985-2001

I.	(1)	(2)	(3)	(4)
	Plant Value Per 1999-01 Updated Facilities Data Worksheets			
	Buildings Value	Infrastructure Value	Total	Percent of Total
BSC	$ 28,462,000	$ 5,049,380	$ 33,511,380	3.78%
UND-LR	11,355,900	1,778,782	13,134,682	1.48%
UND-W	8,289,160	3,045,688	11,334,848	1.28%
UND	297,359,005	54,696,808	352,055,813	39.67%
NDSU	177,884,471	48,066,529	225,951,000	25.46%
NDSCS	67,211,086	13,125,643	80,336,729	9.05%
DSU	30,805,462	3,896,030	34,701,492	3.91%
MASU	17,876,684	3,270,543	21,147,227	2.38%
MISU	63,034,546	11,468,053	74,502,599	8.40%
VCSU	27,963,929	3,312,075	31,276,004	3.52%
MISU-BC	7,853,996	1,590,178	9,444,174	1.06%
	$ 738,096,239	$ 149,299,709	$ 887,395,948	100.00%

II.	(1)	(2)	(3)	(4)
	1985-01 Funding, Including 1999-01 Executive Recommendation			
	State Funds 1/	Percent of State Funds	Percent of Plant Value	Ratio of Funding/Plant Value
BSC	$ 9,075,785	11.70%	3.78%	3.10
UND-LR	1,057,323	1.36%	1.48%	0.92
UND-W	1,682,339	2.17%	1.28%	1.70
UND	19,155,502	24.69%	39.67%	0.62
NDSU	15,734,724	20.28%	25.46%	0.80
NDSCS	9,595,162	12.37%	9.05%	1.37
DSU	3,325,518	4.29%	3.91%	1.10
MASU	1,536,209	1.98%	2.38%	0.83
MISU	13,613,367	17.54%	8.40%	2.09
VCSU	2,212,271	2.85%	3.52%	0.81
MISU-BC	610,837	0.79%	1.06%	0.74
	$ 77,599,037	100.00%	100.00%	

1/ State funds include state general funds and general fund bonds for major capital projects.

Current building and infrastructure values are presented in Section I, column (3). Each campuses value as a percent of the total value of $887.4 million is reflected in Section I, column (4). For example, the value of BSC's buildings and infrastructure is $33,511,380 or 3.78% of the System total of $887.4 million.

Section II, column (1) provides a summary of state funds that have been appropriated by institution since 1985 for major capital projects, plus the amount that is included in the 1999-01 Executive Recommendation ($12.1 million). The state funds include either direct state general fund appropriations or bonds to be repaid with state funds for major renovations/additions or new construction. Column (2), Section II shows each campuses prorata share of the $77.6 million appropriated since 1985, plus the 1999-01 Executive Recommendation. Column (4), Section II compares this amount to each campuses percent of plant value (column 3) to arrive at a funding ratio. For example, BSC has received $9,075,785 for major capital projects since 1985, including $200,000 in the 99-01 Executive Recommendation. Most of this is related to the New Science Center. This amount represents 11.70% of the total received by the NDUS, even though BSC's total plant value represents 3.78% of the total for the NDUS. This creates a 3.10 funding ratio. One major project at a smaller campus can heavily influence this ratio. The addition of the Science Center at BSC added nearly 30 percent to their overall plant value. Funding decisions for major capital projects must be based on replacement needs and updates as well as changing demographic shifts.

Attachment I

Formula Comparisons
Instruction Formula Adjusted to Reflect Minimum Staffing Levels at All Campuses except UND, NDSU, MiSU, and DSU

TABLE 1
Variable Costs Only
Instruction, Instructional Support, and Support Services Formulas

Campus	Percent of Formula
MiSU	110.41%
UND	107.66%
MaSU	104.82%
VCSU	103.95%
MiSU-BC	102.66%
BSC	95.53%
NDSU	95.45%
DSU	93.72%
UND-W	90.16%
NDSCS	89.49%
UND-LR	88.70%
System Average	100.31%

TABLE 2
Variable Costs Plus Physical Plant Costs Including Utilities

Campus	Percent of Formula
MiSU	105.23%
MiSU-BC	102.46%
UND	99.82%
MaSU	98.92%
VCSU	97.54%
NDSU	95.25%
BSC	94.04%
DSU	92.91%
NDSCS	90.18%
UND-W	88.97%
UND-LR	86.28%
System Average	97.31%

TABLE 3
Total Costs Including Variable, Physical Plant and Plant Improvements

Campus	Percent of Formula	Dollar Variance
MiSU	100.28%	$105,160
MiSU-BC	94.41%	(317,368)
UND	91.85%	(12,278,936)
BSC	91.02%	(2,216,649)
DSU	90.41%	(2,104,179)
MaSU	90.18%	(1,195,422)
NDSU	89.25%	(14,247,498)
VCSU	87.27%	(2,221,681)
UND-W	84.74%	(1,319,516)
NDSCS	83.36%	(6,523,656)
UND-LR	82.13%	(1,331,504)
System Average	***90.80%***	
Total Dollar Shortfall		***(43,651,249)***

Attachment II

North Dakota University System
Enrollments
Average Annual Projection

	FTE	Headcount
BSC	2,146	2,878
UND-LR	450	790
UND-W	677	762
UND 1/	8,373	11,394
NDSU	8,304	10,273
NDSCS	2,442	2,633
DSU	1,437	1,836
MaSU	644	790
MiSU	2,385	3,270
VCSU	920	1,182
MiSUBC	402	409
TOTAL	28,180	36,430

1/ UND's fte and headcount are based on enrollment projections included in their 1999-01 formula worksheets, and does not include clinical and medical students. However, a prorata share of clinical & medical students have been included in the calculations for per student funding in the support services and physical plant functions, since UND provides the majority of support services for the UND School of Medicine and Health Sciences (UNDSOMHS), including financial aid administration for clinical students, billing, tuition collections, payroll, grants and contracts administration, etc. UNDSOMHS provides support services to medical students, including student admissions, financial aid and counseling. All plant services are provided by UND.

The above fte and headcount are based on enrollment projections prepared by the campuses in December 1998.

g:\cathy\worddocs\equity comparison-9901

Laura:

I have enclosed a draft worksheet which addresses the information that Representative Poolman requested last week at our appropriations hearings.

I have formatted the worksheet similar to the one presented in our salary survey report. Benefit costs are based upon the 1997 Central States Compensation Association's benefits data. This data was prorated to reflect a 9-month faculty position. Sick leave and annual leave amounts were deleted since faculty do not accrue these benefits. I kept all figures hourly since only hourly figures were available through Central States Compensation Association. (All amounts are hourly based upon 1560 hours worked in a 9 month period.)

TIAA-CREF and CUPA were unable to provide more updated benefits information.

Mike

FACULTY TOTAL COMPENSATION ANALYSIS
JANUARY 1999

State	Salary Rank	Average Faculty Salary (9 months)	Hourly Faculty Salary (9 months)	Holidays	Health Insurance	Life Insurance	Dental Insurance	Retirement	Social Security	Medicare	Total Benefits	%of Salary	Total Compensation	Total Comp Rank
Minnesota	1	$62,922	$40.33	$1.45	$2.49	$0.00	$0.27	$1.61	$2.50	$0.61	$8.93	22.1%	$49.26	3
Wisconsin	2	$62,321	$39.95	$1.43	$3.87	$0.18	$0.00	$5.07	$2.48	$0.60	$13.63	34.1%	$53.58	2
Michigan	3	$61,133	$39.19	$1.41	$4.00	$0.15	$0.55	$5.88	$2.43	$0.59	$15.00	38.3%	$54.19	1
Iowa	4	$58,998	$37.82	$1.36	$2.51	$0.01	$0.11	$3.03	$2.34	$0.57	$9.92	26.2%	$47.74	4
Colorado	5	$56,009	$35.90	$1.29	$1.29	$0.01	$0.11	$4.13	$0.00	$0.54	$7.37	20.5%	$43.27	9
Missouri	6	$55,872	$35.82	$1.29	$1.16	$0.03	$0.00	$3.83	$2.22	$0.54	$9.07	25.3%	$44.88	5
Nevada	7	$55,724	$35.72	$1.28	$1.91	$0.09	$0.00	$3.57	$0.00	$0.54	$7.39	20.7%	$43.11	10
Arizona	8	$55,301	$35.45	$1.27	$2.63	$0.01	$0.25	$1.06	$2.20	$0.53	$7.96	22.4%	$43.40	8
Nebraska	9	$54,734	$35.09	$1.26	$3.04	$0.01	$0.00	$1.96	$2.18	$0.53	$8.98	25.6%	$44.06	6
Illinois	10	$53,824	$34.50	$1.24	$2.27	$0.11	$0.20	$2.07	$0.00	$0.52	$6.40	18.6%	$40.91	13
Texas	11	$53,063	$34.01	$1.22	$2.79	$0.00	$0.00	$2.04	$2.11	$0.51	$8.67	25.5%	$42.68	12
Utah	12	$50,097	$32.11	$1.15	$3.79	$0.02	$0.44	$3.53	$1.99	$0.48	$11.40	35.5%	$43.52	7
New Mexico	13	$49,071	$31.46	$1.13	$2.47	$0.05	$0.31	$5.19	$1.95	$0.47	$11.56	36.8%	$43.02	11
Kansas	14	$48,886	$31.34	$1.12	$2.75	$0.04	$0.11	$0.94	$1.94	$0.47	$7.37	23.5%	$38.71	16
Oklahoma	15	$48,109	$30.84	$1.11	$1.41	$0.03	$0.13	$3.45	$1.91	$0.46	$8.51	27.6%	$39.35	15
Idaho	16	$47,733	$30.60	$1.10	$1.81	$0.03	$0.08	$3.52	$1.90	$0.46	$8.90	29.1%	$39.49	14
Wyoming	17	$47,216	$30.27	$1.09	$1.27	$0.06	$0.00	$3.39	$1.88	$0.45	$8.13	26.9%	$38.40	18
Arkansas	18	$47,001	$30.13	$1.08	$2.12	$0.00	$0.00	$3.01	$1.87	$0.45	$8.53	28.3%	$38.66	17
Louisiana	19	$46,288	$29.67	$1.07	$1.49	$0.09	$0.00	$3.56	$0.00	$0.45	$6.65	22.4%	$36.33	19
Montana	20	$42,742	$27.40	$0.98	$1.81	$0.02	$0.15	$1.86	$1.70	$0.41	$6.94	25.3%	$34.34	20
South Dakota	21	$38,096	$24.42	$0.88	$1.21	$0.03	$0.11	$1.22	$1.51	$0.37	$5.33	21.8%	$29.75	22
North Dakota	22	$37,983	$24.35	$0.87	$2.65	$0.00	$0.00	$1.46	$1.51	$0.37	$6.86	28.2%	$31.21	21
Average		$51,506	$33.02	$1.19	$2.31	$0.04	$0.13	$2.97	$1.66	$0.50	$8.80	26.6%	$41.81	

Data Sources:
Faculty Salary data taken from The Chronicle of Higher Education 1998-1999 Almanac
Benefits data from Central States Compensation Association, October 1997

EXHIBIT XIV

Central States Regional Total Compensation Analysis for Classified Employees

--ND benefits as a percent of salary is 41.5%. This compares to a central states regional average of 45%.

Central States Regional Total Compensation Analysis
October 1997

State	Salary Rank	Average Salary	Annual Leave	Sick Leave	Holidays	Health Insurance	Life Insurance	Dental Insurance	Retirement	Social Security	Medicare	Total Benefits	% of Salary	Total Compensation	Total Comp Rank
Illinois	1	$21.85	$1.26	$1.01	$1.05	$1.70	$0.11	$0.15	$1.39	$0.00	$0.32	$6.99	32.0%	$28.84	1
Michigan	2	$18.01	$1.18	$0.90	$0.83	$3.00	$0.15	$0.41	$2.78	$1.12	$0.26	$10.63	59.0%	$28.64	2
Minnesota	3	$16.93	$1.06	$0.85	$0.72	$1.87	$0.00	$0.20	$0.68	$1.05	$0.25	$6.68	39.5%	$23.61	4
Colorado	4	$16.86	$0.97	$0.65	$0.65	$0.97	$0.01	$0.08	$1.94	$0.00	$0.24	$5.51	32.7%	$22.37	5
Nevada	5	$16.03	$0.93	$0.93	$0.68	$1.43	$0.09	$0.00	$1.60	$0.00	$0.23	$5.89	36.7%	$21.92	7
Wisconsin	6	$15.66	$0.90	$0.78	$0.73	$2.90	$0.18	$0.00	$1.99	$0.97	$0.23	$8.63	55.4%	$24.34	3
Idaho	7	$14.34	$0.83	$0.66	$0.55	$1.36	$0.03	$0.06	$1.66	$0.89	$0.21	$6.25	43.6%	$20.59	8
Utah	8	$14.24	$0.89	$0.71	$0.60	$2.84	$0.02	$0.33	$1.59	$0.88	$0.21	$8.07	56.7%	$22.31	6
Nebraska	9	$13.15	$0.91	$1.52	$0.61	$2.28	$0.01	$0.00	$0.74	$0.82	$0.19	$7.08	53.8%	$20.23	9
North Dakota	10	$13.04	$0.75	$0.60	$0.53	$1.99	$0.00	$0.00	$0.54	$0.81	$0.19	$5.41	41.5%	$18.45	11
[redacted]ico	11	$12.98	$0.75	$0.60	$0.52	$1.85	$0.05	$0.23	$2.15	$0.80	$0.19	$7.14	55.0%	$20.12	10
[redacted]	12	$12.93	$0.75	$0.60	$0.50	$2.06	$0.04	$0.08	$0.41	$0.80	$0.19	$5.43	42.0%	$18.36	12
[redacted]	13	$12.78	$0.74	$0.59	$0.52	$1.36	$0.02	$0.11	$0.87	$0.79	$0.19	$5.19	40.6%	$17.97	13
W[redacted]g	14	$12.71	$0.73	$0.59	$0.44	$0.95	$0.06	$0.00	$1.43	$0.79	$0.18	$5.17	40.7%	$17.88	15
Arizona	15	$12.56	$0.72	$0.58	$0.48	$1.97	$0.01	$0.19	$0.38	$0.78	$0.18	$5.29	42.1%	$17.85	16
Arkansas	16	$12.22	$0.85	$0.58	$0.56	$1.59	$0.00	$0.00	$1.22	$0.76	$0.18	$5.72	46.8%	$17.94	14
Oklahoma	17	$11.86	$0.82	$0.68	$0.46	$1.08	$0.03	$0.10	$1.42	$0.74	$0.17	$5.48	46.2%	$17.34	17
Texas	18	$11.77	$0.81	$0.54	$0.72	$2.09	$0.00	$0.00	$0.71	$0.73	$0.17	$5.57	47.3%	$17.34	18
Missouri	19	$11.77	$0.68	$0.68	$0.54	$0.87	$0.03	$0.00	$1.26	$0.73	$0.17	$4.96	42.1%	$16.73	19
South Dakota	20	$11.74	$0.68	$0.63	$0.45	$0.91	$0.03	$0.08	$0.59	$0.73	$0.17	$4.25	36.2%	$15.99	21
Louisiana	21	$11.54	$0.80	$1.07	$0.49	$1.12	$0.09	$0.00	$1.43	$0.00	$0.17	$5.17	44.8%	$16.71	20
Iowa	22	$8.98	$0.51	$0.62	$0.38	$1.88	$0.01	$0.08	$0.73	$0.55	$0.13	$4.89	54.5%	$13.87	22
Average		$13.82	$0.83	$0.74	$0.59	$1.73	$0.04	$0.09	$1.25	$0.67	$0.20	$6.16	45.0%	$19.97	

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

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	18.50	$28,856,525	$4,933,900	$33,790,425
1997-99 Legislative Appropriations	17.50 *	11,506,610	3,604,886	15,111,496 **
Increase (Decrease)	1.00	$17,349,915	$1,329,014	$18,678,929

* The 1997-99 appropriation is based on 16.8 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 17.5 FTE positions shown above represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

Major Items Affecting North Dakota University System Office 1999-2001 Budget

	General Fund	Other Funds	Total
1. Provides increased salaries and wages funding based on the Central Personnel Division's salary market study for elected and appointed officials (The House delayed until January 1, 2001, and reduced by $29,456.)	$49,376		$49,376
2. Removes funding for ADA projects ($500,000), small campus projects ($500,000), and the Western Governor Association's virtual university ($100,000)	(1,100,000)		(1,100,000)
3. Provides funding for a salary pool for board initiatives at the campuses (The House allocated back to the campuses.)	16,930,790		16,930,790
4. Provides a pool of funds to be used for State Board of Higher Education initiatives	800,000	$1,500,000	2,300,000
5. Removes funding for the center for innovation in instruction (the funding was included in the Valley City State University budget)	(297,250)		(297,250)
6. Increases the funding for Prairie Public Broadcasting from $950,000 to $997,500	47,500		47,500
7. Decreases the student financial assistance grants from $4,480,386 to $4,459,004 due to decreased federal funding		(21,382)	(21,382)
8. Increases the professional student exchange program from $1,389,801 to $1,467,303 (The House reduced by $150,000.)	77,502		77,502
9. Increases the scholars program from $659,286 to $708,847	49,561		49,561
10. Increases the Title II program from $434,000 to $534,000 due to increased federal funding		100,000	100,000
11. Provides for the following FTE changes:			
Adds:			
1 FTE other - not classified professional	140,110		140,110
1 FTE other - not classified professional	216,337		216,337
Deletes:			
1 FTE other - not classified	(112,809)		(112,809)

Major Legislation Affecting the North Dakota University System Office

Senate Bill No. 2029 removes the provisions requiring that the Budget Section approve nonresident tuition rates.

North Dakota University System

Analysis of 1999-2001 Executive Budget Recommendation

Prepared by NDUS Staff
December 1998

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North Dakota University System (NDUS)
Analysis of the 1999-2001 Executive Budget Recommendation

The 1999-01 state general fund executive budget recommendation (excluding major capital projects) for the North Dakota University System, excluding the Extension Service and Experiment Stations, is $326.9 million, which is an increase of $24 million or 7.9% from the current 1997-99 adjusted appropriation. However, when funds dedicated to the 1999-01 salary and benefit adjustments ($15.9 million) are taken into account, the state general fund increase over 1997-99 is $8.1 million, excluding major capital projects.

The general fund budget recommendation (excluding major capital projects) for the Extension Service and Experiment Stations, for the 1999-01 biennium, is $47.9 million, an increase of $3.8 million or 8.7% from the current 1997-99 adjusted appropriation. When salary and benefit adjustments ($2.5 million) are taken into account, the state general fund support increase over 1997-99 for the operations of the Extension Service and Experiment Stations is $1.3 million, excluding major capital projects.

Thus, the total recommended state general fund appropriation for all entities of the North Dakota University System (excluding major capital projects) for the 1999-01 biennium, is $374.8 million, an increase of $27.8 million or 8.0% more than the 1997-99 adjusted appropriation. Excluding the salary and benefit adjustments and salary initiative, the increase is $9.4 million for the University System, excluding major capital projects.

North Dakota University System
1999-01 Executive Budget Recommendation By Funding Source for Operating and Capital Improvements
(In Millions of Dollars)

	1999-01 Executive Recommendation 1/			1997-99 Adjusted Appropriation 1/			Recommended Change to 97-99		
	General Fund	*Income*	*Total*	*General Fund*	*Income*	*Total*	*General Fund*	*Income*	*Total*
11 Campuses and NDUS Office/Grants	$297.1	$152.9	$450.0	$273.6	$149.0	$422.6	$23.5 (+8.6%)	$3.9 (+2.6%)	$27.4 (+6.5%)
Related entities	29.8	60.3	90.1	29.3	55.0	84.3	.5 (+1.7%)	5.3 (+9.6%)	5.8 (+6.9%)
Subtotal	**$326.9**	**$213.2**	**$540.1**	**$302.9**	**$204.0**	**$506.9**	**$24.0 (+7.9%)**	**$9.2 (+4.5%)**	**$33.2 (+6.5%)**
Extension & Experiment	47.9	48.8	96.7	44.1	44.6	88.7	3.8 (+8.6%)	4.2 (+9.4%)	8.0 (+9.0%)
TOTAL	**$374.8**	**$262.0**	**$636.8**	**$347.0**	**$248.6**	**$595.6**	**$27.8 (+8.0%)**	**$13.4 (+5.4%)**	**$41.2 (+6.9%)**

NOTE: 1/ These amounts do not include major capital projects.

BOARD OF HIGHER EDUCATION PRIORITIES INCLUDED IN NEEDS BASED BUDGET REQUEST:

All entities of the North Dakota University System prepared budget requests, which included a 5% reduction in general funds from the current 1997-99 general fund appropriation. In addition, all prepared optional needs-based budget packages, which included the restoration of the five percent and their proportionate share of priorities that were identified by the State Board of Higher Education in developing the needs based budget request for the NDUS. The following is a schedule of the SBHE needs-based budget priorities, compared to the amount included in the executive budget recommendation for each priority.

NORTH DAKOTA UNIVERSITY SYSTEM
1999-2001 BIENNIAL BUDGET PRIORITIES
IN SUPPORT OF THE BHE'S SIX YEAR PLAN
(ASSUMES GF BASE AT 95% = $17.2 million reduction)

Priority Order		Amounted Requested	Included in Exec Recom	
1	Restoration or reinvestment	$17,177,814	$15,087,480	Plus $2.1 million reinvested in SBAR Initiatives (See priority 16)
2	Costs to continue	11,859,936	10,717,740	
3	Common Course Numbering	100,000	-	
4	ODIN replacement	2,000,000	-	
5	SAGE	6,500,000	-	
6	HECN technology enhancements	1,500,000	-	
7	Midwest Higher Education Compact (MHEC)	150,000	-	
8	Targeted critical salary adjustments	3,000,000	3,000,000	
9	Capital Improvements increase	1,500,000	1,500,000	
10	Campus Six Year Plan Strategies	3,615,000	1,198,820	
11	Targeted critical salary adjustments	3,000,000	107,627	
12	Technology enhancements	2,500,000	698,000	
13	SPARC	215,000	-	
14	Class II employee retirement benefit adjustment	275,000	-	
15	Equity Adjustment - NDSU	1,500,000	-	
16	SBAR Initiatives	1,000,000	3,827,994	Total SBAR (Includes $2.1 million from priority #1)
17	Campus Six Year Plan Strategies	3,614,589	-	
18	Increased State Grant funding	1,450,000	-	
19	Board Initiatives	590,000	2,300,000	GF=$800,000; OF=$1,500,000
20	Capital Improvements increase	1,500,000	-	
21	Increased State Grant funding	1,450,000	-	
22	SBAR Initiatives	1,000,000	-	See priority 16
23	Equity Adjustment - NDSU	1,500,000	-	
24	SBAR Initiatives	1,000,000		See priority 16
	TOTALS	67,997,339	38,437,661	

w:\priorities requested & funded

1. **Restoration or Reinvestment:** Provides a total of $17.1 million, to the campuses and related entities, to be used for restoring critical programs or services cut in the 95% budget or for adding new programs or services or reinvestment in salary increases, technology, and maintenance. ***(Executive budget includes $15 million)***

2. **Costs to Continue:** In the 95% budget, the campuses had to absorb the cost to continue operations. This includes costs to continue 98-99 salary increases, utility cost increases, and operating inflation, totaling $11.9 million. This required campuses to cut even more programs and services beyond the 5% general fund cut. The Board's second priority funded these costs to continue upfront with new state funds. This allowed the campuses to restore the additional programs and services that were cut in the 95% budget due to self-funding of these costs or the campuses reinvested the funds in other priorities. ***(Executive budget includes $10.7 million)***

3. **Common Course Numbering:** Provides $175,000 in funding to continue the staff support that is currently in place to coordinate the common course numbering efforts mandated by the Board ($75,000 is currently in the 97-99 appropriation base at NDSCS). ***(Not specifically included in Executive Budget)***

4. **ODIN Replacement:** Provides $2.0 million for the replacement of the current software system that is used to support the automated library network. The current software vendor will be discontinuing support of the current PALS software tentatively in July 2002. In order to position the NDUS for the change, a new system must be purchased in the 99-01 biennium since full migration will take 12-18 months. ***(Not specifically included in Executive Budget)***

5. **SAGE:** Provides $6.5 million for financing some or all of the replacement of the current student records and administrative software systems. This funding will have to be supplemented with $1.5 million in reserves that have been set aside for the project. This $8.0 million should cover the first biennial installment payment of principal and interest on a financing agreement that will include software, hardware, consulting, and internal personnel costs. Additional general fund appropriations of $6.5 million a biennium, for principal and interest payments, will be required for the next three biennia, through 2005-07. The $1.5 million are one-time funds (Minnesota reciprocity, TRG settlement and internal reallocation) and will not be available on an on-going basis for debt service in the future. ***(Not specifically included in Executive Budget)***

6. **HECN Technology Enhancements:** Provides $1.5 million for System computing functions that serve all of the campuses. This funding will be used to support the following network enhancements:

Normal speed capacity growth	$240,000
High speed capacity growth	$205,000
Administrative capacity growth	$310,000

Reliability (including backup) improvements $745,000
($750,000 at HECN-North {UND} and $750,000 at HECN-South {NDSU})
(Not specifically included in Executive Budget)

7. **Midwest Higher Education Compact (MHEC):** Provides $150,000 to support ND membership in MHEC. MHEC membership would provide additional opportunities for student exchange with several mid-western states and opportunities for joint administrative collaboration initiatives. This would be in addition to the current NDUS Western Interstate Compact on Higher Education (WICHE) membership. ***(Not specifically included in Executive Budget)***

8. **Targeted critical salary adjustments:** Provides a total of $6.0 million in priorities 8 ($3,000,000) and 11 ($3,000,000) for addressing critical salary problems in the System. The funding would not be allocated to employees on an across-the-board basis. It would be used to address market, compression, equity, and performance adjustments. This level of funding would provide approximately 1% per year in salary increases above and beyond what will be included in the Executive Budget for general state employee salary increases. ***(Executive budget includes a total of $3.1 million for priorities 8 & 11)***

9. **Capital Improvements Increase:** Provides a total of $3.0 million in priorities 9 ($1,500,000) and 20 ($1,500,000) for increases in capital improvements funding over the current biennial level of $6.3 million. This level of increased funding would provide funding at a rate of .49 of 1% of plant value on an annual basis. Industry standards suggest that the State should invest from 1.5- 3.0% of plant value in plant renewal and replacement on an annual basis. ***(Executive budget includes a total of $1.5 million for priorities 9 & 20)***

10. **Campus Six Year Plan Strategies:** Provides a total of $7,229,589 in priorities 10 ($3,615,000) and 17 ($3,614,589) allocated to the campuses to fund the campus strategies that support the Board's Six Year Plan goals. The campuses were given the flexibility to set the priorities within their allocation of funds. ***(Executive budget includes a total of $1.2 million for priorities 10 & 17)***

11. **Targeted critical salary adjustments:** Provides a total of $6.0 million in priorities 8 ($3,000,000) and 11 ($3,000,000) for addressing critical salary problems in the System. The funding would not be allocated to employees on an across-the-board basis. It would be used to address market, compression, equity, and performance adjustments. This level of funding would provide approximately 1% per year in salary increases above and beyond what will be included in the Executive Budget for general state employee salary increases. ***(Executive budget includes a total of $3.1 million for priorities 8 & 11)***

12. **Technology Enhancements:** Provides a total of $2.5 million in funding, on a per-student basis, to the campuses to be used for technology replacements or upgrades. This may include funding for computer technology, classroom, laboratory and other equipment needs. Funding could also be used to replace or upgrade the infrastructure needed to support the use of technology. ***(Executive budget includes $698,000)***

13. **SPARC:** Provides $215,000 for the Student Progress and Achievement Research Center. This would provide for one staff person and related operating and support costs to conduct research and provide data on the progress and success of our students while enrolled in the NDUS. ***(Not specifically included in Executive Budget)***

14. **Class II Employee Retirement Benefit Adjustment:** Currently, teaching and research faculty with ranks of assistant professor or instructor, research personnel and lecturers with equivalent rank and professional staff during their first three full years of service are only eligible for TIAA-CREF employer retirement contributions of 4.5%. All other higher education and state employees are eligible for employer contributions of 9.12 - 9.5% on their first day of employment. This budget item of $275,000 would provide adequate funding to allow the same retirement benefits for this group of employees as others. The $275,000 reflects only the state general fund cost associated with this change. In addition, there would also be a cost of $185,000 to the campuses for the positions effected that are financed from local funds. ***(Not specifically included in Executive Budget)***

15. **Equity Adjustment:** Priorities 15 ($1,500,000) and 23 ($1,500,000) provides a total of $3.0 million to NDSU to address the equity issues raised in the February 1998 Equity Report presented to the SBHE. ***(Not specifically included in Executive Budget)***

16. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(Executive budget includes a total of $3.8 million for these 3 priorities. The Ag Entities also included items relating to SBAR initiatives in their 5% restoration/reinvestment plans, and those that were funded are included in the $3.8 million total)***

17. **Campus Six Year Plan Strategies:** Provides a total of $7,229,589 in priorities 10 ($3,615,000) and 17 ($3,614,589) allocated to the campuses to fund the campus strategies that support the Board's Six Year Plan goals. The campuses were given the flexibility to set the priorities within their allocation of funds. ***(Executive budget includes a total of $1.2 million for priorities 10 & 17 at selected campuses)***

18. **Increased State Grant Funding:** Provides a total of $2.9 million in priorities 18 ($1,450,000) and 21 ($1,450,000) for increasing the state grant award, which is a needs-based grant. The amount of the grant would increase from $600 to approximately $800 with the first incremental increase in funding of $1,450,000 and from $800 to approximately $1,000 with the second incremental increase of $1,450,000. The rate of increase in the amount of the grant award is contingent upon the magnitude of the reduction this program will suffer in the 95% budget. Some of this increased funding may be needed to merely reinstate current state general fund dollars that may be eliminated in a 95% budget. In addition, a substantial portion of the funding for this program comes from the ND/Minnesota Reciprocity Agreement. Academic program cuts in the 95% campus budgets will likely negatively impact enrollments. A drop in enrollments will likely

result in fewer dollars available through the reciprocity agreement to support this program and others. ***(Not specifically included in Executive Budget)***

19. **Board Priorities:** Provides $590,000 in support of Board priorities including: new System planning and accountability position ($200,000), new System facilities planner position ($125,000), funds for annual meeting of business and industry leaders to discuss their educational needs ($25,000), funds to conduct follow-up surveys in order to document the NDUS effectiveness and to enhance accountability/performance reporting ($200,000), and funds to support a marketing plan for the NDUS campuses ($40,000). ***(The NDUS Office included $161,000 reallocation in its 5% restoration/reinvestment plan for the planning and accountability position, and this was funded as part of priority #1. The Executive budget includes $2.3 million for Board initiatives, which includes $800,000 general fund and $1.5 million other funds that have been previously set aside for the administrative system project-SAGE. This could be used to fund some of the Board initiatives that were not specifically recommended)***

20. **Capital Improvements Increase:** Provides a total of $3.0 million in priorities 9 ($1,500,000) and 20 ($1,500,000) for increases in capital improvements funding over the current biennial level of $6.3 million. This level of increased funding would provide funding at a rate of .49 of 1% of plant value on an annual basis. Industry standards suggest that the State should invest from 1.5- 3.0% of plant value in plant renewal and replacement on an annual basis. ***(Executive budget includes a total of $1.5 million for priorities 9 & 20)***

21. **Increased State Grant Funding:** Provides a total of $2.9 million in priorities 18 ($1,450,000) and 21 ($1,450,000) for increasing the state grant award, which is a needs-based grant. The amount of the grant would increase from $600 to approximately $800 with the first incremental increase in funding of $1,450,000 and from $800 to approximately $1,000 with the second incremental increase of $1,450,000. The rate of increase in the amount of the grant award is contingent upon the magnitude of the reduction this program will suffer in the 95% budget. Some of this increased funding may be needed to merely reinstate current state general fund dollars that may be eliminated in a 95% budget. In addition, a substantial portion of the funding for this program comes from the ND/Minnesota Reciprocity Agreement. Academic program cuts in the 95% campus budgets will likely negatively impact enrollments. A drop in enrollments will likely result in fewer dollars available through the reciprocity agreement to support this program and others. ***(Not specifically included in Executive Budget)***

22. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(See note after priority 16)***

23. **Equity Adjustment:** Priorities 15 ($1,500,000) and 23 ($1,500,000) provides a total of $3.0 million to NDSU to address the equity issues raised in the February 1998 Equity Report presented to the SBHE. ***(Not specifically included in Executive Budget)***

24. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(See note after priority 16)***

The NDUS budget request called for tuition increases in 1999-01 to generate an additional $15.2 million (assumes no change in enrollment). A tuition increase as outlined below would be necessary to generate additional tuition income of $15.2 million. ***(The first 2 columns reflect a rate increase of 6%/year that would be necessary to generate the $15.2 million that was included in the budget request. The Executive budget includes the rates bolded in the last 2 columns, which equate to 5%/year at UND & NDSU; 4.6%/year at MiSU; 4%/year at DSU, MaSU and VCSU; and 2.5%/year at the two-year campuses. Approximately $9 million additional tuition income will be generated by the rate increases included in the Executive Budget)***

	Request		Executive Budget	
	1999-00	2000-01	**1999-00**	**2000-01**
UND and NDSU	$144	$150	**$118**	**$124**
MiSU	$118	$124	**$ 90**	**$ 94**
DSU, MaSU and VCSU	$110	$116	**$ 74**	**$ 76**
Two-year campuses	$94	$98	**$ 40**	**$ 40**

(The tuition income and tuition increase figures outlined above do not take into account the loss of enrollment that will occur as programs and services are cut in a 95% budget.)

Faculty and Staff Compensation Adjustments:

In February 1998, the Board accepted the report of the NDUS Compensation Committee (consisting of representatives from the NDUS Office, SBHE, faculty, staff and administration representatives from institutions within the NDUS), which recommended a minimum 4% annual salary increase for all employees for 1999-01. The executive recommendation includes a compensation adjustment of 3 percent per year for the 1999-01 biennium. Salary increases are not to be given across the board. Rather, agencies are to use the pool of funds to correct inequities and salary compression problems and to provide merit and performance increases for employees. The general fund cost to the University System is $14,865,361, with a total cost of $17,594,456.

The Board also recommended funding a total of $6 million in priorities 8 ($3,000,000) and 11 ($3,000,000) for addressing critical salary problems in the System. The funding would not be allocated to employees on an across-the-board basis. It would be used to address market, compression, equity, and performance adjustments. This level of funding would provide approximately 1% per year in salary increases above and beyond what will be included in the Executive Budget for general state employee salary increases.
In addition to the compensation package (3% per year), the executive recommendation includes $3.1 million (of the $6 million requested) for critical salary adjustments.

The executive recommendation includes a salary pool of $16,930,790 in the NDUS Office budget. Five percent (5%) of the salary and wages line item (before salary and health insurance adjustments) of the 11 campuses, UND Medical Center and Forest Service was appropriated to the NDUS Office. This must be used as determined by the NDUS for the benefit of the above entities, and the transfer of funds must be approved by the State Board of Higher Education.

Health Insurance Adjustment:

The executive recommendation includes an increase of $38 per month or $456 per year for the health insurance premiums for all state employees. This will provide for inclusion of a statewide employee assistance program. This resulted in an increase of $3,534,728 in state general funds, for a total funds increase of $4,021,483 for the North Dakota University System.

Enrollment Levels:

The campuses are projecting that during the 1999-01 biennium, they will serve 28,064 full-time equivalent or 36,215 headcount students in degree-programs annually. This is a reduction of 215 full-time equivalent students from the 1997-99 revised estimate. Headcount enrollment for 1999-01 is projected to be approximately the same as the 1997-99 revised estimate.

Personnel Levels:

The 1999-01 budget recommendation includes 42.25 new and reallocated FTE positions, offset by a decrease or reallocation of 91.8 FTE positions, for an overall net reduction 49.55 FTE positions. Almost half of the new positions (20.00) were added through reallocation of the reductions that were made in the 95% budget request and reductions that were made to self-fund the cost to continue the 1998-99 salary increases and operating inflation.

	99-01 Executive Recommendation	97-99 Adjusted FTE	Net Increase (Decrease)	New FTE	FTE Added Through Reallocation	FTE Eliminated	Net Increase (Decrease)
BSC	143.44	141.94	1.50	1.50	2.50	(2.50)	1.50
UND-LR	41.34	42.42	(1.08)			(1.08)	(1.08)
UND-W	46.07	46.82	(0.75)		1.00	(1.75)	(0.75)
UND	916.69	963.04	(46.35)			(46.35)	(46.35)
NDSU	794.98	804.76	(9.78)			(9.78)	(9.78)
NDSCS	221.90	219.15	2.75		3.75	(1.00)	2.75
DSU	129.63	131.13	(1.50)			(1.50)	(1.50)
MaSU	80.47	77.22	3.25	0.75	3.50	(1.00)	3.25
MiSU	258.93	274.92	(15.99)	1.00		(16.99)	(15.99)
VCSU	111.35	110.18	1.17	1.00	2.25	(2.08)	1.17
MiSU-BC	46.20	46.20	0.00				0.00
Subtotal	2791.00	2857.78	(66.78)	4.25	13.00	(84.03)	(66.78)
NDUS Office	18.50	17.50	1.00	1.00	1.00	(1.00)	1.00
UND Med School	428.02	422.77	5.25	5.25			5.25
Forest Service	17.66	17.66	0.00				0.00
Subtotal	464.18	457.93	6.25	6.25	1.00	(1.00)	6.25
UGPTI	23.00	19.00	4.00	4.00			4.00
Extension Svc	267.50	267.40	0.10		3.00	(2.90)	0.10
Northern Crops	8.00	8.00	0.00				0.00
Main Station	343.00	338.12	4.88	6.75	2.00	(3.87)	4.88
Branch Stations	72.10	70.10	2.00	1.00	1.00		2.00
Agronomy Seed	3.00	3.00	0.00				0.00
Subtotal	716.60	705.62	10.98	11.75	6.00	(6.77)	10.98
Grand Total	3971.78	4021.33	(49.55)	22.25	20.00	(91.80)	(49.55)

Following is a summary of the 22.25 new FTE positions at each of the entities:

BSC	Distance Education Coordinator (1.00 FTE) From technology enhancement funding
	Part-time English Tutor (.50 FTE) From six-year plan funding
MaSU	Customized Learning Position (.75 FTE) From six-year plan funding
MiSU	Network Service Professional (1.00 FTE) From six-year plan funding
VCSU	Customized Learning Position (1.00 FTE) From six-year plan funding
NDUS Office	Chief Information Officer (1.00 FTE) This position was actually filled in the current biennium, but was funded from a grant line item, as the funds were transferred to NDSU to support this position. The FTE is now included in the budget of the NDUS Office.
UND Med School	4 Faculty (4.00 FTE) Funded from 9 percent per year tuition increase, and tied to implementation of new curriculum.
	Technology Support Staff (1.25 FTE) Same as above
UGPTI	Research assistants/programmers (4.00 FTE) From increased grant funding
Main Station	Technician for Coproduct Utilization Initiative (1.00 FTE) SBAR Initiative #8
	Technician for Plant Disease Initiative (1.00 FTE) SBAR Initiative #9
	Half-time faculty and half-time technician for Traditional Mid-sized ND Farms Initiative (1.00 FTE) SBAR Initiative #10
	Technician for Cereal Quality Initiative (1.00 FTE) SBAR Initiative #13
	Technician for Livestock Production Systems Initiative (1.00 FTE) SBAR Initiative #14
	Faculty for Value-Added Agriculture Center Initiative (.75 FTE) SBAR Initiative #15
	Technician for Irrigated High-Value Crop Production Initiative (1.00 FTE) SBAR Initiative #20
Carrington Station	Technical support for Irrigated High-Value Crop Production Initiative (1.00 FTE) SBAR Initiative #20

The following 20.00 FTE were added through reallocation of the reductions that were made in the 95% budget request and reductions that were made to self-fund the cost to continue the 1998-99 salary increases and operating inflation:

BSC	2 Faculty for needs in existing and/or new programs in planning stages (1.50 FTE)
	Faculty secretary (currently paid from salary pools) (1.00 FTE)
UND-W	Faculty for Information Technology Program (1.00 FTE)
NDSCS	Faculty for Computer Information Systems (.75 FTE)
	Faculty for Diesel Technology Program (1.00 FTE)
	Faculty for Allied Health Program (1.00 FTE)
	Telecommunications Technician (1.00 FTE)
MaSU	Faculty for Business Division (.75 FTE) Replaces faculty member who filled the position of CIO
	Faculty for Math/Science Division (.75 FTE)
	Instructional Technology Director (1.00 FTE) Currently funded by Title III grant, which will expire 7-1-2000
	Custodial Position (1.00 FTE)

VCSU	Faculty for Instructional Technology Program (.75 FTE) Replaces the position transferred to provide funding for the CIO position in 1995
	Faculty for Technology Education Program (.75 FTE)
	Faculty for Instructional Technology Program (.75 FTE) Replaces the position transferred to provide funding for the Kathryn Center in 1994
NDUS Office	Planning and Accountability Position (1.00 FTE)
Extension Service	Technician and Faculty for Crop Protection Initiative (2.00 FTE) SBAR Initiative #1
	Faculty for Coproduct Utilization Initiative (.30 FTE) SBAR Initiative #8
	Faculty for Traditional Mid-sized ND Farms Initiative (.50 FTE) SBAR Initiative #10
	Faculty for Value-Added Agriculture Center Initiative (.20 FTE) SBAR Initiative #15
Main Station	Technician for Crop Protection Initiative (1.00 FTE) SBAR Initiative #1
	Technician for Molecular Marker Laboratory Initiative (1.00 FTE) SBAR Initiative #6
Langdon Station	Scientist for Crop Protection Initiative (1.00 FTE) SBAR Initiative #1

The eliminations reflected in the table are per the statewide pay plan, however, additional faculty will be eliminated in subsequent years due to program reductions. However, these positions are still funded in the pay plans for an additional year, since one year's termination notice is required.

Instructional:

The instructional budget includes those items that support the instructional programs on the campuses. These include faculty, other instructional support personnel, classroom supplies and materials, instructional equipment, libraries, etc. It also includes most of NDSU's portion of the Higher Education Computer Network (HECN) and campus ITS budget, totaling $8,829,612, since that campus' main focus is on academic support. The 1999-01 executive budget recommendation is $268,412,925, which is an increase of $4,507,628 or 1.7% over the 1997-99 level of $263,905,317.

The instructional budget makes up 64.3% of the total budget recommendation for the 11 campuses, excluding major capital projects.

Support Services:

The support services budget includes the cost of student services, institutional support and the Higher Education Computer Network (for all campuses except NDSU-see Instructional above), including the equipment related to these functions. The 1999-01 budget recommendation for these three areas is $61,914,038. This is an increase of $1,236,630 or 2.0% over the 1997-99 level of $60,677,408.

Support services represents 14.8% of the total budget recommendation for the 11 campuses, excluding major capital projects.

Equipment:

The executive budget recommendation for the University System includes a total of $14.5 million for equipment funding during the 1999-01 biennium. This is an increase of approximately $600,000 above the 1997-99 level of $13.9 million..However, the Branch Research Stations have a single line-item budget (salaries, operating and equipment combined) in the executive recommendation, so the 1997-99 total of $13.9 million includes equipment for these entities, whereas the 1999-01 total does not. Without the decrease in the equipment line item for these entities, the increase would have been approximately $1.3 million.

At the eleven campuses, approximately 69.2% of the equipment budget is allocated to instruction, with 22.5% allocated to the support services function and the remaining 8.3% allocated to physical plant.

Capital Improvements:

The capital improvements line item includes $8,931,411 for extraordinary repairs in the 1999-01 biennium, an increase of $1,601,021 from the 1997-99 adjusted appropriation level of $7,330,390 for the System, which includes $1 million of transfers from the NDUS capital improvement pools. Excluding these transfers from the 1997-99 adjusted level, the increase for extraordinary repairs amounts to $2,601,021. This increase includes $1,465,000 for "one-time" funding for infrastructure needs at NDSU ($665,000), DSU ($300,000) and MiSU ($500,000). In addition to these "one-time" funding infrastructure projects, $7,213,325 was included in major capital projects for major infrastructure needs at UND ($2,555,000), NDSCS ($3,770,325), MaSU ($760,000) and MiSU-BC ($128,000). The executive budget provides an average funding level of .8708% of plant and infrastructure value per year for the campuses. It provides a 218 year replacement cycle for all state facilities located on the campuses, excluding infrastructure.

On-Line Dakota Information Network (ODIN):

The 1999-01 executive budget recommendation for UND includes $575,209 for ODIN, as the coordinating campus for this System project. This is an increase of $27,630, or 5%, over the 97-99 level of $547,579.

Interactive Video Network (IVN):

UND's 1999-01 executive budget recommendation includes $2,108,224 for IVN, an increase of $73,763 or 3.6% over the 1997-99 appropriation level of $2,034,461.

Higher Education Computer Network (HECN) and Campus Information Technology (IT) Budgets:

The 1999-01 executive budget recommendation includes $22,874,281 for the HECN and the Campus IT budgets, an increase of approximately $1.9 million, or 9.2% over the total allocation to the campuses (for HECN & IT) from the technology pool for 1997-99. The amount included in each campuses budget recommendation for HECN and campus IT is as follows:

	Salaries & Wages, Including Salary & Health Adjustment	Operating Expenses	Equipment	1999-01 Total Recommendation
BSC	$268,613	$206,000	$27,400	$502,013
UND-LR	75,218	85,101		160,319
UND-W	29,589	23,351		52,940
UND-Campus	1,142,433	929,525	540,200	2,612,158
-HECN	3,008,959	3,717,153	187,500	6,913,612
-Total	4,151,392	4,646,678	727,700	9,525,770
NDSU-Campus	1,992,174	1,822,639		3,814,813
-HECN	2,894,398	2,678,824	131,000	5,704,222
-Total	4,886,572	4,501,463	131,000	9,519,035
NDSCS	322,398	434,522	133,548	890,468
DSU	313,991	73,540	9,100	396,631
MaSU 1/	299,038	226,440	30,000	555,478
MiSU	220,113	151,438		371,551
VCSU 2/	494,217	157,775	200,000	851,992
MiSU-B	14,712	33,372		48,084
TOTAL	**$11,075,853**	**$10,539,680**	**$1,258,748**	**$22,874,281**

1/ MaSU includes the salary of their CIO and the operating expenses for the rental of laptop computers, as part of their total IT budget.
2/ VCSU includes the salary of their CIO and a new information technology instructor, and all computer equipment in their IT budget.

Facilities Upkeep and Maintenance:

Physical Plant:

The 1999-01 physical plant budget recommendation for the eleven campuses, including salaries, operating and equipment, totals $78,069,471. Of this total, the recommendation includes $31,321,352 in fixed costs for utilities. This is an increase of $2,054,819 or 7.0% over the $29,266,533 adjusted appropriation level in 1997-99.

The facilities upkeep and maintenance budget constitutes 20.7% of the total budget request for 11 campuses, excluding major capital projects.

Major Capital Projects:

The 1999-01 budget recommendation for the NDUS includes $32,808,349 for major capital projects. This includes funding for the following types of projects throughout the System:

- health and safety,
- ADA,
- campus networking,
- major repairs,
- remodeling, and
- new construction/additions

The funding sources recommended for these projects are: $5,029,544 in general funds, $7,477,825 in state bonding and $20,300,980 in other and federal funds.

Carryover:

Section 10 of SB 2003 provided that unexpended general fund and excess income, from the 1995-97 biennium, could be carried over to 1997-99, but that these funds must be expended "for capital repairs and improvements, equipment, and other purposes not requiring an increase in future general fund appropriations." Since these expenditures are for "one-time" items, the carryover is included in a separate line in the attached Analysis of the 1999-01 Executive Recommendation by Line Item (see pages 66-75), rather than in the specific line items that they were used, because this provides a more accurate comparison of the 1999-01 recommendation to the 1997-99 appropriation. The following schedule details the amounts and uses of the 1995-97 carryover for each entity:

BSC	$369,336	Capital repairs and improvements
UND-LR	49,027	Capital repairs and improvements
UND-W	151,149	Equipment
	59,000	Capital repairs and improvements
UND	51,975	Equipment & one-time maintenance & repairs for IVN
	8,076	One-time expenditures in the Engineering department
NDSU	264,584	Capital repairs and improvements
NDSCS	116,090	Capital repairs and improvements
	220,000	Adjunct & part-time faculty to accommodate increased enrollments (Did not require a commitment for future biennial appropriations) This amount **was** included in the salary line to accommodate salary payments.
DSU	479,614	Capital repairs and improvements
	100,000	Equipment
MaSU	168,808	Capital repairs and improvements
MiSU	300,000	Old Main exits
	234,979	Capital repairs and improvements
VCSU	10,974	Capital repairs and improvements
MiSU-BC	71,215	Capital repairs and improvements
	25,716	Capital repairs and improvements or equipment (Not yet determined)
NDUS Office	12,639	Equipment
Med Center	74,247	Equipment
Forest Svc	50,510	Capital repairs and improvements
	71,118	Tree grants

The 1999-01 executive recommendation also includes a provision for carrying over unexpended general funds and excess income from 1997-99 to 1999-01, and that the funds "may be expended, as directed by the university system, for capital repairs and improvements, equipment, and other one-time expenditures."

Income:

The executive budget recommends annual tuition increases of $118 (1999-00) and $124 (2000-01) (5%/year) at UND and NDSU; $90 and $94 (4.6%/year) at MiSU; $74 and $76 (4%/year) at DSU, VCSU, MaSU; and $40 per year (2.5%/year) at BSC, NDSCS, MiSU-B, UND-LR, and UND-W. Tuition collections at the eleven campuses are projected to be approximately $141.8 million in 99-01, an increase of 2.3% or $3.1 million from 1997-99 adjusted appropriation of $138.7 million. The rate increase will generate approximately $9 million more in tuition collections, however this will be offset by a decrease of approximately $5.9 million due to enrollment declines.

Income from carryover has been excluded in the executive recommendation. The executive recommendation proposes that unexpended funds be carried over to the 1999-01 biennium for one-time expenditures.

RELATED ENTITIES

UND-Medical Center:

The general fund recommendation for the Medical Center in 1999-01 is $28,223,862. This increase of $565,756 represents an increase of 2.0% over the 1997-99 adjusted appropriation level of $27,658,106. The Medical Center reinvested 5% general funds, totaling $1,372,800, for critical salary adjustments for Medical Center faculty and staff.

Income estimates from tuition and mill levy are projected to increase $1,413,492. The Board approved an increase in tuition of 9% per year for four years beginning July, 1997. The estimated increase in tuition revenues for the 1999-01 biennium, as a result of this increase, is approximately $826,500. In addition, tuition enhancements in Clinical Lab Sciences, the Physician Assistant Program and the Alaska Medical Student Program, along with increased net revenue in the Family Medicine Residency Training Programs, will generate and additional $440,000. Income projections are as follows for 1999-01:

Tuition	$ 8,565,498
Mill Levy	2,247,283
TOTAL	$10,812,782

The executive recommendation included an additional $521,500 in estimated tuition collections (over the amount noted above), as part of the funding for the compensation package. The Medical Center believes that the $8,565,498 estimate noted above is an accurate estimate,

and that the compensation adjustment should have been funded with general fund dollars. Without the additional general fund, their pay plan will be underfunded by this amount.

Grant and contract collections are anticipated to be up approximately $3.3 million, from $44.8 million in 97-99 to $48.1 million in 1999-01. This represents an increase in grant and contract activity of roughly 7.4%, and includes an increase of approximately $938,650 to fund the compensation package relating to grants and contracts.

State Forest Service:

The executive recommendation for the State Forest Service includes $1,573,548 in state general fund dollars for the 1999-01 biennium. This is a decrease of $116,148 in general fund support during the 1999-01 biennium, which includes a decrease of $121,628 in general fund carryover from 1997-99. This also includes a $50,000 decrease in general fund support for capital projects from 1997-99. Additional tree sales of $48,480 will fund ADA accessible restrooms and a greenhouse irrigation system.

The executive budget provides general funds for critical salary adjustments, totaling $11,880, and one-time greenhouse equipment, totaling $17,000, which was identified in their six-year plan. Overall, the increase in the operating budget is $55,480, or 2.6% over the 1997-99 level.

Upper Great Plains Transportation Institute:

Recommended state funding for the Upper Great Plains Transportation includes an increase of $31,824 in state general fund support. This is an increase of 7.0% over the 1997-99 spending level of $455,562. The total increase from all funds is $1,629,851, or 33.5%. The increase in federal and special funds is due to the development of the Advanced Traffic Analysis Center (ATAC-a new grant) and the continuation of the ASPEN software project. The ASPEN project will fund 4 additional research assistants/programmers. The ATAC will be purchasing major hardware and software to facilitate the development of the transportation computer lab.

Northern Crops Institute:

The 1999-01 executive budget recommendation for the NCI includes an increase of approximately $25,100 or 3.9% in state general fund support. This is the amount included in the compensation adjustment for 1999-01, and provides no additional general fund for operating expenses.

NDSU-Extension Service:

The 1999-01 budget recommendation for the Extension Service includes an increase of $796,926 in state general fund support, of which $776,400 is to provide funding for the compensation package. The recommendation also includes an increase in other funds of approximately $991,000, arising from a more aggressive approach to obtaining grants and contracts, reallocation of rural development funds, and increased user fees. This will be used to fund several State Board of Agricultural Research (SBAR) initiatives ($601,536) and the compensation package for non-general fund positions. The SBAR initiatives will be detailed in the following section. The following Extension Service Initiatives were not ranked by SBAR:

•Community and Leadership Development – **(Requested $146,459 – Funded $0)**

North Dakota needs to diversify its economic base. The viability of its rural communities is now at a critical stage. From 1990 to 1996, only 41 of the state's 365 incorporated places grew in population. Only 10 of the state's 200 smallest communities grew during that period. Economists estimate that the closing of one main street store in a rural community results in a loss of $250,000 in retail sales and represents a gross loss in business volume of $522,000 and five jobs. This initiative would establish an extension specialist in northwestern North Dakota, an area designated as a priority for rural development by the State Board of Agricultural Research. The specialist would:

- Assist communities and other economic development entities with analysis and documentation of changing economic and demographic trends.
- Provide technical and research support for extension and community development staff.
- Provide educational opportunities for leaders – both adult and youth – in leadership, community development and economic development. **(Not funded in Executive budget)**

•Extension Connectivity and Technology Initiative **(Requested $78,000 – Funded $0)**

Information access and the application of that information to family, business and agricultural decisions is fundamental to the future of North Dakota. Through the use of computer networks and partnership arrangements, county offices of the NDSU Extension Service are becoming key locations for information gathering through the use of electronic technology. At the same time, extension specialists and agents increasingly need access to information while working with clients in classrooms or in clients' homes, offices, vehicles or barns. Digital cameras help producers, extension agents and state specialists collaborate for rapid analysis of local situations such as weed or disease problems. By providing improved computer and communication technology, this initiative would:

- Improve the responsiveness of faculty and staff to the needs of clients.
- Allow staff to prepare higher-quality educational presentations.
- Give field staff dedicated, high-speed access to Internet resources.

• Give extension agents and specialists greater mobility.

As a result, NDSU staff would be able to give citizens greater access to information so they can make better decisions. The improved connectivity would also give NDSU staff new opportunities to collaborate with others across the state and around the world in developing educational materials. **(Not funded in Executive budget)**

•State Soil Conservation Committee Leadership and Environmental Law Education and District Grants Initiative

(Requested $275,000 – Funded $0)

Although there's always been a strong conservation ethic in North Dakota, preserving natural resources and keeping abreast of the growing body of environmental law are becoming more demanding responsibilities for the state's agricultural producers. Soil conservation district supervisors play a key role in formulating and implementing local conservation policy. In that capacity they must work effectively with state and federal agencies as well as producers and local community leaders. This initiative has three key components:

- Provide leadership education for soil conservation district supervisors. The program will improve leadership abilities, board operations, conservation planning and implementation, policy setting and personnel management.
- Support an agricultural law specialist to help producers contend with the growing body of state and federal regulation that affects resource use and agricultural production.
- Expand the Soil Conservation District Grants program. This program supports local district efforts to enhance soil and water resources through the planning and implementation of best-management practices such as tree plants, conservation tillage, high-residue planting and watershed management. **(Not funded in Executive budget)**

The 1999-01 executive recommendation for the Extension Service includes a $20,000 decrease in Soil Conservation District Grants, from $580,000 to $560,000.

Research Stations:

Recommended state funding for the Research Stations includes an increase of $2,979,599 in state general fund support during the 1999-01 biennium, excluding major capital projects. Including major capital projects, the general fund increase totals $2,083,549 for the Main and Branch Research Stations. This would bring the state general fund appropriation to $33,662,746 in 1999-01. The increase includes $1,630,971 for the compensation adjustment and $422,400 for critical salary adjustments. The remainder of the general fund increase, along with reinvesting 5% general funds and estimated increases in federal and special funds, will fund approximately $3.2 million in SBAR initiatives for the Research Stations. Following is a summary of these initiatives, along with the executive recommendation for Extension and Research Stations noted behind each one (the executive recommendation provides funding for SBAR initiatives #1 through #21):

1. Crop Protection Initiative – **(Requested $613,800 – Funded $600,187)**

Crops provide more than $43 billion directly to the North Dakota economy each year. Unfortunately, those crops and that economic benefit have been under attack by diseases, insects and weeds. During the past five years, cereal grain scab has become the greatest epidemic ever to devastate crops in North America. Larger farms have resulted in greater areas of genetically similar crops – a situation that lends itself to the development and spread of disease. New crops will face disease problems similar to those of existing crops if disease resistance isn't a consideration as the crops are being developed. This initiative would help producers find new approaches to pest, weed and disease problems and employ the best options available to achieve profitability. **(Extension-$241,799; Main Station-$250,388; Langdon-$108,000)**

2. Grain Quality Education – **(Requested & Funded $135,464)**

To compete in global and domestic markets, North Dakota grain must meet the criteria of millers, bakers and other processors. This program educates producers on quality differences among various grain varieties and how those qualities affect grain products for consumers. Restoration of funds for this effort would continue support for research and educational programs associated with wheat quality. **(Extension-$74,109; Main Station-$61,355)**

3. Animal Disease Prevention – **(Requested & Funded $175,033)**

Animal health problems cost livestock producers millions of dollars each year. New forms of diseases are constantly emerging and old forms are changing. With many pathogens becoming resistant to antibiotics and other treatments, concerns about the transmission of diseases from animals to humans are growing. NDSU's Veterinary Diagnostic Laboratory studies some 10,000 cases annually, testing for diseases, toxins and disorders while constantly on the lookout for new and emerging diseases. The laboratory collaborates with the state veterinarian and the North Dakota Board of Animal Health to look for trends in animal health problems and to spot potential outbreaks of livestock disease. Restoration of funds for this effort would provide a full staff of diagnosticians, especially in the serology and virology labs, and allow for the continued strengthening of animal research at NDSU. **(Main Station-$175,033)**

4. Foundation Seed – **(Requested & Funded $105,801)**

NDSU's foundation seed program serves as a pipeline for distributing genetically pure seed of new varieties across the state. Rapid distribution of foundation seed helps the state's producers use the newest varieties to stay ahead of diseases and pests and provide processors with the necessary qualities. The program also generates revenue for additional crop research. Restoration of funds for this effort would maintain the staff of technicians and part-time help required to raise and process the seed at the Langdon, North Central and Williston Research Extension Centers. **(Langdon-$32,000; North Central-$31,600; Williston-$42,201)**

5. Range Research Initiative – **(Requested $200,000 – Funded $190,200)**

NDSU's system of Research Extension Centers is ideally suited to study agricultural problems that are specific to certain areas of the state. Geographic differences can be striking, especially in studies of rangeland, which can vary widely in terms of vegetation, insects, nutritional value and other factors. Understanding rangeland is becoming more important. Of the nearly 1.9 million head of cattle in North Dakota in 1997, most spent at least part of each grazing season on rangeland. As "Freedom to Farm" legislation makes some marginal land less profitable, it's likely that even more land may become rangeland or pasture. This initiative would allow researchers to study more thoroughly the problems facing rangeland and explore the opportunities lurking there as well. **(Main Station-$190,200)**

6. Molecular Marker Laboratory Initiative – **(Requested $356,000 – Funded $267,558)**

Molecular markers identify DNA sites on chromosome that can be used to identify plants having specific genetic characteristics including disease and insect resistance and quality factors like high or low protein. Screening plants at an early stage of development increases the efficiency of plant breeding and related research programs by eliminating lines with undesirable characteristics early. Using molecular markers, then, reduces the time and money that would be spent testing those lines in fields and greenhouses. The establishment of a laboratory dedicated to this work would increase by four or five times the number of lines that breeders could evaluate. The laboratory could have a significant effect on progress toward developing scab resistant varieties of hard red spring wheat, durum wheat and barley. Other researchers also would use the lab to speed the process of breeding hard red spring wheat, durum wheat, hard white spring wheat, two- and six-rowed barley, flax, potato, corn, soybean, dry bean, oat and crambe varieties with good agronomic characteristics and good processing qualities. **(Main Station-$267,558)**

7. Corn Breeding – **(Requested $198,676 – Funded $172,331)**

The production of corn for grain has expanded rapidly in North Dakota, providing corn for livestock feeding and a raw material for value-added industries. Key to that expansion has been the development of corn varieties with good agronomic characteristics for this region and good nutrient and processing characteristics. Restoration of support for this program will ensure continued progress in the development of corn hybrids that are well-adapted to this region and have the qualities that processors want. **(Main Station-$172,331)**

8. Coproduct Utilization Initiative – **(Requested $225,200 – Funded $198,726)**

As value-added processing has grown in North Dakota, so have the variety and amount of byproducts or coproducts available as livestock feed. Making efficient use of these coproducts locally can boost the profitability and economic viability of value-added enterprises and provide new, cost-effective feed resources for the state's livestock producers. Growth in coproduct availability and use has outpaced NDSU's ability to study these coproducts and provide information to producers. Beet pulp, wheat midds, soybean hulls, millet hulls, desugared molasses, corn gluten feed, potato

byproducts, oilseed meals and food processing wastes are just some of the coproducts available in North Dakota. This initiative would focus on determining the nutritional value of processing coproducts and how they can be used efficiently in livestock rations. Efforts at Fargo and the Dickinson, Hettinger, Central Grasslands (Streeter) and Carrington Research Extension Centers will focus on how the coproducts can be used in rations with other locally available feeds under North Dakota conditions. Special emphasis would be given to using coproducts as a means to feed livestock more economically in North Dakota. **(Extension-$46,939; Main Station-$151,787)**

9. Plant Disease Initiative – **(Requested $198,000 – Funded $178,747)**

Before wheat breeders release a new wheat variety for use by the state's farmers, they try to make sure that it will yield at least 2 or 3 percent better than existing varieties. Unfortunately, much of that increase in recent years has been lost to increases in diseases like leaf rust and other leaf, head and root diseases. NDSU researchers screen breeding lines for susceptibility to scab, stem rust, leaf rust, tan spot, root rot, septoria, viruses, ergot, smut, bacterial blights and other diseases. Developing a variety with resistance to all those diseases and good grain quality and agronomic characteristics is a monumental task. This initiative would provide additional assistance for the screening process, allowing researchers to screen more lines and identify promising breeding material sooner. That expanded screening effort would help NDSU develop varieties with improved yield and disease resistance while staying abreast of emerging disease threats. **(Main Station-$178,747)**

10. Economic Opportunities for Traditional Mid-Sized ND Farms Initiative **(Requested $228,100 – Funded $201,416)**

Mid-sized North Dakota farms are facing considerable economic stress from low commodity prices and disease- and weather-related problems. NDSU economists say the number of producers leaving the business could exceed the levels seen during the farm financial crisis a decade ago. Large farms survive and expand by taking advantage of efficiencies afforded by size, volume buying and geographic diversification. Similarly, small farms sustain themselves through alternative and specialty crop and livestock products. Many of those options are not available to the mid-sized farms. More than 60 percent of North Dakota's farms are between 1,100 and 2,200 acres and are the largest contributor to the economic and social viability of rural communities. This initiative would focus on finding opportunities for those mid-sized farms. Researchers would look at ideas such as the joint ownership of large farm equipment, custom and contract farming, and the optimal number and size of investments in value-added cooperatives. They also would analyze marketing, crop insurance and financial risk management strategies. Researchers would provide an economic analysis of selected opportunities, educational materials that farmers and ranchers could use to evaluate alternatives for their operations, and ideas on how to identify production and marketing alternatives. An advisory board would help prioritize studies and assure that results are appropriately disseminated. **(Extension-$82,116; Main Station-$119,300)**

11. Range Research/Central Grasslands Research Extension Center – **(Requested $32,000 – Funded $62,303)**

Research is showing that rangeland health and ecology is determined by a complex blend of location, climate and use. The coteau area of North Dakota is an important rangeland and grazing region. This program provides key information on how livestock producers can make the most of rangeland resources while maintaining or enhancing the health of that rangeland. Restoration of funds for this effort would ensure that continued improvements in rangeland management recommendations could be made. **(Central Grasslands-$62,303)**

12. Cropping System Support/Carrington Research Extension Center – **(Requested & Funded $56,000)**

This program helps producers assemble and interpret the many crop production research results into crop production systems. Information from studies of weeds, insects, fertility, plant diseases, irrigation, agronomics, economics and other areas will be integrated into systems that optimize profitability and crop quality. The program helps producers assess their operations to make sure each component of their production and marketing system contributes fully to profitability. This effort also helps identify areas of crop systems that need additional study. Restoration of funds will support efforts to integrate new research results into sound production systems. **(Carrington-$56,000)**

13. Cereal Quality Initiative – **(Requested $198,000 – Funded $172,327)**

Quality is a key to keeping North Dakota wheat competitive in domestic and international marketplaces. By working with customers to make sure the state's wheat meets criteria for milling and baking, NDSU can help the state's wheat growers continue to be customer-friendly competitors in the marketplace. As plant scientists strive to develop wheat varieties that are resistant to scab and other diseases, researchers must also test potential varieties for quality. Competition will not allow producers to sacrifice milling and baking qualities for improved agronomic characteristics. In the current biennium, the cereal science department added quality specialists for both durum and hard red spring wheat. This initiative proposes adding help to process the increased number of wheat samples submitted by plant breeders and pathologists for evaluation. Some of those samples would be from varieties being developed specifically to meet the processing needs of value-added enterprises in the region. Additional laboratory personnel would also work with faculty to educate producers on the importance of various qualities and to inform customers about new uses and techniques for using North Dakota durum and hard red spring wheat. **(Main Station-$172,327)**

14. Livestock Production Systems Initiative – **(Requested $198,000 – Funded $186,306)**

NDSU researchers have a long history of addressing specific needs and problems of livestock producers in the state. Recently, however, there has been a growing need to integrate various research results into an overall production program that optimizes product quality for consumers and

profitability for producers. This initiative would integrate information from studies of range and grazing management; forage production; animal physiology, nutrition, reproduction and growth; veterinary care; meat quality; marketing, business management and financial planning; vertical integration; waste management; and other areas. The goal is to develop profitable production systems. The initiative also would identify areas where additional research is needed. As a result of the initiative, NDSU programs would be able to help livestock producers better assess their operations from genetics to marketing so they can make sure each component of their production and marketing system contributes fully to profitability. For instance, producers may want to evaluate new feeds or feed additives to determine if they are cost effective in helping realize the growth potential offered by the genetics in the herd and helping cattle meet the criteria of the intended market. **(Main Station-$186,306)**

15. Value-Added Agriculture Center Initiative – **(Requested $159,900 – Funded $140,000)**

NDSU has been a leader in exploring ways to add value to North Dakota-grown commodities. Much of this work has taken place in a number of departments. However there is a need to bring more focus to NDSU's value-added efforts so that successful business enterprises can be developed.

This initiative would create a "center" to bring together the business, marketing and technical expertise at NDSU and its extension offices and research extension centers. The center would coordinate access to pilot processing facilities, research laboratories and educational programs. It also would rely on an industry advisory committee to set research priorities and for direction on outreach and educational activities. The center would provide the following for emerging or expanding value-added enterprises:

- Information and assistance in business and marketing
- Technical and research support
- Facilities for developing prototype processes and products
- Education

A center director would be selected from current administration or faculty. **(Extension-$40,000; Main Station-$100,000)**

16. Swine Research/ Dickinson Research Extension Center – **(Requested & Funded $66,500)**

Alternative crops provide options for crop rotations that limit weed, disease and insect problems and make better use of farm labor. Crops like field peas and naked oats can become key components of crop production systems. To be economically viable, those crops need markets. One option is to feed them to livestock like hogs. Research in this program has focused on showing how alternative crops in southwestern North Dakota can be used in swine rations. The researcher also supports the development and expansion of pork production in the region which contributes to economic diversity and vitality. Restoration of funds for this effort will ensure that alternative crops will be evaluated for potential use in swine rations. **(Dickinson-$66,500)**

17. Research Extension Center Enhancement Initiative – **(Requested $150,000 – Funded $227,280)**

NDSU's research extension centers must maintain a significant inventory of specialized and expensive equipment to carry out their research mission. The current budget is not adequate to add new equipment as needed and keep existing equipment in good repair. The seven centers have been using funds from the sale of commodities to help meet equipment replacement and maintenance costs. In addition, three centers, Hettinger, Carrington and Williston, have built new facilities and one center, North Central, has broken ground for a new facility. Those facilities were built primarily with private funds, but the costs of upkeep and operation will increase. This initiative would provide additional funds to replace and maintain equipment and to keep new facilities in good condition. The added funds should allow more flexibility in center budgets so they can be more responsive to research needs. The budget level proposed would meet 40 percent of on-going need for major equipment at the following NDSU research extension centers: Carrington, Langdon, North Central (Minot), Williston, Dickinson, Hettinger, and Central Grasslands (Streeter). **(Dickinson for motor pool-$10,000; Central Grasslands for additional operating expenses-$7,000, and one-time funding for self propelled swather-$55,000; Hettinger for additional operating expenses-$15,000; North Central and Williston for additional operating expenses for new buildings-$15,000 each; Carrington for additional operating expenses-$12,000; Langdon for one-time funding for field combine-$60,000; Main Station for additional graduate assistants-$38,280)**

18. Insecticide Evaluation – **(Requested $105,565 – Funded $97,917)**

For farm chemical manufacturers, many of the crops grown in North Dakota represent a relatively small market. Often those manufacturers are reluctant to invest in the effort required to have their products labeled for such "minor use." Specialists in the insecticide evaluation program work closely with regulatory agencies to obtain minor use approval of both chemical and biological control agents, giving producers broader options for controlling pests in their crops. The program also plays a role in NDSU's grasshopper pest management research. Restoration of funds for this program will help the state's producers protect their crops from weeds, insects and diseases. **(Main Station-$97,917)**

19. Sheep research program/Hettinger Research Extension Center – **(Requested & Funded $34,200)**

Sheep in North Dakota continue to contribute to farm income. With a relatively small investment, producers can add sheep enterprises to boost farm income and make better use of labor and other farm resources. Researchers are also finding that properly managed sheep grazing systems on rangeland can reduce infestations of some weeds like leafy spurge and contributed to rangeland health. Restoration of support to the program will ensure that new and existing sheep producer will continue to receive new information on sheep and grazing management. **(Hettinger-$34,200)**

20. Irrigated High-Value Crop Production Initiative – **(Requested $372,800 – Funded $356,183)**

Irrigation and the high-value crops produced with irrigation can stabilize and increase farm income, stimulate economic development and help stem rural population loss. The number of irrigated acres is growing and North Dakota's aquifers can support more. But increased irrigation and a broader diversity of crops bring new management challenges as well as new threats from pests and diseases that thrive in irrigated conditions.

This initiative, with efforts in Carrington and Fargo, would help producers choose crops that work best under irrigation and develop management techniques that make the most of the investment in irrigation equipment. The research would help sustain the enhanced economic activity that has resulted from the growth in irrigation. **(Extension-$116,573; Main Station-$113,394; Carrington-$126,216)**

21. Potato Development – **(Requested $242,903 – Funded $203,115)**

Researchers develop and releases pathogen-free, limited generation potatoes. This program provides a steady supply of new potato lines for breeding while testing those lines for agronomic and processing qualities. Unlike commercial potato breeding efforts, NDSU helps provide seed for potatoes that fill key niche markets. Restoration of funds will make sure the timely development of new potato varieties continues and that those released to producers are free from disease and well suited to growing conditions in this region and to the demands of processors. **(Main Station-$203,115)**

22. Ag Finance – **(Requested $134,667 – Funded $0)**

As Freedom to Farm legislation is phased in, producers will be required to do the best possible job of business planning, risk management and financial management. This program studies new options available in each of those areas and offers recommendations to producers, lenders, crop insurance agents and others on how best to use new planning and management tools. Restoration of funds for this program will help NDSU continue to develop and study ways to make the state's producers more profitable and less susceptible to price and production risks. **(Not funded in Executive budget)**

23. Soil Testing – **(Requested $39,031 – Funded $0)**

NDSU's crop production research relies on accurate and timely soil tests. While that service may be available commercially, on-campus collaboration reduces costs and allows for specialized testing required for some projects. Additionally, because soil samples are submitted by producers as well as researchers from across the state, the laboratory has a good cross section of samples available for teaching and research programs. **(Not funded in Executive budget)**

24. Statistics/Genetics/Chemist - **(Requested $179,995 – Funded $0)**

This program provides analytical support for livestock research — especially breeding and genetics studies focused on reproduction, feed efficiency, carcass characteristics and other traits. Livestock researchers rely on this program to help them develop research projects that produce valid results that can be translated into recommendations for the state's producers. Additionally, the program provides training for graduate students in statistical analysis. Restoration of support will ensure that livestock research programs continue to yield results that can be used by the state's livestock producers. **(Not funded in Executive budget)**

25. Plant Breeding Initiative - **(Requested $120,000 – Funded $0)**

Oats, a significant crop in North Dakota, provides a cereal grain alternative that is scab resistant and can be used for human food products or in livestock feed. In 1997, about 400,000 acres of oats were harvested for grain in North Dakota. The state consistently ranks second in the nation for oat production. Significant amounts are also sown and harvested for forage. NDSU's oat breeding program releases a new oat variety with improved production and processing characteristics every two to three years. Each new variety usually has increased yield potential of up to 5 percent.

This initiative would provide stable funding for a technician in the oat breeding program. Because this technician is currently supported by grants, this initiative would ensure that progress continues. Grant funding for work with oats is more difficult to obtain and maintain than for more common commodities like wheat or corn. With less effort devoted to securing grants, the oat breeding program would become more efficient and responsive to N.D. producers. This initiative also would fund one and a half graduate student positions in the plant sciences department. That additional funding would allow the department to be more flexible in addressing emerging problems and opportunities faced by the state's producers. **(Not funded in Executive budget)**

The executive recommendation includes a major change for the Branch Research Centers, by including each of their budgets as a single line-item (rather than in salaries, operating and equipment) to allow them internal flexibility to attain maximum efficiency at the Centers.

UNIVERSITY SYSTEM OFFICE

System Governance:

The 1999-01 executive budget recommendation for the NDUS office includes an increase of $18,010,507 in general fund support, which includes $16,930,790 for the salary pool (5% reallocated from campuses, Med Center and Forest Service), $800,000 for a pool for Board initiatives, approximately $38,000 for critical salary adjustments and $254,000 for the cost to continue the 1998-99 increases in salaries, the compensation package, operating and equipment of the NDUS Office and Board of Higher Education. The $800,000 in general fund for the Board initiatives, is in addition to an increase in special funds of $1.5 million (planned savings for the administrative system project-SAGE), bringing the total pool for Board initiatives to $2.3 million. The Board could use part of the salary or Board initiative pools to fund some of the initiatives (described, beginning on page 2 of the narrative) that were not specifically recommended in the executive budget.

The executive recommendation also includes the reallocation of funds from the Director of Communications position to a new Planning and Accountability position. The primary responsibility of this position would be to assist the Board and the Chancellor in long term strategic planning and the completion of periodic accountability reporting. This is in keeping with the Board's Six Year plan goal 6.A.1, 2 and 3, which state: *"1. Request Legislative Council approval prior to 1999 of a format for system-level performance report related to the goals and strategies in this plan"; "2. Develop systems to document and demonstrate the University System's effectiveness in meeting the instruction, training, research, and service needs of North Dakota"; "3. Allocate funds to establish a system-wide planning and accountability function within the System Office to continue implementation of the Bush recommendations and to more closely link planning and accountability with the needs and interests of the campuses, legislature, Governor and citizens."* This would provide funding for 1FTE position (Salaries and benefits-$140,110; Operating expenses-$22,500; Equipment-$5,000). The operating and equipment increases in the executive recommendation are related to this position.

Student Grants:

Scholar's Program:

The budget recommendation for the Scholar's Program is at the same level as 1997-99, or $708,847. This level of funding will allow for approximately 33 new freshmen awards in 1999-00 and 2000-01, and the continuation of all upper-classmen. A carryover of $94,350 is currently estimated in 1997-99, which would fund an additional 19 freshmen per year in 1999-00 and 2000-01. This savings was planned so that if a 5% budget cut were made, new students enrolling in the program in 1999-2001 would not be so adversely affected. Thus, with carryover funds, approximately 50-55 new slots will be funded per year in 1999-01. HB1003 provides a carryover provisions for the use of these funds.

State Student Financial Assistance Grant Program:
The budget recommendation for the State Student Financial Assistance Program includes a decrease of $426,821 in federal funding, from $566,821 to $140,000. The federal fund authority has been carried over and compounded over the last several biennia, even though the federal funds have not been available to spend. This reduction brings the federal fund authority to a reasonable amount, based on current projected actual federal support of $70,000 per year. There is no change in the general fund level of $1,744,604, or special funds from the Minnesota/North Dakota reciprocity agreement, totaling $2,574,400. During the 1997-99 biennium, an average of almost 3,700 state grants were awarded per year. The amount included in the executive recommendation for this program, of $4,459,004, will fund approximately 3,715 grants ($600 per year) in the 1999-01 biennium. Limited general fund carryover is currently estimated. The funding recommendation for the Grant program is equivalent to 3.1% of the estimated biennial tuition collections for the University System

Native American Scholarship Program:
Funding in the amount of $205,108 is recommended in the 1999-01 biennium for the Native American Scholarship Program, which is the same level of funding as 1997-99. This level of state support will fund approximately 146 grants of $700 per student for each year of the 1999-01 biennium. No carryover is projected for 1997-99.

Professional Student Exchange Program (PSEP):
The 1999-01 budget recommendation includes $1,467,303 in state general fund support for PSEP. This is a decrease of 1.0% or $15,907 from the 1997-99 adjusted appropriation. This will provide adequate support for the continuation of all upperclassmen, plus a number of new slots in 1999-01. The following table provides the number of freshman slots actually funded in 1997-98, an estimate for 1998-99, and the approximate number of new slots in 1999-01 (amounts in "()" assume authorization is received to carryover an estimated $214,000 in unspent authority from 1997-99 to 1999-01) as provided in HB1003:

	1997-98 Actual	**1998-99 Estimate**	**1999-00 Estimate**	**2000-01 Estimate**
Veterinary Medicine *	9	5	7(9)	7(8)
Dentistry *	1	2	2(3)	2(3)
Optometry	8	8	7(10)	8(9)

* Generally, an additional 1-2 (freshmen) veterinary medicine students and an average of 5 (freshmen) dentistry students participate through the Minnesota reciprocity agreement. The state of North Dakota does not pay a support fee for students attending professional programs at the University of Minnesota. Under the Minnesota-North Dakota reciprocity agreement, North Dakota residents pay the Minnesota rate. The following is a schedule of support fees paid by North Dakota to the out-of state institutions:

	1998-99			1999-00			2000-01		
	Iowa Rate	WICHE Rate	Minnesota Rate	Iowa Rate	WICHE Rate	Minnesota Rate	Iowa Rate	WICHE Rate	Minnesota Rate
Veterinary Medicine	$10,500	$19,900	$0	$11,470	$20,400	$0	$12,275	$20,400	$0
Dentistry	-	14,300	0	-	14,300	0	-	14,700	0
Optometry	-	9,100	-	-	9,300	-	-	9,500	-

Perkins Loan Program Match:

The 1999-01 budget recommendation includes $102,885 in state general fund match for the Perkins Loan Program. This will help to provide part of the 1/3 state match required on the receipt of 2/3 federal funding. This is the same level of funding currently provided in 1997-99. This level of state funding represents only one-half of the state match funds that are required. The additional matching funds are being provided by the campuses through internal reallocation.

SYSTEM GRANTS:

Title II:

The NDUS Office projects to receive $267,000 per year, or $534,000 for the biennium, in federal funding during the 1999-01 biennium for the Title II program. This is an increase of $100,000 over the projected 1997-99 expenditure level of $434,000. This funding is distributed on a competitive basis to institutions of higher education and organizations to provide services to elementary and secondary teachers to improve the teaching-learning process in mathematics and science.

EPSCoR:

General fund support for EPSCoR is proposed to remain at the 1997-99 level of $1,980,000. This is the same level of funding that has been received since the 1993-95 biennium. The National Science Foundation requires a dollar for dollar state match on all federal funds. The state funds are passed thru to UND and NDSU to provide the match. UND and NDSU now receive the federal funds directly and therefore, the federal funds are not included in the NDUS Office budget.

NDUS Contingency Fund:
Contingency funds in the amount of $200,000 are included in the 1999-01 executive recommendation, which is the same level of funding that was received in 1997-99. This level of funding is equal to .03% of the total appropriation for the North Dakota University System, and will assist in providing needed funds to assist the campuses in meeting unforeseen needs/emergencies and provide a pool of resources to the Board that they can allocate for implementing System priorities.

Disabled Student Services:
Funding for Disabled Student Services is recommended in the amount of $26,693 for the 1999-01 biennium. This is the same level of funding that was received in 1997-99, however the adjusted appropriation does not include $4,058, which had been allocated to various campuses at the time the budget was prepared. Therefore, the executive recommendation reflects an increase of $4,058. The campus budgets, however, include decreases for the same amount. The current total appropriation, of $26,693, which has been allocated to date, was used for the following purposes:

- NDSU $13,580 for interpreter services for a hearing impaired student;
- UND-LR $ 9,055 for interpreter services for 3 hearing impaired students;
- BSC $ 2,064 for a site license to allow unlimited computer access to Zoom text for visually disabled and blind students;
- MiSU $ 1,994 for interpreter services for a hearing impaired student.

System Capital Projects:
The 1999-01 budget recommendation includes a pool of $400,000 for a Board capital improvement emergency fund. The Board will distribute these funds to the campuses based on a priority need. The executive recommendation eliminated the funding for the ADA ($500,000), small campus projects pools ($500,000) and the capital contingency fund ($200,000).

During the 1997-99 biennium, funding for system capital projects, totaling $1,000,000, was allocated to the campuses as follows:

ADA Projects - $500,000 - General fund
BSC - $13,010; UND-LR - $3,938; UND-W - $1,149; UND - $212,732; NDSU - $116,828; NDSCS - $12,637; DSU - $32,282; MaSU - $27,182; MiSU - $36,007; VCSU - $34,932; and MiSU-BC - $9,303.

Small Campus Projects - $500,000 - General fund
MiSU-BC - $130,000 for coal handling project; MaSU - $80,000 for electrical panel, circuits & systems upgrades, and $35,000 for emergency egress/wiring upgrade in their theatre; UND-W - $80,000 for street renovation and lighting, and $35,000 for library renovation; VCSU - $85,000 for Osmon Fieldhouse arena floor, and $20,000 for hazardous chemical storage area; UND-LR - $35,000 for sidewalks & ADA compliant restrooms. Most of these were also matched by local, private or federal funds.

Capital Contingency Fund $200,000 - General fund
The $200,000 in capital contingency fund will be used over the remainder of the 1997-99 biennium as needs arise.

Prairie Public Broadcasting
The executive budget also includes $997,500 for support of the operations of Prairie Public Broadcasting. This has been excluded from all of the attached schedules in this analysis, as it does not reflect expenses of the North Dakota University System.

SYSTEM PROJECTS:

Information Technology Management:
The 1999-01 budget recommendation includes $216,337 for the Chief Information Officer (CIO). This is an increase of $10,843, or 2.6% over the 1997-99 spending level of $205,494. The Chief Information Officer (CIO) provides the overall leadership and management for the HECN as prescribed in the HECN Strategic Plan. This position is critical to the ongoing success of the HECN, and will be charged with carrying out the Strategic Plan's prioritized projects which include: off-campus (dial-in) network access improvements, increase e-mail access and usability, comprehensive training plan, comprehensive help desk, and leadership in the use of technology for instruction. Central leadership is critical in this rapidly changing technological environment where the applications and the use of computing will be multi-dimensional and cross host site functions. The CIO is also responsible for the leadership and overall management of IVN and ODIN. Overall leadership in planning, project prioritization and budgeting for all centralized technology efforts is important.

In previous biennia, the IT Management (formerly referred to as computer network budget) was included as a grant line item, and allocated to NDSU to support the position of an interim HECN coordinator. Prior to that, the funding was used to support the financial systems director position for HECN. As a result of budgeting these funds in a grant line item, this position was not reflected in the pay plan of the NDUS Office in the past. For 1999-2001, the pay plan for the NDUS Office ($216,337) includes the position for the Chief Information Officer, creating the new FTE. This is not a new position in 1999-2001, as it was filled during the current biennium. This

funds the salary of the CIO, and the HECN budget at NDSU also includes approximately $73,000 for the operating and equipment needs of this position. This was included in the technology pool allocation to NDSU in 1998-99, and is part of their base budget for HECN. They have been directed to allocate this portion of their budget for the support of the CIO.

College Technical Education Council (CTEC):
The 1999-2001 executive recommendation includes $198,620, an increase of $13,714, or 7.4% over the 1997-99 biennium. The increase includes $5,828 to continue the 1998-99 annual salary base, and $7,886 for the compensation adjustment. The budget includes $169,432 for salaries and fringe benefits and $29,188 for operating expenses (which is the same level as 1997-99).

Workforce Training and Development

The Governor, in his December 10, 1998 Budget Message, recommended providing $2 million in new funding to the State Board for Vocational and Technical Education (SBVE) to upgrade the State's training plan. The Governor stated that the funding would build upon the existing resources of the higher education system, foster partnerships between business and education, and make the colleges and universities more responsive to the demands of the market place.

A statewide task force, coordinated by the Greater North Dakota Association, developed a plan for workforce training which involved business leaders, the Governor's Office, legislative leadership, higher education, several state agencies, Vision-2000, College Technical Education Council, Customized Training Network, and the North Dakota Workforce Development Council. The plan calls for a major revision in how workforce training would be carried out in North Dakota, including: assigning the two-year colleges (BSC, NDSCS, UND-Lake Region, and UND-Williston) primary responsibility for workforce training; establishing a workforce training region for each quadrant of the state; collaborating with other agencies, organizations, and public and private educational institutions involved in the delivery of training; and obtaining financial support from a combination of state, local, institution, and private sources.

Of the $2 million included in the Governor's proposed budget, $1 million would be used to staff and operate the training divisions within each of the four regions of the state. The major expenditures will involve providing staff and operating expenses to work with business and industry in identifying training needs, arranging and conducting training, and conducting followup evaluations and support to the businesses. Performance and accountability measures will be established to determine effectiveness and efficiency of the workforce training divisions. The remaining $1 million will be distributed for equipment for schools, training and small business management needs as determined by SBVE.

Deficiency Appropriation

Senate Bill 2026 includes deficiency appropriations of $4,320,341 for UND and $206,500 for UND-LR, for costs incurred as a result of the spring 1997 flooding.

95% Budget and Restoration & Reinvestment Plans

All entities of the North Dakota University System were required to prepare a 95% budget, which required all to identify reductions in or elimination of programs and services. The 95% budget request not only involved a reduction of 5% in state general funds, but also included decreases in tuition revenue due to enrollment decreases and reallocating budgets to self-fund inflationary costs and costs to continue the 1998-99 salary increases into the next biennium. The entities then identified plans to restore or reinvest the 5% general fund portion to new or existing programs. The schedule that immediately follows, details the programs and service reductions identified in the 95% budget and the restoration and reinvestment plans.

North Dakota University System

Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans

1999-2001 Biennial Budget

	Reductions Identified in 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
BSC:																		
Athletic Director position	$125,000				$125,000	1.00					0		-$125,000	0		$0	-$125,000	-1.00
One Language Instructor	79,300				79,300	1.00					0		-79,300	0	0	0	-79,300	-1.00
One Agribusiness Instructor	70,400				70,400	1.00					0		-70,400	0	0	0	-70,400	-1.00
Executive Asst. to President	100,000				100,000	1.00					0		-100,000	0	0	0	-100,000	-1.00
Adult Ag Program	96,100	18,000		-32,300	81,800	1.00	96,100	18,000		-32,300	81,800	1.00	0	0	0	0	0	0.00
Small Business Mgmt. Program	44,900	14,100			59,000	1.00	44,900	14,100			59,000	1.00	0	0	0	0	0	0.00
Chemistry Lab Assistant	55,700				55,700	1.00	55,700				55,700	1.00	0	0	0	0	0	0.00
Power/Process Plant Instructor	73,100				73,100	1.00	73,100				73,100	1.00	0	0	0	0	0	0.00
Admissions Counselor	63,300				63,300	1.00	50,000				50,000	0.80	-13,300	0	0	0	-13,300	-0.20
Biology Instructor	75,000			-19,300	55,700	1.00	75,000			-19,300	55,700	1.00	0	0	0	0	0	0.00
Custodian	44,600				44,600	1.00	44,600				44,600	1.00	0	0	0	0	0	0.00
Humanities Instructor					0		51,894				51,894	1.00	51,894	0	0	0	51,894	1.00
Part-time Instructional Pool					0		223,000				223,000		223,000	0	0	0	223,000	0.00
Total	$827,400	$32,100	$0	-$51,600	$807,900	11.00	$714,294	$32,100	$0	-$51,600	$694,794	7.80	-$113,106	$0	$0	$0	-$113,106	-3.20
UND-LR																		
Peace Officer Training Reduced Contract	8,552				8,552	0.08					0		-8,552	0	0	0	-8,552	-0.08
Small Business Management Program	89,923	10,100		-24,000	76,023	1.00	89,923	10,100		-24,000	76,023	1.00	0	0	0	0	0	0.00
Diesel Program	91,045				91,045	0.75	0	0			0	0.00	-91,045	0	0	0	-91,045	-0.75
Agriculture Program	81,543	8,500		-45,000	45,043	0.75	81,543	8,500		-45,000	45,043	0.75	0	0	0	0	0	0.00
Simulator Maintenance Technician Program	59,255	3,992		-45,000	18,247	0.75	59,255	3,992		-45,000	18,247	0.75	0	0	0	0	0	0.00
Academic Instructors less J.P.T. Replacements	43,998	3,400			47,398	1.50	30,798	3,400			34,198	1.50	-13,200	0	0	0	-13,200	0.00
Support Services	-18,520	50,600			32,080		0	39,563			39,563		18,520	-11,037	0	0	7,483	0.00
Custodian	35,552				35,552	1.00	0				0	0.00	-35,552	0	0	0	-35,552	-1.00
Total	$391,348	$76,592	$0	-$114,000	$353,940	5.83	$261,519	$86,555	$0	-$114,000	$213,074	4.00	-$129,829	$11,037	$0	$0	-$140,866	-1.83
UND-W																		
Director of Student Services	94,228	18,500			112,728	1.00					0		-94,228	-18,500	0	0	-112,728	-1.00
Occup. Safety & Environmental Health	89,616	22,803			112,419	1.00					0		-89,616	-22,803	0	0	-112,419	-1.00
Small Business Management	119,497	11,675			131,172	1.20					0		-119,497	-11,675	0	0	-131,172	-1.20
Agriculture	228,283	15,263		-56,648	186,898	2.00	116,353	13,500		-47,336	82,517	1.00	-111,930	-1,763	0	9,312	-104,381	-1.00
Marketing/Management/Accounting	80,788	1,500		-46,560	35,728	1.00	80,788	1,500		-37,248	45,040	1.00	0	0	0	9,312	9,312	0.00
Instructional/Instructional Support	156,709				156,709	2.25	24,280				24,280	0.00	-132,429	0	0	0	-132,429	-2.25
Information Technology							105,071	10,675		-37,248	78,498	1.00	105,071	10,675	0	-37,248	78,498	1.00
Total	$769,121	$69,741	$0	-$103,208	$735,654	8.45	$326,492	$25,675	$0	-$121,832	$230,335	3.00	-$442,629	-$44,066	$0	-$18,624	-$505,319	-5.45
UND:																		
Reconfigure & reduce faculty dev. support consolidate CILT/OID/UWP	117,433	32,564			149,997						0		-117,433	-32,564	0	0	-149,997	0.00
CILT-reduce faculty support (publ. coord/overtime)	22,000				22,000						0		-22,000	0	0	0	-22,000	0.00
reduce faculty. dev. suppl /summer prof./travel	75,000				75,000						0		-75,000	0	0	0	-75,000	0.00
Reconfigure admin. of internat'l programs	82,000				82,000						0		-82,000	0	0	0	-82,000	0.00
Redistribute functions - Off. of Inst. Analysis	150,360				150,360						0		-150,360	0	0	0	-150,360	0.00
Reduce support services-Chester Fritz Library	134,000				134,000						0		-134,000	0	0	0	-134,000	0.00
merge Geology Library into main Chester Fritz Library	50,000				50,000						0		-50,000	0	0	0	-50,000	0.00
Reduce services - Registrar	36,000	16,000			52,000						0		-36,000	-16,000	0	0	-52,000	0.00
Redesign summer advis. prgm-Stud Acad Serv	14,000				14,000						0		-14,000	0	0	0	-14,000	0.00
Reduce infrastructure investment-Computer Cntr		134,800			134,800						0		0	-134,800	0	0	-134,800	0.00
Suspend admis. & re-eval. grad prgm in HPER	211,904				211,904						0		-211,904	0	0	0	-211,904	0.00
Educ. & Human Dev. - reduce instr. capacity (Note 3)	158,096				158,096						0		-158,096	0	0	0	-158,096	0.00
Reconfigure structure & admin. - Nursing	240,000				240,000						0		-240,000	0	0	0	-240,000	0.00
Reduce statewide psychiatric nursing	70,000				70,000						0		-70,000	0	0	0	-70,000	0.00
Reconfigure School of Engineering & Mines					0								0	0	0		0	0.00
merge Geology & Geography	359,974				359,974						0		-359,974	0	0	0	-359,974	0.00
evaluate cont. of PhD in Geology, MS in Geog.	Note 2				0						0		0	0	0	0	0	0.00
consolidate to single Masters degree in Engin.	Note 2				0						0		0	0	0	0	0	0.00
Business & Publ. Admin. - reduce instr. capacity	340,000				340,000						0		-340,000	0	0	0	-340,000	0.00
Arts & Sciences					0								0	0	0		0	0.00
eliminate appropr. supp. for Psych. Serv. Cntr	53,000				53,000						0		-53,000	0	0	0	-53,000	0.00
salary savings (ex. Biol., Chem, Hist, Math, Phil)	973,130				973,130						0		-973,130	0	0	0	-973,130	0.00
reduce language offerings	Note 3				0						0		0	0	0	0	0	0.00
evaluate PhD and Masters programs	Note 2				0						0		0	0	0	0	0	0.00
reduce Dean's office staff	39,080				39,080						0		-39,080	0	0	0	-39,080	0.00
Reduce Instructional Capacity - Aerospace Sci	115,027				115,027						0		-115,027	0	0	0	-115,027	0.00
reduce administrative position in flight operations	75,000				75,000						0		-75,000	0	0	0	-75,000	0.00

North Dakota University System

Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans

1999-2001 Biennial Budget

	Reductions Identified in 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
Law					0								0	0	0		0	0.00
eliminate Central Legal Research	152,440				152,440						0		-152,440	0	0	0	-152,440	0.00
reduce one secretarial position	42,504				42,504						0		-42,504	0	0	0	-42,504	0.00
Fine Arts-reconfig. coll. to become unit in Arts & Sci					0								0	0	0		0	0.00
reduce Dean's position to Director	50,000				50,000						0		-50,000	0	0	0	-50,000	0.00
eliminate chairs of 3 departments	38,730				38,730						0		-38,730	0	0	0	-38,730	0.00
change School of Comm. to dept, reduce director to 10 months	30,360				30,360						0		-30,360	0	0	0	-30,360	0.00
reduce instructional capacity (Note 3)	224,910				224,910						0		-224,910	0	0	0	-224,910	0.00
evaluate grad programs in visual arts, theatre & music	Note 2				0						0		0	0	0	0	0	0.00
* Estimated costs associated with Note 2 (programs not yet identified	581,330				581,330						0		-581,330	0	0	0	-581,330	0.00
** Reduction in instructional salary pool	364,790				364,790						0		-364,790	0	0	0	-364,790	0.00
All Academic Affairs (above)						41.33							0	0	0		0	-41.33
					0								0	0	0		0	0.00
Duplicating/Mailing Services-outsource & restructure	161,552	(21,552)			140,000	3.00					0		-161,552	21,552	0	0	-140,000	-3.00
Telecommunications-extend depreciation period		52,000			52,000						0		0	-52,000	0	0	-52,000	0.00
Finance reduce service and restructure					0								0	0	0		0	0.00
reduce travel and operating	8,004	22,300			30,304						0		-8,004	-22,300	0	0	-30,304	0.00
eliminate VP Finance and other salary savings	109,824				109,824	1.00					0		-109,824	0	0	0	-109,824	-1.00
co-locate Personnel, Payroll, & Affir. Action-salary svgs.	40,000				40,000	1.00					0		-40,000	0	0	0	-40,000	-1.00
REDUCE BUDGET & GRANTS (shift to local funds) - NOTE 4	240,688				240,688	3.15							-240,688	0			-240,688	-3.15
REDUCE GEN EXP FUND 3712 (shift to local funds) - NOTE 5	90,444	223,060			313,504	2.95							-90,444	-223,060			-313,504	-2.95
Auxiliary - reduce service & programs					0								0	0	0		0	0.00
reduce number of service vehicles-low usage		31,900			31,900						0		0	-31,900	0	0	-31,900	0.00
discontinue participation in area Drug Grant - NOTE 6	36,600				36,600	1.00					0		-36,600	0	0	0	-36,600	-1.00
Chester Fritz Auditorium-reduce brochure printing costs		19,800			19,800						0		0	-19,800	0	0	-19,800	0.00
Chester Fritz Auditorium-eliminate Program Manager	101,795				101,795	1.00					0		-101,795	0	0	0	-101,795	-1.00
Residence Service tuition waivers		80,000			80,000						0		0	-80,000	0	0	-80,000	0.00
Physical Plant - reduce positions and service					0								0	0	0		0	0.00
eliminate Energy Officer position	120,000				120,000	1.00					0		-120,000	0	0	0	-120,000	-1.00
utility/maintenance savings-building demolition (Hareman, Unit Ops, Old Science, Harvard, Smith Cafeteria)		280,000			280,000						0		0	-280,000	0	0	-280,000	0.00
reduce recycling contract		30,000			30,000						0		0	-30,000	0	0	-30,000	0.00
reduce construction management function		120,000			120,000	2.00					0		0	-120,000	0	0	-120,000	-2.00
reduce staffing	130,328	744,172			874,500	16.55					0		-130,328	-744,172	0	0	-874,500	-16.55
utility savings at golf course		40,000			40,000						0		0	-40,000	0	0	-40,000	0.00
Division of Student Development-Outreach					0								0	0	0		0	0.00
reduce staff/serv.-Cont. Ed, TV stdnt stipends, U Relat.	75,122	8,000			83,122	1.60					0		-75,122	-8,000	0	0	-83,122	-1.60
transition KUND to cooperative statewide radio network	247,989	109,191			357,180	4.00					0		-247,989	-109,191	0	0	-357,180	-4.00
reduce career services, cooperative ed, tutoring - NOTE 7	69,250	49,850			119,100	1.50					0		-69,250	-49,850	0	0	-119,100	-1.50
reduce disab. support svcs. (focus on min. mandates)	44,186				44,186	1.00					0		-44,186	0	0	0	-44,186	-1.00
eliminate GRA, part-time funds & oper. in Student Aff.	5,764	35,336			41,100	0.75					0		-5,764	-35,336	0	0	-41,100	-0.75
Multi-Cultural Services-reduce position	19,836				19,836	1.00					0		-19,836	0	0	0	-19,836	-1.00
Native American Programs-reduce position	59,405				59,405	1.00	63,250				63,250	1.00	3,845	0	0	0	3,845	0.00
Women's Center-reduce position - NOTE 8	50,565				50,565	1.00					0		-50,565	0	0	0	-50,565	-1.00
reduce Student Health operating budget - NOTE 9	56,000				56,000						0		-56,000	0	0	0	-56,000	0.00
Other service/staffing reductions					0								0	0	0		0	0.00
Athletics - NOTE 10	190,000				190,000	2.00					0		-190,000	0	0	0	-190,000	-2.00
elim. microfilming & reduce stdnt empl.-Budget & Grants	0	7,000			7,000						0		0	-7,000	0	0	-7,000	0.00
reduce clerical support - President's Office	19,776				19,776	0.50					0		-19,776	0	0	0	-19,776	-0.50
reduce equipment and capital improvements		171,232			171,232						0		0	-171,232	0	0	-171,232	0.00
workstudy institutional match-find alternative source of funding	527,000				527,000						0		-527,000	0	0	0	-527,000	0.00
IVN	(87,018)	195,236			108,218						0		87,018	-195,236	0	0	-108,218	0.00
ODIN	6,861	27,380			34,241						0		-6,861	-27,380	0	0	-34,241	0.00
HECN	60,000	324,304			384,304	0.50					0		-60,000	-324,304	0	0	-384,304	-0.50
Restoration:					0								0	0	0		0	0.00
Student Recruitment					0		57,472				57,472	1.00	57,472	0	0	0	57,472	1.00
IVN, ODIN, HECN					0		(33,512)	507,258			473,746		-33,512	507,258	0	0	473,746	0.00

North Dakota University System

Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans

1999-2001 Biennial Budget

	Reductions Identified in 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
Reallocation:					0								0	0	0		0	0.00
Salary Enhancements					0		2,078,420				2,078,420		2,078,420	0	0	0	2,078,420	0.00
Graduate Stipend Ehancement					0		600,000				600,000		600,000	0	0	0	600,000	0.00
Academic Program Investment Pool					0				640,000		640,000		0	0	640,000	0	640,000	0.00
Academic Innovation Pool					0				360,000		360,000		0	0	360,000	0	360,000	0.00
Strategic Investment Pool					0				200,000		200,000		0	0	200,000	0	200,000	0.00
Total	$7,185,039	$2,732,573	$0	$0	$9,917,612	88.83	$2,765,830	$507,258	$1,200,000	$0	$4,472,888	2.00	$4,419,409	$2,225,315	$1,200,000	$0	$3,444,724	-86.83

Note 2 Evaluate PhD & Masters degree programs for elimination of at least 2 PhD programs and 5 masters. Specific savings to be identified as program decisions are made

Note 3 Amounts included as miscellaneous savings or reduction of capacity are based primarily on existing or known vacancies.

NOTE 4 Shift was made possible through actual reductions which included; consolidating student account auditor function, reducing Central Receiving Staff, reducing travel and operating, eliminating VP Finance and other salary savings, reducing number of service vehicles-low usage, reducing staff/serv.-Cont. Ed, TV Stdnt stipends and U. Relations, transitioning KUND to cooperative statewide radio network, reducing disabl. support svcs (focus on min. mandates), eliminating microfilming & reducing stdnt empl-Budget & Grants and reducing service to admin. offices-Internal Auditing.

NOTE 5 Shift was made possible through actual reductions which included; consolidating data entry function, shuttle bus-reduce # of routes & hours of operation, transitioning KUND, Multi-Cultural Services-reducing position, Native American Programs-reducing position, moving Work Force Dev. to greater dependence on revenue reducing service legal-Legal Counsel and reducing admin. support-Human Nutrition Rsch Center

NOTE 6 Shift from appropriated to local - dollars freed up due to a decrease in operating in Fund 0503 - old position was 1975-Fund 3856

NOTE 7 The University Learning Center will reduce University Fee funding for tutoring to upper division classes by $6,000. Fund 2001 and Fund 3556

NOTE 8 Moved amount from Fund 3567 - Career Planning & Placement - UFee Allocation Fund 2004

NOTE 9 Student Health Fee - Fund for this position was 2010.

NOTE 10 Shift from appropriated to local-dollars were freed up because Wrestling Program dropped

NDSU																		
President's Office																		
It's Happening At State		10,000			10,000			10,000			10,000		0	0	0	0	0	0.00
Part-time Graphic Designer	38,466				38,466	0.50	38,466				38,466	0.50	0	0	0	0	0	0.00
Part-time student pool (reinvestment)							14,715				14,715	0.20	14,715	0	0	0	14,715	0.20
Administrative Officer II	39,518				39,518	1.00					0		-39,518	0	0	0	-39,518	-1.00
Academic Affairs														0				
Agriculture	290,781			-199,606	91,175	1.88	200,664			-199,606	1,058	1.38	-90,117	0	0	0	-90,117	-0.50
Athletics	205,441				205,441	4.00	162,517				162,517	3.00	-42,924	0	0	0	-42,924	-1.00
Biology	102,578				102,578	0.60	102,578			-89,685	12,893	0.60	0	0	0	-89,685	-89,685	0.00
Business	86,934				86,934	0.83	86,934			-68,583	18,351	0.83	0	0	0	-68,583	-68,583	0.00
Center for Childhood Development	103,488				103,488	2.25	103,488				103,488	2.25	0	0	0	0	0	0.00
Community Counseling Option	329,200			-105,118	224,082	3.00	329,200			-105,118	224,082	3.00	0	0	0	0	0	0.00
Economics	716,843	19,348		-158,268	577,923	4.83					0		-716,843	-19,348	0	158,268	-577,923	-4.83
Geography	92,971	5,000			97,971	0.75					0		-92,971	-5,000	0	0	-97,971	-0.75
HMRM	99,766			-79,134	20,632	0.75					0		-99,766	0	0	79,134	-20,632	-0.75
HPER	35,042				35,042	0.65					0		-35,042	0	0	0	-35,042	-0.65
Industrial Engineering	973,411	50,000		-525,590	497,821	7.13	794,153	50,000		-525,590	318,563	5.38	-179,258	0	0	0	-179,258	-1.75
ITS		250,000			250,000			250,000			250,000		0	0	0	0	0	0.00
ITS - HECN	215,585	154,374			369,959	2.50	215,585	154,374			369,959	2.50	0	0	0	0	0	0.00
KDSU	104,372				104,372	1.00	104,372				104,372	1.00	0	0	0	0	0	0.00
Leisure Studies	8,112				8,112	0.20	8,112				8,112	0.20	0	0	0	0	0	0.00
Modern Languages	88,599			-25,984	62,615	0.75	88,599			-25,984	62,615	0.75	0	0	0	0	0	0.00
Physics	119,162				119,162	0.75	119,162				119,162	0.75	0	0	0	0	0	0.00
Summer School	96,800				96,800	1.50	96,800			-79,134	17,666	1.50	0	0	0	-79,134	-79,134	0.00
Theatre Arts	50,058				50,058	1.00					0		-50,058	0	0	0	-50,058	-1.00
VPAA - Unallocated	332,393	75,000			407,393	4.00	179,379	75,000			254,379	2.00	-153,014	0	0	0	-153,014	-2.00
General Inflation											0		0	0	0	0	0	0.00
New Initiatives (reinvestment)											0		0	0	0	0	0	0.00
Business & Finance														0	0	0	0	0.00
Reduce benefit position to .8	10,957				10,957	0.20					0		-10,957	0	0	0	-10,957	-0.20
Timeslip employees will receive 1 paycheck/month	43,308	10,000			53,308	1.00	43,308	10,000			53,308	1.00	0	0	0	0	0	0.00
Reduce fees to Student Loan Center		6,400			6,400			6,400			6,400		0	0	0	0	0	0.00
Reduce student help	29,269				29,269	2.00					0		-29,269	0	0	0	-29,269	-2.00
Reduce part-time students	13,860				13,860	0.50					0		-13,860	0	0	0	-13,860	-0.50
Reduce secr. in VP office to .8	10,709	23,000			33,709	0.20	10,709	23,000			33,709	0.20	0	0	0	0	0	0.00
Physical Plant													0	0	0	0	0	0.00
Elevator Service Contracts charged to Residence Life		26,660			26,660			26,660			26,660		0	0	0	0	0	0.00
Utilities					0						0		0	0	0	0	0	0.00
Pilot contracts					0						0		0	0	0	0	0	0.00
Discontinue 1 payloader rental		15,952			15,952			0			0		0	-15,952	0	0	-15,952	0.00
Reduction in 5% of facilities service veh. rental charges		11,162			11,162			11,162			11,162		0	0	0	0	0	0.00
Reduction in salary pool position by 20%	126,632				126,632	3.00					0		-126,632	0	0	0	-126,632	-3.00

North Dakota University System

Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans

1999-2001 Biennial Budget

	Reductions Identified in 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
Reduction of 2 FTE custodial positions	88,024				88,024	2.00	88,024				88,024	2.00	0	0	0	0	0	0.00
Disc. non-reimbursed custod. & police supp. for special events	86,599				86,599	2.00	83,205				83,205	2.00	-3,394	0	0	0	-3,394	0.00
Reduction of 1 FTE Campus Police	59,201				59,201	1.00					0		-59,201	0	0	0	-59,201	-1.00
Reduction of 1 FTE University Pilot	97,169				97,169	1.00					0		-97,169	0	0	0	-97,169	-1.00
Reduction of .5 FTE Equipment Operator (truck deliveries)	29,113				29,113	0.50					0		-29,113	0	0	0	-29,113	-0.50
Transfer .25 FTE of Assoc Phy Plant Dir pos to telecom	26,801				26,801	0.25	26,801				26,801	0.25	0	0	0	0	0	0.00
5% of biennial equipment budget		7,500			7,500			7,500			7,500		0	0	0	0	0	0.00
5% of biennial Capital Improvement budget		71,761			71,761			71,761			71,761		0	0	0	0	0	0.00
Skills Training Center			37,500		37,500			0	37,500		37,500		0	0	0	0	0	0.00
Plumber (reinvestment)					0						0		0	0	0	0	0	0.00
General Inflation											0		0	0	0	0	0	0.00
Student Affairs													0	0	0	0	0	0.00
Graduate Assistantships	39,094				39,094	1.50	5,098				5,098		-33,996	0	0	0	-33,996	-1.50
Asst. Tech Specialist (CSCPG)	38,169				38,169	0.38					0		-38,169	0	0	0	-38,169	-0.38
Receptionist/clerk (Financial Aid)	29,716				29,716	1.00					0		-29,716	0	0	0	-29,716	-1.00
Festival Concert Hall Production Mgr	77,203	24,300			101,503	1.00	77,203	24,300			101,503	1.00	0	0	0	0	0	0.00
General Inflation											0		0	0	0	0	0	0.00
Equipment (5%)		4,522			4,522			4,522			4,522		0	0	0	0	0	0.00
Reallocation for Salary Enhancements							826,781				826,781		826,781	0	0	0	826,781	0.00
Total	$4,935,344	$764,979	$37,500	-$1,093,700	$4,644,123	57.40	$3,805,853	$724,679	$37,500	-$1,093,700	$3,474,332	32.29	$1,129,491	$40,300	$0	$0	$1,169,791	-25.11
NDSCS																		
Accounting	203,376	3,000		-77,600	128,776	2.00	48,059			-46,560	1,499	0.00	-155,317	-3,000	0	31,040	-127,277	-2.00
Banking & Finance	10,000	2,000		-77,600	-65,600	0.25	10,000	2,000		-77,600	-65,600	0.25	0	0	0	0	0	0.00
Culinary Arts	99,644	28,000		-65,184	62,460	2.00	99,644	28,000		-65,184	62,460	2.00	0	0	0	0	0	0.00
Science Technology	8,000	11,200		-24,832	-5,632	0.25							-8,000	-11,200	0	24,832	5,632	-0.25
Cooling & Heating	84,756	11,000		-77,600	18,156	1.00	84,756	11,000		-77,600	18,156	1.00	0	0	0	0	0	0.00
Industrial Maintenance	16,500			-46,560	-30,060	0.35	16,500			-46,560	-30,060	0.35	0	0	0	0	0	0.00
Graphic Arts	210,464	54,800		-77,600	187,664	3.00							-210,464	-54,800	0	77,600	-187,664	-3.00
General Education/Liberal Arts	297,888			-142,784	155,104	3.50	297,888			-142,784	155,104	3.50	0	0	0	0	0	0.00
Academic Support	93,818				93,818	1.25	93,818				93,818	2.59	0	0	0	0	0	1.34
Student Services	148,308				148,308	1.00	148,719				148,719	2.75	411	0	0	0	411	1.75
Institutional Support	173,702				173,702	3.00	210,731				210,731	2.00	37,029	0	0	0	37,029	-1.00
Physical Plant	307,022				307,022	5.75	281,759				281,759	5.00	-25,263	0	0	0	-25,263	-0.75
Operating Expense					0									0				
Instruction		215,962			215,962						0		0	-215,962	0	0	-215,962	0.00
Academic Support		4,674			4,674						0		0	-4,674	0	0	-4,674	0.00
Student Services		31,860			31,860						0		0	-31,860	0	0	-31,860	0.00
Institutional Support		5,700			5,700						0		0	-5,700	0	0	-5,700	0.00
Physical Plant		331,564			331,564						0		0	-331,564	0	0	-331,564	0.00
Faculty Salary Increase					0		75,759				75,759		75,759	0	0	0	75,759	0.00
Computer Information Systems					0		87,987			-62,080	25,907	1.00	87,987	0	0	-62,080	25,907	1.00
Diesel Technology					0		85,999			-40,398	45,601	1.00	85,999	0	0	-40,398	45,601	1.00
Allied Health					0		86,993			-30,994	55,999	1.00	86,993	0	0	-30,994	55,999	1.00
Total	$1,653,478	$699,780	$0	-$589,760	$1,763,478	23.35	$1,628,612	$41,000	$0	-$589,760	$1,079,852	22.44	-$24,866	-$658,780	$0	$0	-$683,626	-0.91
DSU																		
Eliminate Dean of Inform. Syst	108,181				108,181	1.00	108,181				108,181	1.00	0	0	0	0	0	0.00
Eliminate Dir. of Intercollegiate Athletics pos	114,537				114,537	1.00	114,537				114,537	1.00	0	0	0	0	0	0.00
Eliminate special funding to athletics		55,000			55,000			7,312			7,312		0	-47,688	0	0	-47,688	0.00
Eliminate Truck Driver Training Program	81,850	82,350		-45,628	118,572	0.75					0		-81,850	-82,350	0	45,628	-118,572	-0.75
Faculty Development Funds		66,320			66,320									-66,320			-66,320	0.00
Eliminate German Minor	111,263				111,263	0.75					0		-111,263	0	0	0	-111,263	-0.75
Nursing Program	101,986				101,986	0.79	101,986				101,986	0.79	0	0	0	0	0	0.00
Music Program	83,886				83,886	0.75	83,886				83,886	0.75	0	0	0	0	0	0.00
Business Education Program	66,412				66,412	0.75	66,412				66,412	0.75	0	0	0	0	0	0.00
Computer Science Program	80,636				80,636	0.75	80,636				80,636	0.75	0	0	0	0	0	0.00
Eliminate maintenance worker postion	44,809				44,809	1.00					0		-44,809	0	0	0	-44,809	-1.00
Eliminate custodian position	44,207				44,207	1.00	44,207				44,207	1.00	0	0	0	0	0	0.00
Reduce overtime within facility operations	6,046				6,046						0		-6,046	0	0	0	-6,046	0.00
Reduce operating expenses (facility operations)		42,458			42,458						0		0	-42,458	0	0	-42,458	0.00
Student Support Service Interns	57,200				57,200		57,200				57,200		0	0	0	0	0	0.00
Operating Fees-Instruction		100,000			100,000						0			-100,000			-100,000	0.00
Repairs-Facility Operations		97,180			97,180						0			-97,180			-97,180	0.00
Landscaping-Facility Operations		23,091			23,091						0			-23,091			-23,091	0.00

North Dakota University System
Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans
1999-2001 Biennial Budget

	Reductions Identified in 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
Correction of tuition-Understated in 96% budget					0					-46,962	-46,962			0		-46,962	-46,962	0.00
Total	$901,013	$466,399	$0	-$45,628	$1,321,784	8.54	$657,045	$7,312	$0	-$46,962	$617,395	6.04	-$243,968	-$459,087	$0	-$1,334	-$704,389	-2.50
MaSU																		
Curriculum Streamlining	121,632				121,632		116,689				116,689		-4,943	0	0	0	-4,943	0.00
Faculty Retirements	118,000				118,000						0		-118,000	0	0	0	-118,000	0.00
Consolidate President's Office	78,448				78,448	1.50					0		-78,448	0	0	0	-78,448	-1.50
Consolidate Student Affairs	136,298				136,298	2.00	136,298				136,298	2.00	0	0	0	0	0	0.00
Consolidate Business Affairs					0						0		0	0	0	0	0	0.00
Reduce Student Employment					0						0		0	0	0	0	0	0.00
Work Study Match					0						0		0	0	0	0	0	0.00
Lease maintenance reduction					0						0		0	0	0	0	0	0.00
Consolidate TLC	20,000				20,000	0.50					0		-20,000	0	0	0	-20,000	-0.50
Faculty Position					0		80,000				80,000	1.00	80,000	0	0	0	80,000	1.00
External Relations/Support					0						0		0	0	0	0	0	0.00
Student Affairs					0						0		0	0	0	0	0	0.00
Business Affairs/Phy. Plant	35,270				35,270		39,904				39,904	1.00	4,634	0	0	0	4,634	1.00
Total	$509,648	$0	$0	$0	$509,648	4.00	$372,891	$0	$0	$0	$372,891	4.00	-$136,757	$0	$0	$0	-$136,757	0.00
MiSU																		
Full-time faculty	788,427				788,427	9.79	165,123				165,123	3.00	-623,304	0	0	0	-623,304	-6.79
Part-time faculty	750,703				750,703	9.32					0		-750,703	0	0	0	-750,703	-9.32
General college w/summer school	563,711	274,630			838,341	7.00	511,893	140,000			651,893	6.36	-51,818	-134,630	0	0	-186,448	-0.64
Summer school	332,396				332,396	4.13					0		-332,396	0	0	0	-332,396	-4.13
Full-time faculty	165,123				165,123	2.00					0		-165,123	0	0	0	-165,123	-2.00
Support pools	141,530				141,530						0		-141,530	0	0	0	-141,530	0.00
Facility positions	96,164				96,164	2.00					0		-96,164	0	0	0	-96,164	-2.00
Instructional pools	74,193				74,193	0.92					0		-74,193	0	0	0	-74,193	-0.92
Instructional support	72,571				72,571	1.82					0		-72,571	0	0	0	-72,571	-1.82
Support positions	65,222				65,222	1.00	72,984	10,000			82,984	1.00	7,762	10,000	0	0	17,762	0.00
Support pools	6,405				6,405						0		-6,405	0	0	0	-6,405	0.00
Equipment		123,050			123,050			100,000			100,000		0	-23,050	0	0	-23,050	0.00
Equipment		38,029			38,029						0		0	-38,029	0	0	-38,029	0.00
Operating		218,000			218,000						0		0	-218,000	0	0	-218,000	0.00
Operating		377,416			377,416						0		0	-377,416	0	0	-377,416	0.00
Salaries-faculty	379,749				379,749	4.72					0		-379,749	0	0	0	-379,749	-4.72
Salary Reallocation (5% 6-year plan)					0		183,023				183,023		183,023	0	0	0	183,023	0.00
Total	$3,436,194	$1,031,125	$0	$0	$4,467,319	42.70	$933,023	$250,000	$0	$0	$1,183,023	10.36	-$2,503,171	-$781,125	$0	$0	-$3,284,296	-32.34
VCSU																		
Curriculum Streamlining	184,397				184,397		111,131				111,131		-73,266	0	0	0	-73,266	0.00
Reorganize summer school	20,733				20,733		20,733				20,733		0	0	0	0	0	0.00
Early Retirement Savings	189,180				189,180						0		-189,180	0	0	0	-189,180	0.00
Reduce library acquisitions		50,000			50,000			50,000			50,000		0	0	0	0	0	0.00
Consolidate Student Affairs	68,632	20,000			88,632	0.50	68,632				68,632	0.50	0	-20,000	0	0	-20,000	0.00
Consolidate Business Affairs	27,367	30,000			57,367	0.50					0		-27,367	-30,000	0	0	-57,367	-0.50
Alumni/Foundation support	67,763	3,000			70,763	1.08					0		-67,763	-3,000	0	0	-70,763	-1.08
Center for Instruction Innovation	8,388	6,472	50,296		65,156	0.33	8,388	6,472			14,860	0.33	0	0	-50,296	0	-50,296	0.00
Kathryn Center support			125,000		125,000	1.00					0		0	0	-125,000	0	-125,000	-1.00
Reorganize Information Technology Center	68,191				68,191	1.00	100,000				100,000	1.00	31,809	0	0	0	31,809	0.00
Customized Learning					0		50,002	109,998			160,000	1.00	50,002	109,998	0	0	160,000	1.00
Total	$834,651	$109,472	$175,296	$0	$919,419	4.41	$358,886	$166,470	$0	$0	$525,358	2.83	-$275,765	$56,998	-$175,296	$0	-$394,063	-1.58
MiSU-BC																		
Instruction	198,641	19,000		-73,988	143,653	2.00	131,622			-31,040	100,582	1.60	-67,019	-19,000	0	42,948	-43,071	-0.40
Support Services	66,937	7,588			74,525	1.80	52,234				52,234	1.40	-14,703	-1,588	0	0	-16,291	-0.40
Facilities Upkeep and Maintenance	39,019				39,019		31,213				31,213		-7,806	0	0	0	-7,806	0.00
Total	$304,597	$26,588	$0	-$73,988	$257,197	3.80	$215,069	$0	$0	-$31,040	$184,029	3.00	-$89,528	-$20,588	$0	$42,948	-$67,168	-0.80
NDUS Office																		
Reduction in Administrative Costs																		
Salaries	68,633				68,633	1.00					0		-68,633	0	0	0	-68,633	-1.00
Operating Expenses		126,335			126,335			126,071			126,071		0	-264	0	0	-264	0.00
Equipment		6,000			6,000			6,000			6,000		0	0	0	0	0	0.00
Reduction in PSEP Program			150,393		150,393				75,363		75,363		0	0	-75,030	0	-75,030	0.00
Reduction in State Grants			37,041		37,041				37,041		37,041		0	0	0	0	0	0.00
Elimination of State Match for Perkins Loan Program			102,885		102,885				102,885		102,885		0	0	0	0	0	0.00

North Dakota University System
Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans
1999-2001 Biennial Budget

	Reductions Identified In 95%GF Budget, Includ Costs to Continue						5% General Fund Restoration/Reinvestement						Net Difference					
	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE	Salaries	Operating, Equipment & Cap Impr	Other	Revenue	TOTAL	FTE
Elimination of WGU Funding			100,000		100,000						0		0	0	-100,000	0	-100,000	0.00
Planning/Accoutability Position							133,500	27,500			161,000	1.00	133,500	27,500	0	0	161,000	1.00
Discretionary Salary Enhancements					0		28,000				28,000		28,000	0	0	0	28,000	0.00
MHEC Membership					0						0		0	0	0	0	0	0.00
Total	$88,633	$132,335	$390,319	$0	$591,287	1.00	$161,500	$159,671	$215,289	$0	$536,360	1.00	$92,867	$27,236	-$175,030	$0	-$54,927	0.00
ND Agriculture Experiment Station																		
Statistics/genetics/chemist	237,819				237,819	2.50					0		-237,819	0	0	0	-237,819	-2.50
Corn Breeding	198,676				198,676	1.70	75,369				75,369	0.92	-123,307	0	0	0	-123,307	-0.78
Ag Finance	134,667				134,667	1.20					0		-134,667	0	0	0	-134,667	-1.20
Potato Development	242,903	0			242,903	1.80					0		-242,903	0	0	0	-242,903	-1.80
Animal Disease	175,033				175,033	0.90	175,033				175,033	0.90	0	0	0	0	0	0.00
Grain Quality	61,355				61,355	1.00	61,355				61,355	1.00	0	0	0	0	0	0.00
Insecticide Evaluation	105,565				105,565	0.90					0		-105,565	0	0	0	-105,565	-0.90
BioPolymer	41,134	0			41,134	0.50					0		-41,134	0	0	0	-41,134	-0.50
Soil Testing	39,031				39,031	0.50					0		-39,031	0	0	0	-39,031	-0.50
Dickinson - Scientist	66,500				66,500	0.63					0		-66,500	0	0	0	-66,500	-0.63
Central Grasslands - Technician	32,000				32,000	0.50					0		-32,000	0	0	0	-32,000	-0.50
Hettinger - Technician	34,200				34,200	0.52					0		-34,200	0	0	0	-34,200	-0.52
Langdon - Technician	32,000				32,000	0.50	32,000				32,000	0.50	0	0	0	0	0	0.00
North Central - Technician	31,600				31,600	0.60	31,600				31,600	0.60	0	0	0	0	0	0.00
Williston - Technician	42,200				42,200	0.81	42,200				42,200	0.81	0	0	0	0	0	0.00
Carrington - Technician	56,000				56,000	0.80					0		-56,000	0	0	0	-56,000	-0.80
Six Year Plan Salary Realocation							191,126				191,126		191,126				191,126	
Crop Protection - Initiative					0		306,000	60,000			366,000	2.00	306,000	60,000	0	0	366,000	2.00
Foundation Seed - Reinstated					0		0				0	0.00	0	0	0	0	0	0.00
Range Research - Initiative					0		150,000	50,000			200,000		150,000	50,000	0	0	200,000	0.00
Molecular marker lab - Initiative					0		156,000	200,000			356,000	2.00	156,000	200,000	0	0	356,000	2.00
Total	$1,530,683	$0	$0	$0	$1,530,883	15.36	$1,220,883	$310,000	$0	$0	$1,530,883	8.73	-$310,000	$310,000	$0	$0	$0	-6.63
Note: Cost to continue funded with additional income.																		
ND Extension Service																		
Soil Conservation			40,000		40,000			38,000			38,000		0	38,000	-40,000	0	-2,000	0.00
Six Year Salary Plan Reallocation					0		55,270	0			55,270		55,270	0	0	0	55,270	0.00
Urban 4-H	99,698	0			99,698	1.20	99,698	0			99,698	1.20	0	0	0	0	0	0.00
Ag Communications	91,098	0			91,098	0.77					0		-91,098	0	0	0	-91,098	-0.77
Grain Quality	74,109	0			74,109	0.60	74,109	0			74,109	0.60	0	0	0	0	0	0.00
Crop Protection	0				0	0.00	66,300	18,700			85,000	1.00	66,300	18,700	0	0	85,000	1.00
Sugarbeet Entomology	21,317	1,717			23,034	0.20					0		-21,317	-1,717	0	0	-23,034	-0.20
Irrigation	116,573	0			116,573	1.00	116,573	0			116,573	1.00	0	0	0	0	0	0.00
Early Childhood Education	45,194	0			45,194	0.50					0		-45,194	0	0	0	-45,194	-0.50
Sheep Education	125,403	0			125,403	1.00					0		-125,403	0	0	0	-125,403	-1.00
Community & Leadership Development					0		114,238	32,221			146,459	1.00	114,238	32,221	0	0	146,459	1.00
Total	$573,392	$1,717	$40,000	$0	$815,109	5.27	$526,188	$88,921	$0	$0	$615,109	4.80	-$47,204	$87,204	$40,000	$0	$0	-0.47
Note: Cost to continue funded with additional income.																		
Northern Crops Institute																		
Feedmilling Program	17,258	14,889			32,147	0.15	17,258	10,834			28,092	0.15	0	-4,055	0	0	-4,055	0.00
Six Year Salary Plan Reallocation							4,055				4,055		4,055	0	0	0	4,055	0.00
Total	$17,258	$14,889	$0	$0	$32,147	0.15	$21,313	$10,834	$0	$0	$32,147	$0	$4,055	-$4,055	$0	$0	$0	$0
Note: Cost to continue funded with addional income.																		
UGPTI																		
General Fund Reduction Core Program	44,305	14,768			59,073		22,778				22,778		-21,527	-14,768	0	0	-36,295	0.00
Total	$44,305	$14,768	$0	$0	$59,073	0.00	$22,778	$0	$0	$0	$22,778	0.00	-$21,527	-$14,768	$0	$0	-$36,295	0.00
ND Forest Service																		
Eliminations at Towner State Nursery (School Tree & Tree Improvement)	62,080	13,823			75,903	0.60	62,080	13,823			75,903	0.60	0	0	0	0	0	0.00
Reduction part-time support	16,775				16,775						0		-16,775	0	0	0	-16,775	0.00
Absorb ongoing fixed and inflationary costs by reducing tech forestry asst to private landowners		22,472			22,472						0		0	-22,472	0	0	-22,472	0.00
Total	$78,855	$36,295	$0	$0	$115,150	0.60	$62,080	$13,823	$0	$0	$75,903	0.60	-$16,775	-$22,472	$0	$0	-$39,247	0.00
GRAND TOTAL	$23,878,217	$6,224,222	$643,115	-$2,071,884	$28,673,670	280.84	$14,075,169	$2,414,032	$1,452,789	-$2,048,894	$15,893,096	113.19	-$9,803,048	-$3,804,190	$809,674	$22,990	-$12,774,574	-167.65

NOTE: FTE are reported per the calculated amounts using the higher education computer network (HECN), where nine month faculty are considered 1.0 FTE and twelve month faculty are considered 1.2 FTE. This is different from the amounts reflected in the statewide pay plan, where nine month faculty are considered .75 FTE and twelve month faculty are considered 1.0 FTE.

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NORTH DAKOTA UNIVERSITY SYSTEM
HISTORY OF LEGISLATIVE APPROPRIATIONS
(millions of dollars)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		NDUS Office/Grants and Eleven Campuses 1/			Extension and Experiment			Medical School			Other Entities 2/			Total All Entities		
	Years	General Fund	Income	Total	General Fund	Income	Total	General Fund	Income	Total	General Fund	Income	Total	General Fund	Income	Total
A.	1999-01 Executive Recommend 3/	$297.10	$152.91	$450.01	$47.92	$48.79	$96.71	$28.22	$59.48	$87.70	$1.57	$0.81	$2.38	$374.81	$261.99	$636.80
B.	1999-01 Budget Request 3/	$299.51	$152.46	$451.97	$49.98	$46.72	$96.70	$29.46	$57.31	$86.77	$1.60	$0.86	$2.46	$380.55	$257.35	$637.90
C.	1997-99 Adjusted Appropriation 3/	$273.59	$149.04	$422.63	$44.08	$44.62	$88.70	$27.66	$54.19	$81.85	$1.64	$0.81	$2.45	$346.97	$248.66	$595.63
D.	1995-97 Adjusted Appropriation 3/	$240.61	$138.65	$379.26	$39.47	$38.96	$78.43	$25.84	$49.64	$75.48	$1.34	$0.82	$2.16	$307.26	$228.07	$535.33
E.	1993-95 Adjusted Appropriation 3/	$226.18	$144.09	$370.27	$36.96	$38.69	$75.65	$25.36	$35.78	$61.14	$1.32	$26.33	$27.65	$289.82	$244.89	$534.71
F.	1991-93 Adjusted Appropriation	$235.95	$131.65	$367.60	$38.32	$36.75	$75.07	$27.42	$31.32	$58.74	$1.40	$25.38	$26.78	$303.09	$225.10	$528.19
G.	1989-91 Adjusted Appropriation	$205.83	$114.54	$320.37	$34.83	$36.90 4/	$71.73	$25.32	$26.82	$52.14	$1.74	$24.66	$26.40	$267.72	$202.92	$470.64
H.	1981-83 Appropriation	$193.97	$46.65	$240.62	$30.27	$26.65	$56.92	$22.61	$17.36	$39.97	$1.62	$23.01	$24.63	$248.47	$113.67	$362.14

NOTES:

1/ NDUS Office/Grants includes Administration, Student Grant Programs, System Grant Programs and System Projects.

2/ Other Entities includes Forest Service and, prior to 1995-97, the UND-Rehab. Hospital. Does not include the State Toxicologist.

3/ The amounts do not include major capital projects. Major capital projects included in the 1999-01 budget request total $1.2 million general funds and $54.35 million other funds, for a total of $55.55 million. The 1999-01 executive recommendation includes major capital projects totaling $32.81 million, consisting of $5.03 million general fund and $27.78 million other funds.

4/ Does not include $8,469,950 of 1987-89 other funds capital construction carryover at the Main Research Station.

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North Dakota University System
Executive Recommendation For Increase in General Funds
1999-01 Biennium

	Increases Excluding Major Capital Projects				Increases Including Major Capital Projects 1/			
	Executive Recommendation	1997-99 Adjusted Approp	Increase (Decrease)	% Increase	Executive Recommendation	'1997-99 Adjusted Approp	Increase (Decrease)	% Increase
BSC	$14,312,720	$14,222,529	$90,191	0.63%	$14,512,720	$14,837,529	($324,809)	-2.19%
UND-LR	4,450,487	4,311,450	139,037	3.22%	4,950,031	4,311,450	638,581	14.81%
UND-W	4,771,162	4,800,041	(28,879)	-0.60%	4,771,162	4,800,041	(28,879)	-0.60%
UND	90,800,802	89,650,393	1,150,409	1.28%	93,355,802	89,650,393	3,705,409	4.13%
NDSU	72,401,732	69,603,461	2,798,271	4.02%	72,401,732	69,603,461	2,798,271	4.02%
NDSCS	22,682,030	21,689,433	992,597	4.58%	22,682,030	22,189,433	492,597	2.22%
DSU	13,039,293	12,890,620	148,673	1.15%	13,039,293	12,890,620	148,673	1.15%
MaSU	7,701,666	7,660,757	40,909	0.53%	8,461,666	7,660,757	800,909	10.45%
MiSU	24,852,277	24,677,441	174,836	0.71%	24,852,277	24,677,441	174,836	0.71%
VCSU	10,824,567	10,507,893	316,674	3.01%	11,371,567	11,047,893	323,674	2.93%
MiSU-BC	3,804,632	3,891,100	(86,468)	-2.22%	3,872,632	3,891,100	(18,468)	-0.47%
Subtotal-Campuses	269,641,368	263,905,118	5,736,250	2.17%	274,270,912	265,560,118	8,710,794	3.28%
NDUS Office/Grants	27,459,025	9,684,435	17,774,590	183.54%	27,859,025	9,884,435	17,974,590	181.85%
Forest Service	1,573,548	1,639,696	(66,148)	-4.03%	1,573,548	1,689,696	(116,148)	-6.87%
UND-Medical Center	28,223,862	27,658,106	565,756	2.05%	28,223,862	27,658,106	565,756	2.05%
Subtotal-Other	57,256,435	38,982,237	18,274,198	46.88%	57,656,435	39,232,237	18,424,198	46.96%
Subtotal-All Except Extension/Exper	326,897,803	302,887,355	24,010,448	7.93%	331,927,347	304,792,355	27,134,992	8.90%
UGP Transport Inst	487,386	455,562	31,824	6.99%	487,386	455,562	31,824	6.99%
N Crops Institute	668,034	642,936	25,098	3.90%	668,034	642,936	25,098	3.90%
NDSU Extension Service	13,099,114	12,302,188	796,926	6.48%	13,099,114	12,302,188	796,926	6.48%
NDSU Main Research	26,793,360	24,597,563	2,195,797	8.93%	26,793,360	25,097,563	1,695,797	6.76%
Dickinson Research	1,468,109	1,384,044	84,065	6.07%	1,468,109	1,384,044	84,065	6.07%
C Grasslands Research	841,086	644,925	196,161	30.42%	841,086	644,925	196,161	30.42%
Hettinger Research	732,281	728,736	3,545	0.49%	732,281	728,736	3,545	0.49%
Langdon Research	919,578	647,467	272,111	42.03%	919,578	647,467	272,111	42.03%
N Central Research	731,532	635,349	96,183	15.14%	731,532	981,399	(249,867)	-25.46%
Williston Research	847,928	865,773	(17,845)	-2.06%	847,928	915,773	(67,845)	-7.41%
Carrington Research	1,328,872	1,179,290	149,582	12.68%	1,328,872	1,179,290	149,582	12.68%
Agronomy Seed Farm	-	-	-	0.00%	-	-	-	0.00%
Subtotal-Extension/Exp	47,917,280	44,083,833	3,833,447	8.70%	47,917,280	44,979,883	2,937,397	6.53%
GRAND TOTAL	$374,815,083	$346,971,188	$27,843,895	8.02%	$379,844,627	$349,772,238	$30,072,389	8.60%

1/ State bonding is not included in general funds.

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North Dakota University System
Executive Recommendation For Increase in Total Funds
1999-01 Biennium

	Increases Excluding Major Capital Projects				Increases Including Major Capital Projects			
	Executive Recommendation	1997-99 Adjusted Approp	Increase (Decrease)	% Increase	Executive Recommendation	1997-99 Adjusted Approp	Increase (Decrease)	% Increase
BSC	$21,652,496	$20,892,287	$760,209	3.64%	$22,302,496	$21,857,287	$445,209	2.04%
UND-LR	5,904,293	5,772,667	131,626	2.28%	6,898,837	5,772,667	1,126,170	19.51%
UND-W	7,071,427	7,199,952	(128,525)	-1.79%	11,571,427	10,199,952	1,371,475	13.45%
UND	143,292,873	142,756,821	536,052	0.38%	149,847,873	148,706,821	1,141,052	0.77%
NDSU	121,850,635	115,420,024	6,430,611	5.57%	132,515,635	126,770,024	5,745,611	4.53%
NDSCS	31,700,772	30,428,018	1,272,754	4.18%	35,471,097	33,238,018	2,233,079	6.72%
DSU	19,180,019	18,457,492	722,527	3.91%	22,880,019	18,607,492	4,272,527	22.96%
MaSU	10,579,893	10,634,281	(54,388)	-0.51%	11,339,893	10,634,281	705,612	6.64%
MiSU	36,533,011	38,129,846	(1,596,835)	-4.19%	36,533,011	43,629,846	(7,096,835)	-16.27%
VCSU	14,691,154	14,218,422	472,732	3.32%	15,238,154	14,758,422	479,732	3.25%
MiSU-BC	5,163,599	5,269,599	(106,000)	-2.01%	5,291,599	5,269,599	22,000	0.42%
Subtotal-Campuses	417,620,172	409,179,409	8,440,763	2.06%	449,890,041	439,444,409	10,445,632	2.38%
NDUS Office/Grants	32,392,925	13,445,156	18,947,769	140.93%	32,792,925	13,645,156	19,147,769	140.33%
Forest Service	2,384,074	2,450,222	(66,148)	-2.70%	2,432,554	2,500,222	(67,668)	-2.71%
UND-Medical Center	87,695,874	81,843,201	5,852,673	7.15%	87,695,874	81,843,201	5,852,673	7.15%
Subtotal-Other	122,472,873	97,738,579	24,734,294	25.31%	122,921,353	97,988,579	24,932,774	25.44%
Subtotal-All Except Extension/Exper	540,093,045	506,917,988	33,175,057	6.54%	572,811,394	537,432,988	35,378,406	6.58%
UGP Transport Inst	6,488,830	4,858,979	1,629,851	33.54%	6,488,830	4,858,979	1,629,851	33.54%
N Crops Institute	1,079,475	978,913	100,562	10.27%	1,079,475	978,913	100,562	10.27%
NDSU Extension Service	29,871,702	28,083,823	1,787,879	6.37%	29,871,702	28,083,823	1,787,879	6.37%
NDSU Main Research	47,349,738	44,150,143	3,199,595	7.25%	47,349,738	44,650,143	2,699,595	6.05%
Dickinson Research	2,232,735	2,065,720	167,015	8.09%	2,232,735	2,065,720	167,015	8.09%
C Grasslands Research	1,363,529	1,112,518	251,011	22.56%	1,363,529	1,112,518	251,011	22.56%
Hettinger Research	1,227,445	1,065,269	162,176	15.22%	1,227,445	1,065,269	162,176	15.22%
Langdon Research	1,141,330	825,817	315,513	38.21%	1,141,330	825,817	315,513	38.21%
N Central Research	1,251,892	1,112,775	139,117	12.50%	1,251,892	1,658,825	(406,933)	-24.53%
Williston Research	1,130,090	1,114,896	15,194	1.36%	1,130,090	1,264,896	(134,806)	-10.66%
Carrington Research	2,450,704	2,266,163	184,541	8.14%	2,450,704	2,266,163	184,541	8.14%
Agronomy Seed Farm	1,115,952	1,072,731	43,221	4.03%	1,205,952	1,252,731	(46,779)	-3.73%
Subtotal-Extension/Exp	96,703,422	88,707,747	7,995,675	9.01%	96,793,422	90,083,797	6,709,625	7.45%
GRAND TOTAL	$636,796,467	$595,625,735	$41,170,732	6.91%	$669,604,816	$627,516,785	$42,088,031	6.71%

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NORTH DAKOTA UNIVERSITY SYSTEM
FULL-TIME EQUIVALENT (FTE) AND HEADCOUNT ENROLLMENTS
(Average Annual Projection)

Institution	(1) 1999-2001 Executive Recommendation 1/		(2) 1997-99 Revised Estimate 1/		(3) Recommended Change to 97-99 Revised Estimate			
	FTE	Headcount	FTE	Headcount	FTE		Headcount	
BSC	2,146	2,860	2,106	2,806	40	1.9%	54	1.9%
UND-LR	450	790	458	789	(8)	-1.7%	1	0.1%
UND-W	677	749	624	712	53	8.5%	37	5.2%
UND	8,257	11,423	8,386	11,367	(129)	-1.5%	56	0.5%
NDSU	8,304	10,273	8,269	10,222	35	0.4%	51	0.5%
NDSCS	2,442	2,633	2,433	2,673	9	0.4%	(40)	-1.5%
DSU	1,437	1,836	1,438	1,810	(1)	-0.1%	26	1.4%
MASU	644	790	644	790	0	0.0%	0	0.0%
MISU	2,385	3,244	2,629	3,448	(244)	-9.3%	(204)	-5.9%
VCSU	920	1,182	911	1,171	9	1.0%	11	0.9%
MISU-BC	402	435	381	412	21	5.5%	23	5.6%
TOTAL	**28,064**	**36,215**	**28,279**	**36,200**	**(215)**	**-0.8%**	**15**	**0.0%**

NOTES:

1/ Based on projections made by the institutions in December, 1998. The budget request and executive recommendation are the same.

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NORTH DAKOTA UNIVERSITY SYSTEM
FUNDS APPROPRIATED FOR
1999-2001 SALARY AND BENEFIT ADJUSTMENTS

	(1)	(2)	(3)	(4)	(5)	(6)
Institution/ Entity	Health Insurance	Salary Adjustment	Total Adjustment	Funding Source		
				General	Other	Total
BSC	$139,792	$578,007	$717,799	$717,799		$717,799
UND-LR	44,520	175,890	220,410	220,410		220,410
UND-W	51,643	209,244	260,887	260,887		260,887
UND	947,385	3,946,525	4,893,910	4,893,910		4,893,910
NDSU	815,606	3,616,887	4,432,493	4,430,218	2,275	4,432,493
NDSCS	235,510	840,661	1,076,171	1,076,171		1,076,171
DSU	134,450	565,579	700,029	700,029		700,029
MaSU	88,594	307,005	395,599	395,599		395,599
MiSU	263,558	1,130,908	1,394,466	1,394,466		1,394,466
VCSU	118,423	420,685	539,108	539,108		539,108
MiSU-BC	46,300	139,432	185,732	185,732		185,732
Subtotal	**2,885,781**	**11,930,823**	**14,816,604**	**14,814,329**	**2,275**	**14,816,604**
NDUS Office/Grants	16,917	104,660	121,577	121,577		121,577
UND-Medical Center	419,378	2,678,502	3,097,880	938,649	2,159,231	3,097,880
Forest Service	17,808	55,231	73,039	73,039		73,039
Subtotal	**454,103**	**2,838,393**	**3,292,496**	**1,133,265**	**2,159,231**	**3,292,496**
UGP Transportation Institute	20,479	97,533	118,012	19,987	98,025	118,012
Extension Service	251,538	983,486	1,235,024	776,440	458,584	1,235,024
Northern Crops Institute	7,123	34,892	42,015	25,097	16,918	42,015
Main Research	333,010	1,452,810	1,785,820	1,356,168	429,652	1,785,820
Dickinson Research	15,582	50,988	66,570	66,266	304	66,570
Central Grasslands Research	6,232	22,532	28,764	28,764		28,764
Hettinger Research	8,904	28,482	37,386	28,542	8,844	37,386
Langdon Research	7,123	25,512	32,635	29,107	3,528	32,635
North Central Research	7,568	29,402	36,970	33,614	3,356	36,970
Williston Research	7,123	27,238	34,361	32,152	2,209	34,361
Carrington Research	14,246	59,049	73,295	56,358	16,937	73,295
Agronomy Seed Farm	2,671	13,316	15,987		15,987	15,987
Subtotal	**681,599**	**2,825,240**	**3,506,839**	**2,452,495**	**1,054,344**	**3,506,839**
Critical Salary Adjustments		**3,107,627**	**3,107,627**	**3,107,627**		**3,107,627**
TOTAL	**$4,021,483**	**$20,702,083**	**$24,723,566**	**$21,507,716**	**$3,215,850**	**$24,723,566**
Source of Increase:						
General Fund	**$3,534,728**	**$17,972,988**	**$21,507,716**			
Other Funds	**486,755**	**2,729,095**	**3,215,850**			
Total	**$4,021,483**	**$20,702,083**	**$24,723,566**			

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NORTH DAKOTA UNIVERSITY SYSTEM
1999-01 EXECUTIVE RECOMMENDATION - ANALYSIS BY MAJOR PROGRAM
(11 CAMPUSES ONLY)

	(1) BSC	(2) UND-LR	(3) UND-W	(4) UND	(5) NDSU	(6) NDSCS	(7) DSU	(8) MASU	(9) MISU	(10) VCSU	(11) MISU-BC	(12) TOTAL
1999-01 Executive Recommendation												
Instruction	$ 13,588,411	$ 3,123,688	$ 4,581,196	$ 91,962,380	$ 83,399,853	$ 19,320,148	$ 10,741,608	$ 6,130,360	$ 24,227,364	$ 8,559,514	$ 2,778,423	$ 268,412,945
Support Services	4,673,804	1,597,565	1,378,359	21,933,722	12,977,322	4,407,672	3,641,101	2,171,135	4,907,916	3,230,232	995,210	61,914,038
Facilities Upkeep and Maintenance	3,390,281	1,183,040	1,111,872	29,186,634	25,281,792	7,972,952	4,797,310	2,278,398	6,817,368	2,901,408	1,389,966	86,311,021
Major Capital Projects	650,000	994,544	4,500,000	6,555,000	10,665,000	3,770,325	3,700,000	760,000	-	547,000	128,000	32,269,869
Research/Public Service				210,137	191,668				580,363			982,168
TOTAL	**22,302,496**	**6,898,837**	**11,571,427**	**149,847,873**	**132,515,635**	**35,471,097**	**22,880,019**	**11,339,893**	**36,533,011**	**15,238,154**	**5,291,599**	**449,890,041**
General Fund	14,512,720	4,950,031	4,771,162	93,355,802	72,401,732	22,682,030	13,039,293	8,461,666	24,852,277	11,371,567	3,872,632	274,270,912
Other Funds	7,789,776	1,948,806	6,800,265	56,492,071	58,251,168	12,789,067	9,840,726	2,878,227	11,680,734	3,866,587	1,418,967	173,756,394
Federal Funds				-	1,862,735							1,862,735
TOTAL	**22,302,496**	**6,898,837**	**11,571,427**	**149,847,873**	**132,515,635**	**35,471,097**	**22,880,019**	**11,339,893**	**36,533,011**	**15,238,154**	**5,291,599**	**449,890,041**
1999-01 Budget Request												
Instruction	$13,709,549	$3,097,119	$4,409,224	$93,345,093	$86,366,696	$19,062,642	$10,828,332	$6,291,751	$24,807,970	$8,995,751	$2,780,545	$273,694,672
Support Services	4,819,794	1,603,922	1,410,473	22,815,308	13,588,778	4,613,283	3,692,819	2,189,908	5,048,743	3,344,283	993,845	64,121,156
Facilities Upkeep and Maintenance	3,325,626	1,182,237	1,128,291	29,227,922	25,018,839	8,134,945	4,501,518	2,276,669	6,465,641	2,901,047	1,389,714	85,552,449
Major Capital Projects	4,559,730	994,544	4,500,000	4,000,000	23,730,160	0	3,200,000	0	2,817,000	454,300	0	44,255,734
Research/Public Service				214,661	191,885				580,719			987,265
TOTAL	**26,414,699**	**6,877,822**	**11,447,988**	**149,602,984**	**148,896,358**	**31,810,870**	**22,222,669**	**10,758,328**	**39,720,073**	**15,695,381**	**5,164,104**	**468,611,276**
General Fund	14,452,969	4,469,019	4,889,214	93,332,016	75,036,437	22,580,063	12,708,454	7,805,394	24,989,195	11,273,026	3,788,679	275,324,466
Other Funds	11,961,730	2,408,803	6,558,774	56,270,968	71,999,461	9,230,807	9,514,215	2,952,934	14,730,878	4,422,355	1,375,425	191,426,350
Federal Funds					1,860,460							1,860,460
TOTAL	**26,414,699**	**6,877,822**	**11,447,988**	**149,602,984**	**148,896,358**	**31,810,870**	**22,222,669**	**10,758,328**	**39,720,073**	**15,695,381**	**5,164,104**	**468,611,276**
1997-99 Adjusted Appropriation 1/												
Instruction	$13,369,020	$2,966,976	$4,367,143	$90,793,293	$81,326,712	$18,539,099	$10,429,515	$5,964,728	$25,432,134	$7,973,289	$2,743,408	$263,905,317
Support Services	4,180,914	1,586,965	1,458,418	22,453,629	11,732,229	4,236,615	3,462,425	2,213,084	5,064,755	3,319,198	969,176	60,677,408
Facilities Upkeep and Maintenance	3,342,353	1,218,726	1,374,391	29,171,536	22,161,606	7,652,304	4,565,552	2,456,469	7,039,410	2,925,935	1,557,015	83,465,297
Major Capital Projects	965,000	0	3,000,000	5,950,000	11,350,000	2,810,000	150,000	0	5,500,000	540,000	0	30,265,000
Research/Public Service				338,363	199,477				593,547			1,131,387
TOTAL	**21,857,287**	**5,772,667**	**10,199,952**	**148,706,821**	**126,770,024**	**33,238,018**	**18,607,492**	**10,634,281**	**43,629,846**	**14,758,422**	**5,269,599**	**439,444,409**
General Fund	14,837,529	4,311,450	4,800,041	89,650,393	69,603,461	22,189,433	12,890,620	7,660,757	24,677,441	11,047,893	3,891,100	265,560,118
Other Funds	7,019,758	1,461,217	5,399,911	58,306,428	52,166,563	11,048,585	5,716,872	2,973,524	18,952,405	3,710,529	1,378,499	168,134,291
Federal Funds				750,000	5,000,000							5,750,000
TOTAL	**21,857,287**	**5,772,667**	**10,199,952**	**148,706,821**	**126,770,024**	**33,238,018**	**18,607,492**	**10,634,281**	**43,629,846**	**14,758,422**	**5,269,599**	**439,444,409**
Recommended Chng to 97-99 Adj Appr												
Instruction	219,391	156,712	214,053	1,169,087	2,073,141	781,049	312,093	165,632	(1,204,770)	586,225	35,015	4,507,628
Support Services	492,890	10,600	(80,059)	(519,907)	1,245,093	171,057	178,676	(41,949)	(156,839)	(88,966)	26,034	1,236,630
Facilities Upkeep and Maintenance	47,928	(35,686)	(262,519)	15,098	3,120,186	320,648	231,758	(178,071)	(222,042)	(24,527)	(167,049)	2,845,724
Major Capital Projects	(315,000)	994,544	1,500,000	605,000	(685,000)	960,325	3,550,000	760,000	(5,500,000)	7,000	128,000	2,004,869
Research/Public Service	0	0	0	(128,226)	(7,809)	0	0	0	(13,184)	0	0	(149,219)
TOTAL	**445,209**	**1,126,170**	**1,371,475**	**1,141,052**	**5,745,611**	**2,233,079**	**4,272,527**	**705,612**	**(7,096,835)**	**479,732**	**22,000**	**10,445,632**
General Fund	(324,809)	638,581	(28,879)	3,705,409	2,798,271	492,597	148,673	800,909	174,836	323,674	(18,468)	8,710,794
Other Funds	770,018	487,589	1,400,354	(1,814,357)	6,084,605	1,740,482	4,123,854	(95,297)	(7,271,671)	156,058	40,468	5,622,103
Federal Funds	0	0	0	(750,000)	(3,137,265)	0	0	0	0	0	0	(3,887,265)
TOTAL	**445,209**	**1,126,170**	**1,371,475**	**1,141,052**	**5,745,611**	**2,233,079**	**4,272,527**	**705,612**	**(7,096,835)**	**479,732**	**22,000**	**10,445,632**

1/ The 1997-99 adjusted appropriation amounts do not include the following "other funds:" $12,200,000 line of credit authorization (UND-LR - $200,000 and UND - $12,000,000); $11,438,926 bonding and other off-budget capital carryover (BSC - $2,958,412, UND-W - $4,721, UND - $4,607,009, NDSU - $1,340,531, DSU - $2,406,197, MaSU - $32,970, MiSU - 53,612 and VCSU - $35,474).

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NORTH DAKOTA UNIVERSITY SYSTEM
1999-01 EXECUTIVE RECOMMENDATION - ANALYSIS BY MAJOR PROGRAM
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE, FOREST SERVICE and UND MEDICAL CENTER

	(1) NDUS Office	(2) Forest Service	(3) UND Medical Center	(4) TOTAL
1999-01 Executive Recommendation				
System Governance	22,294,128			22,294,128
Student Grant Programs	6,943,147			6,943,147
System Grant Programs	3,140,693			3,140,693
System Projects	414,957			414,957
Facilities Upkeep and Maintenance		79,541		79,541
Research/Public Service		2,353,013	48,137,727	50,490,740
Instruction			39,189,713	39,189,713
Support Services			368,434	368,434
TOTAL	**32,792,925**	**2,432,554**	**87,695,874**	**122,921,353**
General Fund	27,859,025	1,573,548	28,223,862	57,656,435
Other Funds	4,259,900	859,006	59,472,012	64,590,918
Federal Funds	674,000			674,000
TOTAL	**32,792,925**	**2,432,554**	**87,695,874**	**122,921,353**
1999-01 Budget Request				
System Governance	3,537,961			3,537,961
Student Grant Programs	9,843,147			9,843,147
System Grant Programs	15,956,009			15,956,009
System Projects	9,477,326			9,477,326
Facilities Upkeep and Maintenance		79,541		79,541
Research/Public Service		2,374,504	46,500,000	48,874,504
Instruction			39,910,153	39,910,153
Support Services			367,579	367,579
TOTAL	**38,814,443**	**2,454,045**	**86,777,732**	**128,046,220**
General Fund	25,380,543	1,595,039	29,464,950	56,440,532
Other Funds	12,759,900	859,006	57,312,782	70,931,688
Federal Funds	674,000			674,000
TOTAL	**38,814,443**	**2,454,045**	**86,777,732**	**128,046,220**
1997-99 Adjusted Appropriation:				
System Governance	2,783,621			2,783,621
Student Grant Programs	7,385,875			7,385,875
System Grant Programs	3,085,260			3,085,260
System Projects	390,400			390,400
Facilities Upkeep and Maintenance		131,571		131,571
Research/Public Service		2,368,651	44,785,805	47,154,456
Instruction			36,689,817	36,689,817
Support Services			367,579	367,579
TOTAL	**13,645,156**	**2,500,222**	**81,843,201**	**97,988,579**
General Fund	9,884,435	1,689,696	27,658,106	39,232,237
Other Funds	2,759,900	810,526	54,185,095	57,755,521
Federal Funds	1,000,821			1,000,821
TOTAL	**13,645,156**	**2,500,222**	**81,843,201**	**97,988,579**
Recommended Chng to 97-99 Adj. Appr.				
System Governance	19,510,507	0	0	19,510,507
Student Grant Programs	(442,728)	0	0	(442,728)
System Grant Programs	55,433	0	0	55,433
System Projects	24,557	0	0	24,557
Facilities Upkeep and Maintenance	0	(52,030)	0	(52,030)
Research/Public Service	0	(15,638)	3,351,922	3,336,284
Instruction	0	0	2,499,896	2,499,896
Support Services	0	0	855	855
TOTAL	**19,147,769**	**(67,668)**	**5,852,673**	**24,932,774**
General Fund	17,974,590	(116,148)	565,756	18,424,198
Other Funds	1,500,000	48,480	5,286,917	6,835,397
Federal Funds	(326,821)	0	0	(326,821)
TOTAL	**19,147,769**	**(67,668)**	**5,852,673**	**24,932,774**

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NORTH DAKOTA UNIVERSITY SYSTEM
1999-01 EXECUTIVE RECOMMENDATION - ANALYSIS BY MAJOR PROGRAM
UPPER GREAT PLAINS TRANSPORTATION INSTITUTE, NDSU EXTENSION SERVICE and EXPERIMENT STATIONS

	(1) UGPTI	(2) Extension Service	(3) Northern Crops	(4) Main Research	(5) Dickinson Research	(6) C. Grass. Research	(7) Hettinger Research	(8) Langdon Research	(9) N. Central Research	(10) Williston Research	(11) Carrington Research	(12) Agronomy Seed	(13) TOTAL
1999-01 Executive Recommendation													
Transportation Institute	$6,488,830												$6,488,830
Coop Extension Programs		29,311,702											29,311,702
Soil Conservation		560,000											560,000
Farm Product Devel, Mktng & Utilization			1,079,475										1,079,475
Agricultural Research				47,349,738	2,232,735	1,363,529	1,227,445	1,141,330	1,251,892	1,130,090	2,450,704	1,205,952	59,353,415
Subtotal	6,488,830	29,871,702	1,079,475	47,349,738	2,232,735	1,363,529	1,227,445	1,141,330	1,251,892	1,130,090	2,450,704	1,205,952	96,793,422
General Fund	487,386	13,099,114	668,034	26,793,360	1,468,109	841,086	732,281	919,578	731,532	847,928	1,328,872	0	47,917,280
Other Funds	2,736,952	9,036,229	411,441	11,785,540	671,622	522,443	373,583	221,752	520,360	282,162	887,844	1,205,952	28,655,880
Federal Funds	3,264,492	7,736,359	0	8,770,838	93,004	0	121,581	0	0	0	233,988	0	20,220,262
Total Funds	6,488,830	29,871,702	1,079,475	47,349,738	2,232,735	1,363,529	1,227,445	1,141,330	1,251,892	1,130,090	2,450,704	1,205,952	96,793,422
1999-01 Budget Request													
Transportation Institute	$6,407,879												$6,407,879
Coop Extension Programs		29,470,316											29,470,316
Soil Conservation		578,000											578,000
Farm Product Devel, Mktng & Utilization			1,074,552										1,074,552
Agricultural Research				47,245,462	2,213,555	1,330,630	1,212,290	1,140,989	1,238,142	1,122,865	2,476,151	1,189,965	59,170,049
Subtotal	6,407,879	30,048,316	1,074,552	47,245,462	2,213,555	1,330,630	1,212,290	1,140,989	1,238,142	1,122,865	2,476,151	1,189,965	96,700,796
General Fund	504,462	13,734,313	680,030	27,118,737	1,449,233	808,187	725,971	922,766	721,138	842,914	1,371,258	0	48,879,009
Other Funds	2,703,417	8,618,797	394,522	11,495,769	671,622	522,443	370,863	218,223	517,004	279,951	874,785	1,189,965	27,857,361
Federal Funds	3,200,000	7,695,206	0	8,630,956	92,700	0	115,456	0	0	0	230,108	0	19,964,426
Total Funds	6,407,879	30,048,316	1,074,552	47,245,462	2,213,555	1,330,630	1,212,290	1,140,989	1,238,142	1,122,865	2,476,151	1,189,965	96,700,796
1997-99 Adjusted Appropriation:													
Transportation Institute	4,858,979												4,858,979
Coop Extension Programs		27,503,823											27,503,823
Soil Conservation		580,000											580,000
Farm Product Devel, Mktng & Utilization			978,913										978,913
Agricultural Research				44,650,143	2,065,720	1,112,518	1,065,269	825,817	1,658,825	1,264,896	2,266,163	1,252,731	56,162,082
Subtotal	4,858,979	28,083,823	978,913	44,650,143	2,065,720	1,112,518	1,065,269	825,817	1,658,825	1,264,896	2,266,163	1,252,731	90,083,797
General Fund	455,562	12,302,188	642,936	25,097,563	1,384,044	644,925	728,736	647,467	981,399	915,773	1,179,290	0	44,979,883
Other Funds	2,403,417	8,161,635	335,977	10,990,728	588,976	467,593	285,068	178,350	677,426	349,123	862,507	1,252,731	26,553,531
Federal Funds	2,000,000	7,620,000	0	8,561,852	92,700	0	51,465	0	0		224,366	0	18,550,383
Total Funds	4,858,979	28,083,823	978,913	44,650,143	2,065,720	1,112,518	1,065,269	825,817	1,658,825	1,264,896	2,266,163	1,252,731	90,083,797
Recommended Change to 1997-99 Adj Approp													
Transportation Institute	1,629,851	0	0	0	0	0	0	0	0	0	0	0	1,629,851
Coop Extension Programs	0	1,807,879	0	0	0	0	0	0	0	0	0	0	1,807,879
Soil Conservation	0	(20,000)	0	0	0	0	0	0	0	0	0	0	(20,000)
Farm Product Devel, Mktng & Utilization	0	0	100,562	0	0	0	0	0	0	0	0	0	100,562
Agricultural Research	0	0	0	2,699,595	167,015	251,011	162,176	315,513	(406,933)	(134,806)	184,541	(46,779)	3,191,333
Subtotal	1,629,851	1,787,879	100,562	2,699,595	167,015	251,011	162,176	315,513	(406,933)	(134,806)	184,541	(46,779)	6,709,625
General Fund	31,824	796,926	25,098	1,695,797	84,065	196,161	3,545	272,111	(249,867)	(67,845)	149,582	0	2,937,397
Other Funds	333,535	874,594	75,464	794,812	82,646	54,850	88,515	43,402	(157,066)	(66,961)	25,337	(46,779)	2,102,349
Federal Funds	1,264,492	116,359	0	208,986	304	0	70,116	0	0	0	9,622	0	1,669,879
Total Funds	$1,629,851	$1,787,879	$100,562	$2,699,595	$167,015	$251,011	$162,176	$315,513	($406,933)	($134,806)	$184,541	($46,779)	$6,709,625

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NORTH DAKOTA UNIVERSITY SYSTEM
INSTRUCTIONAL BUDGET

(Includes Faculty, Other Instructional Support, Equipment, Training and Development, and HECN (1/) for NDSU)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	$$$ Budget					FTE Budget				
Institution	1999-01 Exec. Recom.	1999-01 Budget Req.	1997-99 Adj. Approp.	$$ Recom. Chge.to 97-99	%% Recom. Chge. to 97-99	1999-01 Exec. Recom	1999-01 Budget Req.	1997-99 Adjusted FTE	Recom. Chge. to 97-99	%% Recom. Chge. to 97-99
BSC	$13,588,411	$13,709,549	$13,369,020	$219,391	1.6%	88.11	87.69	87.11	1.00	1.15%
UND-LR	3,123,688	3,097,119	2,966,976	$156,712	5.3%	22.14	21.39	22.22	-0.08	-0.36%
UND-W	4,581,196	4,409,224	4,367,143	$214,053	4.9%	29.10	27.10	28.85	0.25	0.87%
UND	89,278,947	90,705,053	88,211,253	$1,067,694	1.2%	603.04	614.29	634.10	-31.06	-4.90%
IVN	2,108,224	2,082,100	2,034,461	$73,763	3.6%	6.50	6.50	6.50	0.00	0.00%
ODIN	575,209	557,940	547,579	$27,630	5.0%	4.00	4.00	4.00	0.00	0.00%
NDSU	83,399,853	86,366,696	81,326,712	$2,073,141	2.5%	538.70	556.32	546.10	-7.40	-1.36%
NDSCS	19,320,148	19,062,642	18,539,099	$781,049	4.2%	129.78	135.23	126.28	3.50	2.77%
DSU	10,741,608	10,828,332	10,429,515	$312,093	3.0%	71.13	71.13	72.63	-1.50	-2.07%
MaSU	6,130,360	6,291,751	5,964,728	$165,632	2.8%	46.15	47.90	42.90	3.25	7.58%
MiSU	24,227,364	24,807,970	25,432,134	($1,204,770)	-4.7%	171.22	172.62	183.36	-12.14	-6.62%
VCSU	8,559,514	8,995,751	7,973,289	$586,225	7.4%	64.61	65.61	62.36	2.25	3.61%
MiSU-BC	2,778,423	2,780,545	2,743,408	$35,015	1.3%	27.12	27.62	27.12	0.00	0.00%
TOTAL	**$268,412,945**	**$273,694,672**	**$263,905,317**	**$4,507,628**	**1.7%**	**1801.60**	**1837.40**	**1843.53**	**-41.93**	**-2.27%**

1/ NDSU has included all but $689,000 HECN ($8,830,035) in the Instructional function, due to its focus on academic computing. All other campuses have included HECN in the Support Services function.

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NORTH DAKOTA UNIVERSITY SYSTEM
SUPPORT SERVICES BUDGET

(Includes Student Services, Institutional Support, HECN for all campuses except NDSU (1/), and System Projects)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	$$$ Budget					FTE Budget				
Institution	1999-01 Exec. Recom.	1999-01 Budget Req.	1997-99 Adj. Approp.	$$ Recom. Chge.to 97-99	%% Recom. Chge. to 97-99	1999-01 Exec. Recom.	1999-01 Budget Req.	1997-99 Adjusted FTE	Recom. Chge. to 97-99	%% Recom. Chge. to 97-99
BSC	$4,673,804	$4,819,794	$4,180,914	$492,890	11.8%	38.33	39.58	37.83	0.50	1.32%
UND-LR	1,597,565	1,603,922	1,586,965	$10,600	0.7%	13.20	13.20	13.20	0.00	0.00%
UND-W	1,378,359	1,410,473	1,458,418	($80,059)	-5.5%	11.97	11.97	12.97	-1.00	-7.71%
UND	21,933,722	22,815,308	22,453,629	($519,907)	-2.3%	169.64	171.70	180.83	-11.19	-6.19%
NDSU	12,977,322	13,588,778	11,732,229	$1,245,093	10.6%	119.90	125.03	121.28	-1.38	-1.14%
NDSCS	4,407,672	4,613,283	4,236,615	$171,057	4.0%	39.62	40.82	39.62	0.00	0.00%
DSU	3,641,101	3,692,819	3,462,425	$178,676	5.2%	29.50	29.50	29.50	0.00	0.00%
MaSU	2,171,135	2,189,908	2,213,084	($41,949)	-1.9%	21.32	21.32	22.32	-1.00	-4.48%
MiSU	4,907,916	5,048,743	5,064,755	($156,839)	-3.1%	41.75	42.75	42.75	-1.00	-2.34%
VCSU	3,230,232	3,344,283	3,319,198	($88,966)	-2.7%	23.74	23.74	24.82	-1.08	-4.35%
MiSU-BC	995,210	993,845	969,176	$26,034	2.7%	9.83	9.83	9.83	0.00	0.00%
TOTAL	**$61,914,038**	**$64,121,156**	**$60,677,408**	**$1,236,630**	**2.0%**	**518.80**	**529.44**	**534.95**	**-16.15**	**-3.02%**

1/ NDSU has included all but $689,000 HECN in the Instructional function, due to its focus on academic computing ($689,000 is included in Support). All other campuses have included HECN in the Support Services function.

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NORTH DAKOTA UNIVERSITY SYSTEM
FACILITIES UPKEEP AND MAINTENANCE BUDGET

(Only Includes Physical Plant, Utilities, Equipment, Training and Development, and Plant Improvements)
Does NOT Include Major Capital Projects

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	$$$ Budget					FTE Budget				
Institution	1999-01 Exec. Recom.	1999-01 Budget Req.	1997-99 Adj. Approp.	$$ Recom. Chge.to 97-99	%% Recom. Chge. to 97-99	1999-01 Exec. Recom.	1999-01 Budget Req.	1997-99 Adjusted FTE	Recom. Chge. to 97-99	%% Recom. Chge. to 97-99
BSC	$3,390,281	$3,325,626	$3,342,353	$47,928	1.4%	17.00	17.00	17.00	0.00	0.00%
UND-LR	1,183,040	1,182,237	1,218,726	($35,686)	-2.9%	6.00	6.00	7.00	-1.00	-14.29%
UND-W	1,111,872	1,128,291	1,374,391	($262,519)	-19.1%	5.00	5.00	5.00	0.00	0.00%
UND	29,186,634	29,227,922	29,171,536	$15,098	0.1%	131.76	131.76	134.76	-3.00	-2.23%
NDSU	25,281,792	25,018,839	22,161,606	$3,120,186	14.1%	136.38	136.88	137.38	-1.00	-0.73%
NDSCS	7,972,952	8,134,945	7,652,304	$320,648	4.2%	52.50	52.50	52.50	0.00	0.00%
DSU	4,797,310	4,501,518	4,565,552	$231,758	5.1%	29.00	29.00	29.00	0.00	0.00%
MaSU	2,278,398	2,276,669	2,456,469	($178,071)	-7.2%	13.00	13.00	12.00	1.00	8.33%
MiSU	6,817,368	6,465,641	7,039,410	($222,042)	-3.2%	42.00	42.00	42.00	0.00	0.00%
VCSU	2,901,408	2,901,047	2,925,935	($24,527)	-0.8%	23.00	23.00	23.00	0.00	0.00%
MiSU-BC	1,389,966	1,389,714	1,557,015	($167,049)	-10.7%	9.25	9.25	9.25	0.00	0.00%
TOTAL	**$86,311,021**	**$85,552,449**	**$83,465,297**	**$2,845,724**	**3.4%**	**464.89**	**465.39**	**468.89**	**-4.00**	**-0.85%**

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North Dakota University System
Equipment Budget

Institution	(1) Instructional	(2) Support Services	(3) Facilities Upkeep	(4) Other	(5) Total	(6) Instructional	(7) Support Services	(8) Facilities Upkeep	(9) Other	(10) Total	(11) Instructional	(12) Support Services	(13) Facilities Upkeep	(14) Other	(15) Total	(16) $$ Recom. Chge. to 97-9	(17) %% Recom. Chge. to 97-99
	1999-01 Executive Recommendation					1999-01 Budget Request					1997-99 Adjusted Appropriation						
BSC	$316,762	$28,725	$21,700		$367,187	$316,762	$61,538	$21,700		$400,000	$275,982	$53,725	$21,700		$351,407	$15,780	4.5%
UND-LR	37,580	102,758	10,000		150,338	12,580	102,721	10,000		125,301	12,580	113,758	10,000		136,338	14,000	10.3%
UND-W	201,613	24,799	23,184		249,596	214,311	43,928	23,184		281,423	167,613	26,299	23,184		217,096	32,500	15.0%
UND	1,528,364	837,742	160,902		2,527,008	1,367,315	1,476,815	160,962		3,005,092	1,249,364	975,542	160,962		2,385,868	141,140	5.9%
NDSU	1,642,061	194,439	207,300		2,043,800	1,807,061	194,439	200,000		2,201,500	1,628,561	194,439	200,000		2,023,000	20,800	1.0%
NDSCS	1,318,998	124,370	76,000		1,519,368	1,265,506	124,370	76,000		1,465,876	1,118,998	124,370	76,000		1,319,368	200,000	15.2%
DSU	149,827	185,063	55,110		390,000	196,332	221,182	55,110		472,624	149,827	125,063	55,110		330,000	60,000	18.2%
MASU	95,300	36,200	39,000		170,500	95,300	36,200	39,000		170,500	95,300	36,200	39,000		170,500	0	0.0%
MISU	686,240	168,289	83,400		937,929	586,240	168,289	83,400		837,929	366,900	329,368	83,400		779,668	158,261	20.3%
VCSU	37,100	247,700	38,300		323,100	101,391	247,700	38,300		387,391	37,100	247,700	38,300		323,100	0	0.0%
MISU-BC	94,111	40,094	13,295		147,500	94,111	40,094	13,295		147,500	94,111	40,094	13,295		147,500	0	0.0%
Subtotal	6,107,956	1,990,179	728,191	0	8,826,326	6,056,909	2,717,276	720,951	0	9,495,136	5,196,336	2,266,558	720,951	0	8,183,845	642,481	7.85%
NDUS Office/Grants				26,000	26,000				32,000	32,000				21,000	21,000	5,000	23.8%
Forest Service				65,011	65,011				65,139	65,139				48,011	48,011	17,000	35.4%
UND-Medical Center				2,932,115	2,932,115				2,932,115	2,932,115				2,705,045	2,705,045	227,070	8.4%
Subtotal	0	0	0	3,023,126	3,023,126	0	0	0	3,029,254	3,029,254	0	0	0	2,774,056	2,774,056	249,070	9.0%
UPG Transport. Inst.				250,000	250,000				250,000	250,000				45,000	45,000	205,000	455.6%
NDSU Extension Service				625,640	625,640				807,389	807,389				600,000	600,000	25,640	4.3%
Northern Crops Inst.				72,880	72,880				72,450	72,450				72,450	72,450	430	0.6%
NDSU Main Research				1,532,746	1,532,746				1,610,216	1,610,216				1,367,746	1,367,746	165,000	12.1%
Dickinson Research				0	0				100,000	100,000				54,076	54,076	(54,076)	-100.0%
Central Grasslands Research				0	0				220,193	220,193				85,193	85,193	(85,193)	-100.0%
Hettinger Research				0	0				72,600	72,600				96,600	96,600	(96,600)	-100.0%
Langdon Research				0	0				187,800	187,800				42,800	42,800	(42,800)	-100.0%
North Central Research				0	0				106,200	106,200				106,200	106,200	(106,200)	-100.0%
Williston Research				0	0				94,900	94,900				159,900	159,900	(159,900)	-100.0%
Carrington Research				0	0				142,250	142,250				167,250	167,250	(167,250)	-100.0%
Agronomy Seed Farm				172,000	172,000				172,000	172,000				172,000	172,000	0	0.0%
Subtotal	0	0	0	2,653,266	2,653,266	0	0	0	3,835,998	3,835,998	0	0	0	2,969,215	2,969,215	(315,949)	-10.6%
TOTAL	$6,107,956	$1,990,179	$728,191	$5,676,392	$14,502,718	$6,056,909	$2,717,276	$720,951	$6,865,252	$16,360,388	$5,196,336	$2,266,558	$720,951	$5,743,271	$13,927,116	$575,602	4.1%

NOTE: The 1999-01 Executive Recommendation includes single line-item budgets for the NDSU Branch Research Stations.

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NORTH DAKOTA UNIVERSITY SYSTEM
EXTRAORDINARY REPAIRS AND MAJOR CAPITAL PROJECTS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Institution	1999-01 Executive Recommendation			1999-01 Budget Request			1997-99 Adjusted Appropriation 1/			Recommended Change to 1997-99 Adjusted Appropriation		
	Extraordinar Repairs	Major Capital Projects	TOTAL	Extraordinary Repairs	Major Capital Projects	TOTAL	Extraordinary Repairs	Major Capital Projects	TOTAL	Extraordinary Repairs	Major Capital Projects	TOTAL
BSC	$236,835	$650,000	$886,835	$236,835	$4,559,730	$4,796,565	$197,552	$965,000	$1,162,552	$39,283	($315,000)	($275,717)
UND-LR	99,774	994,544	1,094,318	99,774	994,544	1,094,318	113,931	0	113,931	(14,157)	994,544	980,387
UND-W	88,790	4,500,000	4,588,790	104,128	4,500,000	4,604,128	188,078	3,000,000	3,188,078	(99,288)	1,500,000	1,400,712
UND	2,451,341	6,555,000	9,006,341	2,451,341	4,000,000	6,451,341	2,120,037	5,950,000	8,070,037	331,304	605,000	936,304
NDSU	2,457,362	10,665,000	13,122,362	1,792,362	23,730,160	25,522,522	1,543,900	11,350,000	12,893,900	913,462	(685,000)	228,462
NDSCS	635,885	3,770,325	4,406,210	782,823	0	782,823	501,584	2,810,000	3,311,584	134,301	960,325	1,094,626
DSU	693,962	3,700,000	4,393,962	393,962	3,200,000	3,593,962	203,385	150,000	353,385	490,577	3,550,000	4,040,577
MASU	171,671	760,000	931,671	171,671	0	171,671	274,107	0	274,107	(102,436)	760,000	657,564
MISU	1,050,466	0	1,050,466	702,835	2,817,000	3,519,835	878,105	5,500,000	6,378,105	172,361	(5,500,000)	(5,327,639)
VCSU	265,334	547,000	812,334	265,334	454,300	719,634	364,933	540,000	904,933	(99,599)	7,000	(92,599)
MiSU-BC	90,130	128,000	218,130	83,624	0	83,624	213,433	0	213,433	(123,303)	128,000	4,697
Subtotal	**8,241,550**	**32,269,869**	**40,511,419**	**7,084,689**	**44,255,734**	**51,340,423**	**6,599,045**	**30,265,000**	**36,864,045**	**1,642,505**	**2,004,869**	**3,647,374**
NDUS Office/Grants	0	400,000	400,000		11,200,000	11,200,000		200,000	200,000	0	200,000	200,000
Forest Service	31,061	48,480	79,541	79,541	0	79,541	31,061	50,000	81,061	0	(1,520)	(1,520)
NDSU-Main Research	658,800	0	658,800	711,800	0	711,800	665,284	500,000	1,165,284	(6,484)	(500,000)	(506,484)
Dickinson Research	0	0	0	3,572	0	3,572	35,000	0	35,000	(35,000)	0	(35,000)
Ctrl Grasslands Research	0	0	0	3,572	0	3,572	0	0	0	0	0	0
Hettinger Research	0	0	0	3,572	0	3,572	0	0	0	0	0	0
Langdon Research	0	0	0	3,572	0	3,572	0	0	0	0	0	0
N. Central Research	0	0	0	3,572	0	3,572	0	546,050	546,050	0	(546,050)	(546,050)
Williston Research	0	0	0	3,572	0	3,572	0	150,000	150,000	0	(150,000)	(150,000)
Carrington Research	0	0	0	3,572	0	3,572	0	0	0	0	0	0
Agronomy Seed Farm	0	90,000	90,000	0	90,000	90,000	0	180,000	180,000	0	(90,000)	(90,000)
Subtotal	**689,861**	**538,480**	**1,228,341**	**816,345**	**11,290,000**	**12,106,345**	**731,345**	**1,626,050**	**2,357,395**	**(41,484)**	**(1,087,570)**	**(1,129,054)**
Total	**$8,931,411**	**$32,808,349**	**$41,739,760**	**$7,901,034**	**$55,545,734**	**$63,446,768**	**$7,330,390**	**$31,891,050**	**$39,221,440**	**$1,601,021**	**$917,299**	**$2,518,320**
General Fund	8,931,411	5,029,544	$13,960,955	7,901,034	1,200,000	$9,101,034	7,330,390	2,801,050	10,131,440	$1,601,021	$2,228,494	$3,829,515
State Bonding	0	7,477,825	$7,477,825	0	24,849,394	$24,849,394	0	12,400,000	12,400,000	$0	($4,922,175)	($4,922,175)
Other/Federal Funds	0	20,300,980	$20,300,980	0	29,496,340	$29,496,340	0	16,690,000	16,690,000	$0	$3,610,980	$3,610,980
Total	**$8,931,411**	**$32,808,349**	**$41,739,760**	**$7,901,034**	**$55,545,734**	**$63,446,768**	**$7,330,390**	**$31,891,050**	**$39,221,440**	**$1,601,021**	**$917,299**	**$2,518,320**

1/ The 1997-99 adjusted appropriation amounts **do not include** the following "other funds:" $12,200,000 line of credit authorization (UND-LR - $200,000 and UND - $12,000,000); $11,438,926 bonding and other off-budget capital carryover (BSC - $2,958,412, UND-W - $4,721, UND - $4,607,009, NDSU - $1,340,531,DSU - $2,406,197, MaSU - $32,970, MiSU - 53,612 and VCSU - $35,474).

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NORTH DAKOTA UNIVERSITY SYSTEM
1999-01 MAJOR CAPITAL PROJECTS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	1999-01 Executive Recommendation					1999-01 Budget Request				
	General Fund	Other Funds	Federal Funds	State Bonding	Total Funds	General Fund	Other Funds	Federal Funds	State Bonding	Total Funds
BSC:										
Major Remodeling										
Student Union Renovation		$ 250,000			$ 250,000		$ 250,000			$ 250,000
Schafer Hall Renovation-Phase II					-		596,830		3,712,900	4,309,730
Schafer Hall Renovation-Music Department	200,000	200,000			400,000					-
Subtotal	200,000	450,000	-	-	650,000	-	846,830	-	3,712,900	4,559,730
UND-LR:										
Major Remodeling										
Auditorium Renovation/Addition	499,544	495,000			994,544		495,000		499,544	994,544
Subtotal	499,544	495,000	-	-	994,544	-	495,000	-	499,544	994,544
UND-W:										
New Construction/Addition										
Health & Wellness Center Addition		3,000,000		1,500,000	4,500,000		3,000,000		1,500,000	4,500,000
Subtotal	-	3,000,000	-	1,500,000	4,500,000	-	3,000,000	-	1,500,000	4,500,000
UND:										
Infrastructure:										
Electrical Distribution System	1,540,000				1,540,000					-
Storm Sewer & Area Drainage	1,015,000				1,015,000					-
New Construction/Additions										
Bookstore Construction-Barnes and Noble		4,000,000			4,000,000		4,000,000			4,000,000
Subtotal	2,555,000	4,000,000	-	-	6,555,000	-	4,000,000	-	-	4,000,000
NDSU:										
Major Remodeling										
College of Business-Offices & Classrooms Addition					-		5,998,860			5,998,860
Sudro Hall (Pharmacy) Renovation		1,750,000			1,750,000		1,500,000			1,500,000
New Construction										
Animal Care Facility [Exec Recom-Phase I]		347,040	1,860,460	2,207,500	4,415,000		4,005,190	1,860,460	5,865,650	11,731,300
Health and Wellness Center		4,500,000			4,500,000		4,500,000			4,500,000
Subtotal	-	6,597,040	1,860,460	2,207,500	10,665,000	-	16,004,050	1,860,460	5,865,650	23,730,160
NDSCS:										
Infrastructure:										
Electrical Distribution				1,288,200	1,288,200					-
Steamline Distribution				1,060,125	1,060,125					-
Roof Replacement				1,422,000	1,422,000					-
Subtotal	-	-	-	3,770,325	3,770,325	-	-	-	-	-
DSU:										
Major Remodeling										
Student Center Renovation/Addition		3,700,000			3,700,000		3,200,000			3,200,000
Subtotal	-	3,700,000	-	-	3,700,000	-	3,200,000	-	-	3,200,000

NORTH DAKOTA UNIVERSITY SYSTEM
1999-01 MAJOR CAPITAL PROJECTS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	1999-01 Executive Recommendation					1999-01 Budget Request				
	General Fund	Other Funds	Federal Funds	State Bonding	Total Funds	General Fund	Other Funds	Federal Funds	State Bonding	Total Funds
MISU:										
Major Remodeling										
Old Main Renovation-Phase I					-				2,817,000	2,817,000
Subtotal	-	-	-	-	-	-	-	-	2,817,000	2,817,000
MaSU:										
Infrastructure:										
Boiler Repair & Fuel Storage	760,000				760,000					-
Subtotal	760,000	-	-	-	760,000	-	-	-	-	-
VCSU:										
Major Remodeling										
McFarland, Vangstad Auditorium and McCarthy Sprinklers & Exit Upgrades	547,000				547,000				454,300	454,300
Subtotal	547,000	-	-	-	547,000	-	-	-	454,300	454,300
MiSU-Bottineau Campus:										
Infrastructure:										
Fire Alarm System Upgrade	68,000	60,000			128,000					-
Subtotal	68,000	60,000	-	-	128,000	-	-	-	-	-
NDUS Office/Grants: 1/										
System Infrastructure Pool					-				10,000,000	10,000,000
System ADA Projects					-	500,000				500,000
System Capital Projects-Small Campuses					-	500,000				500,000
System Capital Contingency Fund	400,000				400,000	200,000				200,000
Subtotal	400,000	-	-	-	400,000	1,200,000	-	-	10,000,000	11,200,000
Campus /System Office Subtotal	5,029,544	18,302,040	1,860,460	7,477,825	32,669,869	1,200,000	27,545,880	1,860,460	24,849,394	55,455,734
Forest Service:										
Greenhouse Irrigation		26,780			26,780					-
ADA Accessible Restrooms		21,700			21,700					-
Subtotal	-	48,480	-	-	48,480	-	-	-	-	-
Agronomy Seed Farm:										
Grain Storage Hopper Bins		60,000			60,000		30,000			30,000
Relocate/Reshingle Storage Building		30,000			30,000		60,000			60,000
Subtotal	-	90,000	-	-	90,000	-	90,000	-	-	90,000
Related Entities Subtotal	-	138,480	-	-	138,480	-	90,000	-	-	90,000
TOTAL-ALL	5,029,544	18,440,520	1,860,460	7,477,825	32,808,349	1,200,000	27,635,880	1,860,460	24,849,394	55,545,734

1/ The capital budget request for Prairie Public Broadcasting ($4,226,380) is not included on this schedule.

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North Dakota University System
1999-2001 Major Capital Project Priority List

Priority Rank			Source of Funding			
			State	Local	Federal	Total
Renovation/Addition/Infrastructure						
APPROVED BY BOARD FOR 1999-2001 BUDGET REQUEST (- #5)**						
**	BSC	Student Union Renovation		$250,000		$250,000
**	NDSU	College of Business - Offices & Classrooms Addition		5,998,860		5,998,860
**	NDSU	Sudro Hall (Pharmacy) Renovation		1,500,000		1,500,000
**	DSU	Student Center Renovation/Addition		3,200,000		3,200,000
1	System	Infrastructure Pool	10,000,000			10,000,000
2	UND-LR	Auditorium Renovation/addition	499,544	495,000		994,544
3	VCSU	McFarland, Vangstad Auditorium and McCarthy Sprinklers & Exit Upgrades	454,300			454,300
4	MiSU	Old Main Renovation - Phase I	2,817,000			2,817,000
5	BSC	Schafer Hall Renovation - Phase II	3,712,900	596,830		4,309,730
		Subtotal	$17,483,744	$12,040,690	$0	$29,524,434
PROJECTS NOT APPROVED FOR 1999-2001 BUDGET REQUEST (#6 - #11):						
6	NDSU	South Engineering Renovation	1,227,420			1,227,420
7	UND	O'Kelly Hall Renovation	5,000,000			5,000,000
8	DSU	Murphy Hall Renovation/addition	4,000,000			4,000,000
9	NDSU	Minard Hall Renovation	9,673,052			9,673,052
10	UND	Education Renovation	4,700,000			4,700,000
11	NDSU	Ceres Hall Phase II Renovation	2,995,920			2,995,920
New Construction						
APPROVED BY BOARD FOR 1999-2001 BUDGET REQUEST (- #2)**						
**	NDSU	Health & Wellness Ctr		4,500,000		4,500,000
**	UND	Bookstore Construbtion-Barnes and Noble		4,000,000		4,000,000
1	NDSU	Animal Research Facility 1/	2,207,500	347,040	1,860,460	4,415,000
2	UND-W	Health & Wellness Center Addition	1,500,000	3,000,000		4,500,000
		Subtotal	$3,707,500	$11,847,040	$1,860,460	$17,415,000
PROJECT #3 NOT APPROVED FOR 1999-2001 BUDGET REQUEST						
3	BSC	HE Center/Skills Training Facility	2,900,000	2,900,000		5,800,000

1/ $2,207,500 to be provided by local and/or federal sources. If NDSU is able to raise one-half of the total cost of the entire Animal Research Facility from local and federal sources they can proceed with the construction of both the large animal and laboratory facility as follows: $5,865,650 state and $5,865,650 local/federal.

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NORTH DAKOTA UNIVERSITY SYSTEM
SUMMARY OF OUTSTANDING EXTRAORDINARY REPAIR NEEDS
(Excludes Renovations and New Construction)
1999-01 Biennium
State Funds

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Category I	Category 2	Category 3		Total Outstanding	1999-01	Unfunded Needs
Name	Health & Safety	ADA	Networking	Major Repairs	Needs-Categories 1-3	Exec. Recom.	Categories 1-3
BSC	$125,000	$300,000	$465,000	$2,345,000	$3,235,000	$236,835	$2,998,165
UND-LR	60,000	120,044	8,845	855,800	1,044,689	99,774	$944,915
UND-W	0	135,997	321,510	1,539,335	1,996,842	88,790	$1,908,052
UND	$836,410	4,646,424	4,055,924	16,392,782	25,931,540	3,466,341	$22,465,199
NDSU	203,000	2,542,005	2,852,300	13,191,438	18,788,743	2,457,362	$16,331,381
NDSCS	677,996	297,828	1,232,824	3,494,393	5,703,041	1,696,010	$4,007,031
DSU	752,490	838,358	764,240	2,119,734	4,474,822	693,962	$3,780,860
MaSU	629,000	701,000	475,000	2,478,000	4,283,000	171,671	$4,111,329
MiSU	100,000	796,841	1,769,467	1,806,536	4,472,844	1,050,466	$3,422,378
VCSU	327,700	849,000	763,000	3,400,000	5,339,700	265,334	$5,074,366
MiSU-BC	73,500	218,305	251,080	407,040	949,925	90,130	$859,795
ND Forest Service	28,000	71,700	0	31,061	130,761	79,541	$51,220
TOTAL	**$3,813,096**	**$11,517,502**	**$12,959,190**	**$48,061,119**	**$76,350,907**	**$10,396,216**	**$65,954,691**

NOTES:
In addition to health & safety needs noted above, estimated asbestos removal costs for the system are $8-$12 million.

Category 3 (major repairs) consists of roofs, streets, sidewalks, parking lots, curb, gutter, mechanical systems, HVAC, heating plant and electrical projects.

The executive recommendation for the NDUS Office includes $400,000 for a capital emergency fund, to be distributed by the Board.

Column 6 includes $8,272,611 extraordinary repairs, plus the following amounts that are included in the executive recommendation as major capital projects: UND-$1,015,000 for storm sewer & area drainage; NDSCS-$1,060,125 for steamline distribution; and Forest Service-$48,480 for greenhouse irrigation & ADA accessible restrooms. The outstanding needs of these projects are included in column 4. The executive recommendation also includes $658,800 for extraordinary repairs of the Main and Branch Research Centers.

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NORTH DAKOTA UNIVERSITY SYSTEM
CATEGORY III - REMODELING/RENOVATION/INFRASTRUCTURE

Projects Outstanding:	State	Local	Federal	Total
Projects included in 1999-01 Budget Request:				
(Listed in Ranked Order)				
1 NDUS System - Infrastructure Pool *	10,000,000			10,000,000
2 UND-LR - Auditorium Renovation/Addition	499,544	495,000		994,544
3 VCSU - McFarland, Vangstad Auditorium and McCarthy Sprinklers & Exit Upgrades	454,300			454,300
4 MiSU - Old Main Renovation - Phase I	2,817,000			2,817,000
5 BSC - Schafer Hall Renovation-Phase II	3,712,900	596,830		4,309,730
** BSC - Student Union Renovation		250,000		250,000
** NDSU - College of Business - Offices & Classrooms Addition		5,998,860		5,998,860
** NDSU - Sudro Hall (Pharmacy) Renovation		1,500,000		1,500,000
** DSU - Student Center Renovation/Addition		3,200,000		3,200,000
TOTAL	17,483,744	12,040,690	-	29,524,434

*** The executive recommendation did not fund the "System" pool, but recommended funding the following infrastructure projects in the campus capital budgets: UND-$1,540,000 for phase I of electrical distribution system and $1,015,000 for phase I of storm sewer & area drainage projects; NDSCS-$1,288,200 for electrical distribution system, $1,060,125 for steamline distribution and $1,422,000 for roof replacements; MaSU-$760,000 for boiler repair & fuel storage; MiSU-BC-$128,000 for fire alarm system upgrade. The executive recommendation also included "one-time" funding for unspecified infrastructure projects (in extraordinary repairs) at the following campuses: NDSU-$665,000, DSU-$300,000 and MiSU-$500,000.**

**** Only projects that include state bonding funds were ranked. All other projects are to be completed with local and/or federal funds and are also top priorities of the Board of Higher Education.**

Other Projects (Not Ranked):				
BSC:				
Werner Hall Renovation	3,689,000			3,689,000
UND-LR:				
Phy Ed Renovation/Addition				na
Remodel Learning Center Space				na
Bookstore Addition				na
Remodel Dining Room and Kitchen Facilities				na
Science Labs				na
Peace Officer Training Track				na
Air Conditioning				na
Vehicle storage				na
Child Care Center Remodeling	75,000			75,000
Parking-North Campus	85,000			85,000
Street Lights	50,000			50,000
Resurface College Entry Road & Parking	57,600			57,600
Classroom Air Conditioning	40,000			40,000
UND-W:				
Science Center and Auditorium Renovation				na
Athletic Fields				na
Sheltered Walkways:				na
Main Bldg. And Crighton				na
Main Bldg. And Art Wood				na
Main Bldg. And Dickson				na
Main Bldg. And Mom's House/Abramson/Manger				na
Develop 8th Ave. E. and 9th Ave. E.				na
Telecommunications Switch, Cable and Conduit	1,800,000			1,800,000
Storm Sewer Area Drainage	425,000			425,000
Chilling Towers and Water Loops	350,000			350,000
Electrical Distribution	75,000			75,000
Sanitary Sewer	182,000			182,000
Water Lines and Fire Protection	107,000			107,000
UND:				
Education Building	4,700,000			4,700,000
Harrington Hall	2,200,000			2,200,000
Hyslop	7,400,000			7,400,000
Medical School	6,000,000			6,000,000
Memorial Stadium	1,200,000			1,200,000
Robertson/Sayre	2,100,000			2,100,000
Beck Hall Basement		120,000		120,000
Johnstone/Fulton Halls		2,100,000		2,100,000
West Green I		320,000		320,000
O'Kelly Hall, Including Ireland Research Ctr. (Med Science South)	5,000,000			5,000,000
University Bookstore and Auxiliary Ops.		1,200,000		1,200,000
EERC-Bldg. W		400,000		400,000
Electrical Distribution System-Phases II & III	1,960,000			1,960,000
NDSU:				
Admin Building II	991,000			991,000
Ceres Hall II	2,995,920			2,995,920
Walster/Waldron	3,165,360			3,165,360
Thorson Maintenance Center Addition	500,000			500,000
South Engineering Renovation	1,227,420			1,227,420
Ag/Engineering Renovation				na
Center for Lifelong Learning				na
Child Care Facility				na
Classroom Building				na
Dunbar-Union Skywalk				na
Golf Course/Horticulture Trails				na
Harris Hall Addition				na
Loftsgard Hall auditorium				na
Northern Boundary Heritage Art Gallery				na
Hotel/Motel Complex (19th Ave)				na
Engineering/Arch-Family Life Skywalk				na
Stevens-Hastings-IACC Skywalk				na
Energy Management Systems	4,000,000			4,000,000

NORTH DAKOTA UNIVERSITY SYSTEM
CATEGORY III - REMODELING/RENOVATION/INFRASTRUCTURE

Projects Outstanding:	State	Local	Federal	Total	
Engineering Laboratories Renovation	540,000			540,000	
Ladd Hall (Chemistry) Renovation				3,390,000	(state/local/federal)
Reinke Fine Arts Center Renovation	500,000			500,000	
Tech. Research Park				na	
NDSCS:					
Horton Hall	2,000,000			2,000,000	
Alumni Stadium Renovation		450,000		450,000	
DSU:					
None					
MaSU:					
Old Main-Main Bldg.(Basement,W. 1st floor, Theater)	1,124,600			1,124,600	
East Hall	120,000			120,000	
West Hall Remodel TLC and 1st Floor	73,500			73,500	
Steam Line Distribution Replacement	1,050,500			1,050,500	
Main Bldg. Life Safety	395,600			395,600	
West & Science Bldgs. Life Safety	96,100			96,100	
Classroom Bldg-Air Conditioning	82,000			82,000	
Old Main-Main Bldg. Air Conditioning	1,000,000			1,000,000	
MiSU:					
Old Main Renovation-Phase I	2,817,000			2,817,000	
Hartnett Hall	750,000			750,000	
Swain Hall	1,100,000			1,100,000	
Old Main Renovation-Balance of Add'l Phases	6,333,000			6,333,000	
VCSU:					
Robertson Hall		169,000		169,000	
Graichen Gymnasium	1,354,000			1,354,000	
McFarland Hall Air Conditioning	1,600,000			1,600,000	
Vangstad Hall Air Conditioning	692,000			692,000	
Snoeyenbos Hall Air Conditioning	800,000			800,000	
Vangstad Auditorium Remodeling	270,000			270,000	
Power Plant Improvements	740,000			740,000	
Steam Line Distribution System Replacement	1,312,300			1,312,300	
Fire Alarms and Smoke Detectors in Main, Science,					
Library, Fieldhouse, Old Gym, & Classroom Bldgs.	184,000			184,000	
Vangstad Building Remodeling	270,000			270,000	
MiSU-BC:					
Old Main	2,140,000			2,140,000	
Dormitory Renovation (Carpet Replace and Computer Labs)		50,000		50,000	
Office & Storage Addition to Physical Plant	65,000			65,000	
Traffic Barrier-Thatcher and Mead		5,000		5,000	
Gross Hall Window Replacement		46,000		46,000	
Milligan Hall Remodeling		255,000		255,000	
Student Union Conference/Meeting Rooms	15,000			15,000	
Exercise & Athletic Training Conversion	10,000			10,000	
Thatcher Hall Air Conditioning	35,000			35,000	
Thatcher Electrical Supply Upgrade	11,975			11,975	
Water Tech. Bldg. Sewer System Improvement	15,000			15,000	
Heating Plant Roof Repair	10,065			10,065	
ND Forest Service					
Construct Hazardous Material Storage Bldg.	10,000			10,000	
Finish Tree Storage Improve.	90,000			90,000	
Renovate Nursery Shop	25,000			25,000	
Public Restrooms Modif. at Bottineau, Lisbon, Walhalla Field	50,000			50,000	
Offices and Towner Nursery Office				na	
Repair (2) Water Wells-Strawberry and Twisted Oaks	3,000			3,000	
Greenhouse Boom Water System-Towner Nursery	15,000			15,000	
Irrigation Lines/Wells-Towner Nursery	21,220			21,220	
Paving Projects at Lisbon and Bottineau Offices	60,000			60,000	
Towner Nursery-Remodel Kitchen and Polebarn Storage	28,000			28,000	
Paving-Hahn's Bay Recreation Area	75,000			75,000	
Equipment Storage Bldg-Lisbon	20,000			20,000	
NDSU-AES					
(6) Pesticide Handling Facilities	140,000			140,000	
Main Station-Reglaze Range 1 Greenhouse	130,000			130,000	
Future Biennia Misc Projects Under $50,000	1,014,800			1,014,800	
TOTAL	**79,563,960**	**5,115,000**	**0**	**88,068,960**	

"n/a" is noted for projects where total state, local and federal estimates are unknown.

GRAND TOTAL	**97,047,704**	**17,155,690**	**0**	**117,593,394**

Projects Funded in 1997-99 Biennium:	State	Local	Federal	Total
MiSU - Moore Hall Renovation	4,000,000			4,000,000
NDSCS - Bute Gym (In addition to 1995-97 appropriation)	1,400,000	300,000		1,700,000
VCSU - McFarland Hall Renovation	540,000			540,000
BSC - Schafer Hall Renovation	615,000	350,000		965,000
NDSU Experiment - Miscellaneous Projects	500,000			500,000
UND - Univ. Bookstore & Auxiliary Operations Renovation		1,200,000		1,200,000
NDSU - Sudro Hall Classroom Renovation		150,000		150,000
UND-W - Renovation/Addition Gymnasium		3,000,000		3,000,000
Forest Service-ADA Accessible Restrooms & Misc. Projects	50,000			50,000
Agronomy Seed Farm - Bulk Seed Stg & Conveying System		80,000		80,000
TOTAL FUNDED 1997-99	7,105,000	5,080,000	0	12,185,000

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NORTH DAKOTA UNIVERSITY SYSTEM
CATEGORY IV-NEW CONSTRUCTION/ADDITIONS

Projects Outstanding:	State	Local	Federal	Total	
Projects Included in 1999-01 Budget Request:					
(Listed in Ranked Order)					
1 NDSU - Animal Research Facility	5,865,650	4,005,190	1,860,460	11,731,300	
2 UND-W - Health & Wellness Center	1,500,000	3,000,000		4,500,000	
** NDSU - Health & Wellness Center		4,500,000		4,500,000	
** UND - Bookstore Construction-Barnes & Noble		4,000,000		4,000,000	
TOTAL	**7,365,650**	**15,505,190**	**1,860,460**	**24,731,300**	
** Only projects that include state bonding funds were ranked. All other projects are to be completed with local and/or federal funds and are also top priorities of the Board of Higher Education.					
Other Projects (Not Ranked):					
BSC:					
16 Plex Apartment Building		3rd party			
Plant Services Building	235,000			$235,000	
Student Union Addition/Renovation		2,000,000		2,000,000	
Higher Ed Center/Customized Training Facility	5,220,000	580,000		5,800,000	
Purchase Office Systems, Inc.				na	
Fine Arts Center				na	
Library Addition				na	
(5) classroom buildings				na	
(3) student dormitories				na	
(10) 8-plex student apartments				na	
UND:					
Allied Health Sciences	3,500,000			3,500,000	
Building Connections	1,500,000	750,000		2,250,000	
Burtness Theatre Expansion	3,500,000			3,500,000	
Conference Center		3,700,000	3,500,000	7,200,000	
Indoor Fitness and Intramural	7,000,000			7,000,000	
IT and Computer Support	3,100,000			3,100,000	
Alumni Center		2,500,000		2,500,000	
Apartment Storage Facility		420,000		420,000	
Auxiliary Storage Facility		250,000		250,000	
Plant Services-Storage and Recycle		375,000		375,000	
EERC Commercialization Center				na	
Rural Technology Center Addition				na	
Health Care Center				na	
Climate controlled walkways:				na	
Law School to Memorial Union	150,000			150,000	
Johnstone to Gamble	250,000			250,000	
Leonary to Witmer	185,000			185,000	
Witmer to Abbott	130,000			130,000	
NDSU:					
Bio Mech/Engineering Facility	5,250,000		5,250,000	10,500,000	
Engineering Complex Addition				na	
NCI Pilot Plant				na	
Recreation complex		900,000		900,000	
Thorson Center Addition	500,000			500,000	
Minard Hall Renovation/Addition	9,693,052			9,693,052	
Ag Research Greenhouses				6,956,300	state/fed
Alba Bales House Renivation/Addition		703,880		703,880	
Bentson-Bunker Fieldhouse Renovation/Addition	512,200			512,200	
Bison Sports Arena Renovation/Addition				10,000,000	state/local
College of Business Office & Classroom Addition		5,998,860		5,998,860	
Library Renovation/Addition	1,410,000			1,410,000	
Material Science Research Classroom Facility	20,200,000			20,200,000	
Memorial Union Renovation/Addition		6,572,600		6,572,600	
Visual Arts Classroom/Laboratory	5,000,000			5,000,000	
DSU:					
Murphy Hall Addition/Renovation	4,000,000			4,000,000	
Stoxen Library Addition/Renovation	3,350,000			3,350,000	
May Hall Addition	900,000			900,000	
AS Complex Addition	1,300,000			1,300,000	
Stadium Facility		1,250,000		1,250,000	
MaSU:					
Science/Library Addition	526,950			526,950	
Head Start	363,100			363,100	
Family Housing		396,000		396,000	
MiSU:					
Green House	200,000			200,000	
Physical Plant Building	300,000			300,000	
Ceramics Building	200,000			200,000	
Athletic Facility	300,000			300,000	
VCSU:					
Library Addition	1,130,000			1,130,000	
Student Union Addition		1,277,000		1,277,000	
Pipe Fitting Shop Addition	34,800			34,800	
Athletic Facility	3,650,000			3,650,000	
Plant Service Building	384,000			384,000	
Technology Building	1,554,000			1,554,000	
ND Forest Service					
(2) storage buildings	56,000			56,000	
New tree Storage Building	90,000			90,000	
New Hazardours Materials Bldg.	10,000			10,000	
NDSU-Ag Experiment Station:					
Main Station-Boar Facility	55,000			55,000	
Williston Seed Cleaning Plant	425,000			425,000	
Multi-use cattle research/housing/feeding facility	405,000			405,000	
TOTAL	**86,569,102**	**27,673,340**	**8,750,000**	**139,948,742**	
"n/a is noted for projects where total state, local and federal estimates are unknown.					
GRAND TOTAL	**93,934,752**	**43,178,530**	**10,610,460**	**164,680,042**	

NORTH DAKOTA UNIVERSITY SYSTEM
CATEGORY IV-NEW CONSTRUCTION/ADDITIONS

Projects Funded in 1997-99 Biennium:	State	Local	Federal	Total
NDSU - Animal Care Facility	4,000,000	1,000,000	5,000,000	10,000,000
UND - Animal Quarters	3,000,000			3,000,000
UND - Addition to EERC-Building W		400,000		400,000
UND - Building Connections (ATRC to Clifford Hall)		900,000		900,000
UND - Rural Technology Center Parking Lot		450,000		450,000
NDSU - Engineering Addition		1,200,000		1,200,000
NDSCS - Storage Facilities		110,000		110,000
DSU - Pavilion		150,000		150,000
MiSU-Student Center Addition (In addition to $2 million revenue bonds authorized in the 1993 Session)		1,500,000		1,500,000
Experiment Station (North Central Addn.-In addn. to 1995-97 c/over	50,000	200,000		250,000
Experiment Station (Williston-Ernie French Center)	50,000	100,000		150,000
Agronomy Seed Farm - Farm shop (This replaces $55,000 authority that was received in 1995-97, which wasn't spent in 1995-97)		100,000		100,000
TOTAL FUNDED 1997-99	**7,100,000**	**6,110,000**	**5,000,000**	**18,210,000**

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NORTH DAKOTA UNIVERSITY SYSTEM
TUITION RATES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
	Actual Rates							1999-01 Budget Request		1999-01 Executive Recommendation				
	1992-93 Rates	1993-94 Rates	1994-95 Rates	1995-96 Rates	1996-97 Rates	1997-98 Rates	1998-99 Rates	1999-00 Rates	2000-01 Rates	1999-00 Rates	Increase	2000-01 Rates	Increase	
UND and NDSU:														
Undergraduate:														
1. Resident	$1,860	$1,985	$2,110	$2,110	$2,110	$2,236	$2,362	$2,506	$2,656	$2,480	$118	$2,604	$124	
2. Non-Resident	4,968	5,300	5,634	5,634	5,634	5,970	6,306	6,691	7,092	6,622	316	6,953	331	
3. Minnesota	2,328	2,481	2,638	2,638	2,356	2,422	2,511	2,664	2,824	2,636	125	2,768	132	*
4. Contiguous State/Province	2,790	2,978	3,165	3,165	3,165	3,354	3,544	3,759	3,984	3,720	176	3,906	186	
Graduate:														
5. Resident	$2,070	$2,195	$2,320	$2,320	$2,320	$2,446	$2,572	$2,716	$2,866	$2,690	$118	$2,814	$124	
6. Non-Resident	5,544	5,861	6,194	6,194	6,194	6,532	6,868	7,252	7,652	7,182	314	7,513	331	
7. Minnesota	2,592	2,744	2,900	2,900	2,884	2,966	3,072	3,244	3,423	3,213	141	3,361	148	*
8. Contiguous State/Province	3,120	3,293	3,480	3,480	3,480	3,670	3,858	4,074	4,299	4,035	177	4,221	186	
Other:														
9. Law (Resident)	$2,280	$2,405	$2,530	$2,530	$2,530	$2,656	$2,782	$2,926	$3,076	$2,900	$118	$3,024	$124	
10. Law (Non-Resident)	6,072	6,421	6,755	6,755	6,755	7,092	7,428	7,812	8,213	7,743	315	8,074	331	
11. Law (Minnesota)	2,850	3,006	3,163	3,163	2,884	2,966	3,072	3,231	3,397	3,202	130	3,339	137	*
12. Resident Medical School	8,160	8,310	8,460	8,460	8,460	9,220	10,050	10,955	11,940	10,955	905	11,940	986	
13. Non-Resident Med. School	21,804	22,188	22,588	22,588	22,588	24,618	26,834	29,249	31,881	29,249	2,415	31,881	2,632	
14. Minnesota- Med. School	10,206	10,388	10,575	10,575	9,476	9,958	10,654	11,613	12,658	11,613	959	12,658	1,045	*
MiSU:														
Undergraduate:														
15. Resident	$1,530	$1,655	$1,780	$1,780	$1,780	$1,870	$1,960	$2,078	$2,202	$2,050	$90	$2,144	$94	
16. Non-Resident	4,080	4,419	4,753	4,753	4,753	4,994	5,234	5,548	5,879	5,474	240	5,724	250	
17. Minnesota	1,908	2,069	2,225	2,225	1,994	2,020	2,078	2,203	2,335	2,173	95	2,273	100	*
18. Contiguous State/Province	1,908	2,069	2,225	2,225	2,225	2,338	2,450	2,598	2,753	2,563	113	2,680	117	
Graduate:														
19. Resident	$2,076	$2,201	$2,326	$2,326	$2,320	$2,446	$2,572	$2,716	$2,866	$2,690	$118	$2,814	$124	
20. Non-Resident	5,544	5,877	6,210	6,210	6,194	6,532	6,868	7,252	7,652	7,182	314	7,513	331	
21. Minnesota	2,592	2,751	2,908	2,908	2,884	2,966	3,072	3,244	3,423	3,213	141	3,361	148	*
22. Contiguous State/Province	2,592	2,751	2,908	2,908	3,480	3,670	3,858	4,074	4,299	4,035	177	4,221	186	
DSU, MaSU, VCSU:														
Undergraduate:														
23. Resident	$1,530	$1,605	$1,680	$1,680	$1,680	$1,756	$1,832	$1,942	$2,058	$1,906	$74	$1,982	$76	
24. Non-Resident	4,080	4,285	4,486	4,486	4,486	4,690	4,892	5,185	5,495	5,089	197	5,292	203	
25. Minnesota	1,908	2,006	2,100	2,100	1,882	1,896	1,942	2,059	2,182	2,020	78	2,101	81	*
26. Contiguous State/Province	1,908	2,006	2,100	2,100	2,100	2,196	2,290	2,428	2,573	2,383	93	2,478	95	
TWO-YEAR COLLEGES:														
Undergraduate:														
27. Resident	$1,452	$1,502	$1,552	$1,552	$1,552	$1,552	$1,552	$1,646	$1,744	$1,592	$40	$1,632	$40	
28. Non-Resident	3,876	4,010	4,144	4,144	4,144	4,144	4,144	4,395	4,656	4,251	107	4,357	106	
29. Minnesota	1,812	1,878	1,940	1,940	1,878	1,922	2,000	2,121	2,247	2,052	52	2,103	51	*
30. Contiguous State/Province	1,812	1,878	1,940	1,940	1,940	1,940	1,940	2,058	2,180	1,990	50	2,040	50	

* Since the Minnesota/North Dakota Reciprocity Agreement calls for the higher of the two state rates, it will most likely be the Minnesota rate, however, we do not know what that will be at this time. For estimate purposes, the 1998-99 Mn:ND ratio was used.

The 1999-01 increases are equivalent to the following annual percentage increases: UND/NDSU-5%; MiSU-4.6%; 4 Yr Campuses-4%; and 2 Yr Campuses-2.5%.

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NORTH DAKOTA UNIVERSITY SYSTEM
APPROPRIATED-ESTIMATED INCOME

	(1) BSC	(2) UND-LR	(3) UND-W	(4) UND	(5) NDSU	(6) NDSCS	(7) DSU	(8) MASU	(9) MISU	(10) VCSU	(11) MiSU-BC	(12) TOTAL
Tuition:												
1999-01 Executive Recommendation	$7,062,886	$1,439,701	$2,243,098	$50,199,061	$47,327,768	$8,463,331	$6,022,552	$2,673,470	$11,562,714	$3,559,781	$1,317,114	$141,871,476
1999-01 Budget Request	7,125,110	1,400,154	2,001,607	49,977,958	48,010,901	8,675,397	6,196,041	2,748,179	11,795,858	3,661,249	1,333,572	142,926,026
1997-99 Adjusted Appropriation	6,354,170	1,409,112	2,245,814	51,453,371	43,270,619	7,926,847	5,379,514	2,660,712	13,334,429	3,402,221	1,310,930	138,747,739
Recommended Change to Adj. Appr.	708,716	30,589	(2,716)	(1,254,310)	4,057,149	536,484	643,038	12,758	(1,771,715)	157,560	6,184	3,123,737
Excess Income Carryover:												
1999-01 Executive Recommendation												0
1999-01 Budget Request												0
1997-99 Adjusted Appropriation	58,698	38,000	132,952	60,047	264,584	256,327	69,184	108,055	0	1,501	25,716	1,015,064
Recommended Change to Adj. Appr.	(58,698)	(38,000)	(132,952)	(60,047)	(264,584)	(256,327)	(69,184)	(108,055)	0	(1,501)	(25,716)	(1,015,064)
State Land:												
1999-01 Executive Recommendation				853,000	1,125,200	309,900	33,000	187,400	33,000	283,000	33,000	2,857,500
1999-01 Budget Request				853,000	1,125,200	309,900	33,000	187,400	33,000	283,000	33,000	2,857,500
1997-99 Adjusted Appropriation				853,000	1,125,200	309,900	33,000	187,400	33,000	283,000	33,000	2,857,500
Recommended Change to Adj. Appr.	0	0	0	0	0	0	0	0	0	0	0	0
Other, Excluding Line of Credit:												
1999-01 Executive Recommendation	276,890	14,105	57,167	1,440,010	995,935	245,511	85,174	17,357	85,020	23,806	8,853	3,249,828
1999-01 Budget Request	276,890	14,105	57,167	1,440,010	993,660	245,511	85,174	17,357	85,020	23,806	8,853	3,247,553
1997-99 Adjusted Appropriation	256,890	14,105	21,145	740,010	1,156,160	245,511	85,174	17,357	84,976	23,806	8,853	2,653,987
Recommended Change to Adj. Appr.	20,000	0	36,022	700,000	(160,225)	0	0	0	44	0	0	595,841
Capital Projects Carryover, Excluding Bonding & Off-budget Carryover:												
1999-01 Executive Recommendation												0
1999-01 Budget Request												0
1997-99 Adjusted Appropriation						500,000					0	500,000
Recommended Change to Adj. Appr.	0	0	0	0	0	(500,000)	0	0	0	0	0	(500,000)
Capital Projects:												
1999-01 Executive Recommendation	450,000	495,000	4,500,000	4,000,000	10,665,000	3,770,325	3,700,000	0	0	0	60,000	27,640,325
1999-01 Budget Request	4,559,730	994,544	4,500,000	4,000,000	23,730,160	0	3,200,000	0	2,817,000	454,300	0	44,255,734
1997-99 Adjusted Appropriation	350,000	0	3,000,000	5,950,000	11,350,000	1,810,000	150,000	0	5,500,000	0	0	28,110,000
Recommended Change to Adj. Appr.	100,000	495,000	1,500,000	(1,950,000)	(685,000)	1,960,325	3,550,000	0	(5,500,000)	0	60,000	(469,675)
SUBTOTAL, Excluding 97-99 Line of Credit and Bonding & Off-budget Capital Project Carryover:												
1999-01 Executive Recommendation	$7,789,776	$1,948,806	$6,800,265	$56,492,071	$60,113,903	$12,789,067	$9,840,726	$2,878,227	$11,680,734	$3,866,587	$1,418,967	$175,619,129
1999-01 Budget Request	$11,961,730	$2,408,803	$6,558,774	$56,270,968	$73,859,921	$9,230,808	$9,514,215	$2,952,936	$14,730,878	$4,422,355	$1,375,425	$193,286,813
1997-99 Adjusted Appropriation	$7,019,758	$1,461,217	$5,399,911	$59,056,428	$57,166,563	$11,048,585	$5,716,872	$2,973,524	$18,952,405	$3,710,528	$1,378,499	$173,884,290
Recommended Change to Adj. Appr.	$770,018	$487,589	$1,400,354	($2,564,357)	$2,947,340	$1,740,482	$4,123,854	($95,297)	($7,271,671)	$156,059	$40,468	$1,734,839
1997-99 Line of Credit and Bonding & Off-budget Capital Project Carryover:												
Line of Credit		200,000		12,000,000								12,200,000
Bonding & off-budget capital project carryover	2,958,412		4,721	4,607,009	1,340,531		2,406,197	32,970	53,612	35,474		11,438,926
Total adjustments to 97-99 adj approp	2,958,412	200,000	4,721	16,607,009	1,340,531	-	2,406,197	32,970	53,612	35,474	-	23,638,926
TOTAL, Including 97-99 Line of Credit and Bonding & Off-budget Capital Project Carryover:												
1999-01 Executive Recommendation	$7,789,776	$1,948,806	$6,800,265	$56,492,071	$60,113,903	$12,789,067	$9,840,726	$2,878,227	$11,680,734	$3,866,587	$1,418,967	$175,619,129
1999-01 Budget Request	$11,961,730	$2,408,803	$6,558,774	$56,270,968	$73,859,921	$9,230,808	$9,514,215	$2,952,936	$14,730,878	$4,422,355	$1,375,425	$193,286,813
1997-99 Adjusted Appropriation	$9,978,170	$1,661,217	$5,404,632	$75,663,437	$58,507,094	$11,048,585	$8,123,069	$3,006,494	$19,006,017	$3,746,002	$1,378,499	$197,523,216
Recommended Change to Adj. Appr.	($2,188,394)	$287,589	$1,395,633	($19,171,366)	$1,606,809	$1,740,482	$1,717,657	($128,267)	($7,325,283)	$120,585	$40,468	($21,904,087)

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NORTH DAKOTA UNIVERSITY SYSTEM

ANALYSIS OF STUDENT FINANCIAL ASSISTANCE

Comparison of 1999-01 Executive Recommendation to 1997-99 Adjusted Appropriation

	Student Financial Assistance Grants	ND Scholars Program	Perkins Loan Matching	Professional Student Exchange	Native American Scholarship	Total
99-01 Executive Recommendation						
General Fund	$1,744,604	$523,347	$102,885	$1,467,303	$205,108	$4,043,247
Other Funds	2,574,400	185,500				2,759,900
Federal Funds	140,000					140,000
Total	**$4,459,004**	**$708,847**	**$102,885**	**$1,467,303**	**$205,108**	**$6,943,147**
99-01 Budget Request						
General Fund	$4,644,604	$523,347	$102,885	$1,467,303	$205,108	$6,943,247
Other Funds	2,574,400	185,500				2,759,900
Federal Funds	140,000					140,000
Total	**$7,359,004**	**$708,847**	**$102,885**	**$1,467,303**	**$205,108**	**$9,843,147**
97-99 Adjusted Appropriation						
General Fund	$1,744,604	$523,347	$102,885	$1,483,210	$205,108	$4,059,154
Other Funds	2,574,400	185,500				2,759,900
Federal Funds	566,821					566,821
Total	**$4,885,825**	**$708,847**	**$102,885**	**$1,483,210**	**$205,108**	**$7,385,875**
Recommended Change to Adj. Approp.						
General Fund	$0	$0	$0	($15,907)	$0	($15,907)
Other Funds	$0	$0	$0	$0	$0	$0
Federal Funds	($426,821)	$0	$0	$0	$0	($426,821)
Total	**($426,821)**	**$0**	**$0**	**($15,907)**	**$0**	**($442,728)**

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NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
NDUS Office/Grants				
Salaries and Wages	$2,261,708	$1,995,517	$266,191	13.3%
Operating Expenses	775,630	754,465	21,165	2.8%
Equipment	26,000	21,000	5,000	23.8%
1997-99 Carryover	0	12,639	(12,639)	-100.0%
Information Technology Management	216,337	205,494	10,843	5.3%
College Technical Administration	198,620	184,906	13,714	7.4%
Student Financial Assistance Grants	4,459,004	4,885,825	(426,821)	-8.7%
Professional Student Exchange Program	1,467,303	1,483,210	(15,907)	-1.1%
Scholars Program	708,847	708,847	0	0.0%
Perkins Loan Program Match	102,885	102,885	0	0.0%
Native American Scholarships	205,108	205,108	0	0.0%
EPSCoR	1,980,000	1,980,000	0	0.0%
Higher Education Contingency Fund	200,000	200,000	0	0.0%
Title II Grant	534,000	434,000	100,000	23.0%
Disabled Student Services	26,693	22,635	4,058	17.9%
Salary Pool	16,930,790	0	16,930,790	100.0%
Board Initiatives	2,300,000	0	2,300,000	100.0%
Virtual University	0	100,000	(100,000)	-100.0%
Center for Innovation in Instruction Grants	0	148,625	(148,625)	-100.0%
Subtotal all funds	32,392,925	13,445,156	18,947,769	140.9%
Less estimated income	4,933,900	3,760,721	1,173,179	31.2%
Subtotal general fund appropriation	27,459,025	9,684,435	17,774,590	183.5%
Major Capital Projects	400,000	200,000	200,000	100.0%
Subtotal all funds	400,000	200,000	200,000	100.0%
Less estimated income	0	0	0	0.0%
Subtotal general fund appropriation	400,000	200,000	200,000	100.0%
TOTAL				
Total all funds	32,792,925	13,645,156	19,147,769	140.3%
Less estimated income	4,933,900	3,760,721	1,173,179	31.2%
Total general fund appropriation	27,859,025	9,884,435	17,974,590	181.8%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
BSC:				
Salaries and Wages	16,052,300	15,373,143	679,157	4.4%
Operating Expenses	4,996,174	4,600,849	395,325	8.6%
Equipment	367,187	351,407	15,780	4.5%
Capital Improvements	236,835	197,552	39,283	19.9%
1995-97 Carryover	0	369,336	(369,336)	-100.0%
Subtotal all funds	21,652,496	20,892,287	760,209	3.6%
Less estimated income	7,339,776	6,669,758	670,018	10.0%
Subtotal general fund appropriation	14,312,720	14,222,529	90,191	0.6%
Major Capital Projects	650,000	965,000	(315,000)	-32.6%
Subtotal all funds	650,000	965,000	(315,000)	-32.6%
Less estimated income	450,000	350,000	100,000	28.6%
Subtotal general fund appropriation	200,000	615,000	(415,000)	-67.5%
TOTAL				
Total all funds	22,302,496	21,857,287	445,209	2.0%
Less estimated income	7,789,776	7,019,758	770,018	11.0%
Total general fund appropriation	14,512,720	14,837,529	(324,809)	-2.2%
UND-LR:				
Salaries and Wages	4,288,220	4,185,665	102,555	2.5%
Operating Expenses	1,365,961	1,287,706	78,255	6.1%
Equipment	150,338	136,338	14,000	10.3%
Capital Improvements	99,774	113,931	(14,157)	-12.4%
1995-97 Carryover	0	49,027	(49,027)	-100.0%
Subtotal all funds	5,904,293	5,772,667	131,626	2.3%
Less estimated income	1,453,806	1,461,217	(7,411)	-0.5%
Subtotal general fund appropriation	4,450,487	4,311,450	139,037	3.2%
Major Capital Projects	994,544	0	994,544	100.0%
Subtotal all funds	994,544	0	994,544	100.0%
Less estimated income	495,000	0	495,000	100.0%
Subtotal general fund appropriation	499,544	0	499,544	100.0%
TOTAL				
Total all funds	6,898,837	5,772,667	1,126,170	19.5%
Less estimated income	1,948,806	1,461,217	487,589	33.4%
Total general fund appropriation	4,950,031	4,311,450	638,581	14.8%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
UND-W:				
Salaries and Wages	5,167,426	5,102,177	65,249	1.3%
Operating Expenses	1,565,615	1,482,452	83,163	5.6%
Equipment	249,596	217,096	32,500	15.0%
Capital Improvements	88,790	188,078	(99,288)	-52.8%
1995-97 Carryover	0	210,149	(210,149)	-100.0%
Subtotal all funds	7,071,427	7,199,952	(128,525)	-1.8%
Less estimated income	2,300,265	2,399,911	(99,646)	-4.2%
Subtotal general fund appropriation	4,771,162	4,800,041	(28,879)	-0.6%
Major Capital Projects	4,500,000	3,000,000	1,500,000	50.0%
Subtotal all funds	4,500,000	3,000,000	1,500,000	50.0%
Less estimated income	4,500,000	3,000,000	1,500,000	50.0%
Subtotal general fund appropriation	0	0	0	0.0%
TOTAL				
Total all funds	11,571,427	10,199,952	1,371,475	13.4%
Less estimated income	6,800,265	5,399,911	1,400,354	25.9%
Total general fund appropriation	4,771,162	4,800,041	(28,879)	-0.6%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
UND:				
Salaries and Wages	102,475,530	102,237,012	238,518	0.2%
Operating Expenses	33,155,561	33,371,813	(216,252)	-0.6%
Equipment	2,527,008	2,385,868	141,140	5.9%
Capital Improvements	2,451,341	2,120,037	331,304	15.6%
1995-97 Carryover	0	60,051	(60,051)	-100.0%
Subtotal all funds	140,609,440	140,174,781	434,659	0.3%
Less estimated income	52,492,071	53,106,428	(614,357)	-1.2%
Subtotal general fund appropriation	88,117,369	87,068,353	1,049,016	1.2%
Major Capital Projects	6,555,000	5,950,000	605,000	10.2%
Subtotal all funds	6,555,000	5,950,000	605,000	10.2%
Less estimated income	4,000,000	5,950,000	(1,950,000)	-32.8%
Subtotal general fund appropriation	2,555,000	0	2,555,000	100.0%
Interactive Video Network	2,108,224	2,034,461	73,763	3.6%
Subtotal all funds	2,108,224	2,034,461	73,763	3.6%
Less estimated income			0	0.0%
Subtotal general fund appropriation	2,108,224	2,034,461	73,763	3.6%
ODIN	575,209	547,579	27,630	5.0%
Subtotal all funds	575,209	547,579	27,630	5.0%
Less estimated income			0	0.0%
Subtotal general fund appropriation	575,209	547,579	27,630	5.0%
TOTAL				
Total all funds	149,847,873	148,706,821	1,141,052	0.8%
Less estimated income	56,492,071	59,056,428	(2,564,357)	-4.3%
Total general fund appropriation	93,355,802	89,650,393	3,705,409	4.1%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
NDSU:				
Salaries and Wages	89,261,432	85,486,313	3,775,119	4.4%
Operating Expenses	26,550,541	25,102,227	1,448,314	5.8%
Equipment	2,043,800	2,023,000	20,800	1.0%
Capital Improvements	2,457,362	1,543,900	913,462	59.2%
1995-97 Carryover	0	264,584	(264,584)	-100.0%
Subtotal all funds	120,313,135	114,420,024	5,893,111	5.2%
Less estimated income	48,661,403	45,566,563	3,094,840	6.8%
Subtotal general fund appropriation	71,651,732	68,853,461	2,798,271	4.1%
Major Capital Projects	10,665,000	11,350,000	(685,000)	-6.0%
Subtotal all funds	10,665,000	11,350,000	(685,000)	-6.0%
Less estimated income	10,665,000	11,350,000	(685,000)	-6.0%
Subtotal general fund appropriation	0	0	0	0.0%
Skills Training Center	1,537,500	1,000,000	537,500	53.8%
Subtotal all funds	1,537,500	1,000,000	537,500	53.8%
Less estimated income	787,500	250,000	537,500	215.0%
Subtotal general fund appropriation	750,000	750,000	0	0.0%
TOTAL				
Total all funds	132,515,635	126,770,024	5,745,611	4.5%
Less estimated income	60,113,903	57,166,563	2,947,340	5.2%
Total general fund appropriation	72,401,732	69,603,461	2,798,271	4.0%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
NDSCS:				
Salaries and Wages	22,795,547	22,105,854	689,693	3.1%
Operating Expenses	6,749,972	6,385,122	364,850	5.7%
Equipment	1,519,368	1,319,368	200,000	15.2%
Capital Improvements	635,885	501,584	134,301	26.8%
1995-97 Carryover	0	116,090	(116,090)	-100.0%
Subtotal all funds	31,700,772	30,428,018	1,272,754	4.2%
Less estimated income	9,018,742	8,738,585	280,157	3.2%
Subtotal general fund appropriation	22,682,030	21,689,433	992,597	4.6%
Major Capital Projects	3,770,325	2,810,000	960,325	34.2%
Subtotal all funds	3,770,325	2,810,000	960,325	34.2%
Less estimated income	3,770,325	2,310,000	1,460,325	63.2%
Subtotal general fund appropriation	0	500,000	(500,000)	-100.0%
TOTAL				
Total all funds	35,471,097	33,238,018	2,233,079	6.7%
Less estimated income	12,789,067	11,048,585	1,740,482	15.8%
Total general fund appropriation	22,682,030	22,189,433	492,597	2.2%
DSU:				
Salaries and Wages	13,954,490	13,446,664	507,826	3.8%
Operating Expenses	4,141,567	3,897,829	243,738	6.3%
Equipment	390,000	330,000	60,000	18.2%
Capital Improvements	693,962	203,385	490,577	241.2%
1995-97 Carryover	0	579,614	(579,614)	-100.0%
Subtotal all funds	19,180,019	18,457,492	722,527	3.9%
Less estimated income	6,140,726	5,566,872	573,854	10.3%
Subtotal general fund appropriation	13,039,293	12,890,620	148,673	1.2%
Major Capital Projects	3,700,000	150,000	3,550,000	2366.7%
Subtotal all funds	3,700,000	150,000	3,550,000	2366.7%
Less estimated income	3,700,000	150,000	3,550,000	2366.7%
Subtotal general fund appropriation	0	0	0	0.0%
TOTAL				
Total all funds	22,880,019	18,607,492	4,272,527	23.0%
Less estimated income	9,840,726	5,716,872	4,123,854	72.1%
Total general fund appropriation	13,039,293	12,890,620	148,673	1.2%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
MaSU:				
Salaries and Wages	7,981,890	7,909,211	72,679	0.9%
Operating Expenses	2,255,832	2,111,655	144,177	6.8%
Equipment	170,500	170,500	0	0.0%
Capital Improvements	171,671	274,107	(102,436)	-37.4%
1995-97 Carryover	0	168,808	(168,808)	-100.0%
Subtotal all funds	10,579,893	10,634,281	(54,388)	-0.5%
Less estimated income	2,878,227	2,973,524	(95,297)	-3.2%
Subtotal general fund appropriation	7,701,666	7,660,757	40,909	0.5%
Major Capital Projects	760,000	0	760,000	100.0%
Subtotal all funds	760,000	0	760,000	100.0%
Less estimated income	0	0	0	0.0%
Subtotal general fund appropriation	760,000	0	760,000	100.0%
TOTAL				
Total all funds	11,339,893	10,634,281	705,612	6.6%
Less estimated income	2,878,227	2,973,524	(95,297)	-3.2%
Total general fund appropriation	8,461,666	7,660,757	800,909	10.5%
MiSU:				
Salaries and Wages	28,372,441	29,806,765	(1,434,324)	-4.8%
Operating Expenses	6,172,175	6,130,329	41,846	0.7%
Equipment	937,929	779,668	158,261	20.3%
Capital Improvements	1,050,466	878,105	172,361	19.6%
1995-97 Carryover	0	534,979	(534,979)	-100.0%
Subtotal all funds	36,533,011	38,129,846	(1,596,835)	-4.2%
Less estimated income	11,680,734	13,452,405	(1,771,671)	-13.2%
Subtotal general fund appropriation	24,852,277	24,677,441	174,836	0.7%
Major Capital Projects	0	5,500,000	(5,500,000)	-100.0%
Subtotal all funds	0	5,500,000	(5,500,000)	-100.0%
Less estimated income	0	5,500,000	(5,500,000)	-100.0%
Subtotal general fund appropriation	0	0	0	0.0%
TOTAL				
Total all funds	36,533,011	43,629,846	(7,096,835)	-16.3%
Less estimated income	11,680,734	18,952,405	(7,271,671)	-38.4%
Total general fund appropriation	24,852,277	24,677,441	174,836	0.7%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
VCSU:				
Salaries and Wages	10,780,743	10,435,226	345,517	3.3%
Operating Expenses	2,898,779	2,732,727	166,052	6.1%
Equipment	323,100	323,100	0	0.0%
Capital Improvements	265,334	364,933	(99,599)	-27.3%
1995-97 Carryover	0	10,974	(10,974)	-100.0%
Special Initiatives	423,198	351,462	71,736	20.4%
Subtotal all funds	14,691,154	14,218,422	472,732	3.3%
Less estimated income	3,866,587	3,710,529	156,058	4.2%
Subtotal general fund appropriation	10,824,567	10,507,893	316,674	3.0%
Major Capital Projects	547,000	540,000	7,000	1.3%
Subtotal all funds	547,000	540,000	7,000	1.3%
Less estimated income	0	0	0	0.0%
Subtotal general fund appropriation	547,000	540,000	7,000	1.3%
TOTAL				
Total all funds	15,238,154	14,758,422	479,732	3.3%
Less estimated income	3,866,587	3,710,529	156,058	4.2%
Total general fund appropriation	11,371,567	11,047,893	323,674	2.9%
MiSU-BC:				
Salaries and Wages	3,841,868	3,790,383	51,485	1.4%
Operating Expenses	1,084,101	1,021,352	62,749	6.1%
Equipment	147,500	147,500	0	0.0%
Capital Improvements	90,130	213,433	(123,303)	-57.8%
1995-97 Carryover	0	96,931	(96,931)	-100.0%
Subtotal all funds	5,163,599	5,269,599	(106,000)	-2.0%
Less estimated income	1,358,967	1,378,499	(19,532)	-1.4%
Subtotal general fund appropriation	3,804,632	3,891,100	(86,468)	-2.2%
Major Capital Projects	128,000	0	128,000	100.0%
Subtotal all funds	128,000	0	128,000	100.0%
Less estimated income	60,000	0	60,000	100.0%
Subtotal general fund appropriation	68,000	0	68,000	100.0%
TOTAL				
Total all funds	5,291,599	5,269,599	22,000	0.4%
Less estimated income	1,418,967	1,378,499	40,468	2.9%
Total general fund appropriation	3,872,632	3,891,100	(18,468)	-0.5%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
Forest Service:				
Salaries and Wages	1,708,740	1,692,737	16,003	0.9%
Operating Expenses	431,776	409,299	22,477	5.5%
Equipment	65,011	48,011	17,000	35.4%
Capital Improvements	31,061	31,061	0	0.0%
1995-97 Carryover	0	121,628	(121,628)	-100.0%
Grants	147,486	147,486	0	0.0%
Subtotal all funds	2,384,074	2,450,222	(66,148)	-2.7%
Less estimated income	810,526	810,526	0	0.0%
Subtotal general fund appropriation	1,573,548	1,639,696	(66,148)	-4.0%
Major Capital Projects	48,480	50,000	(1,520)	-3.0%
Subtotal all funds	48,480	50,000	(1,520)	-3.0%
Less estimated income	48,480	0	48,480	100.0%
Subtotal general fund appropriation	0	50,000	(50,000)	-100.0%
TOTAL				
Total all funds	2,432,554	2,500,222	(67,668)	-2.7%
Less estimated income	859,006	810,526	48,480	6.0%
Total general fund appropriation	1,573,548	1,689,696	(116,148)	-6.9%
Medical Center				
Salaries and Wages	66,413,168	61,014,188	5,398,980	8.8%
Operating Expenses	18,350,591	18,049,721	300,870	1.7%
Equipment	2,932,115	2,705,045	227,070	8.4%
1995-97 Carryover	0	74,247	(74,247)	-100.0%
Total all funds	87,695,874	81,843,201	5,852,673	7.2%
Less estimated income	59,472,012	54,185,095	5,286,917	9.8%
Total general fund appropriation	28,223,862	27,658,106	565,756	2.0%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
(Does Not Include Extension and Experiment)

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
TOTAL-ALL:				
Operating Budget and Capital Improvements:				
Total General Fund	326,897,803	302,887,355	24,010,448	7.9%
Total Estimated Income	213,195,242	204,030,633	9,164,609	4.5%
Total All Funds	540,093,045	506,917,988	33,175,057	6.5%
Major Capital Projects:				
Total General Fund	5,029,544	1,905,000	3,124,544	164.0%
Total Estimated Income	27,688,805	28,610,000	(921,195)	-3.2%
Total All Funds	32,718,349	30,515,000	2,203,349	7.2%
TOTAL ALL:				
Total General Fund	331,927,347	304,792,355	27,134,992	8.9%
Total Estimated Income	240,884,047	232,640,633	8,243,414	3.5%
Total All Funds	572,811,394	537,432,988	35,378,406	6.6%

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NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
UGP Transportation Institute:				
Salaries and Wages	2,876,922	2,137,185	739,737	34.6%
Operating Expenses	2,211,908	1,526,794	685,114	44.9%
Equipment	250,000	45,000	205,000	455.6%
Grants	1,150,000	1,150,000	0	0.0%
Total all funds	6,488,830	4,858,979	1,629,851	33.5%
Less estimated income	6,001,444	4,403,417	1,598,027	36.3%
Total general fund appropriation	487,386	455,562	31,824	7.0%
Extension Service:				
Salaries and Wages	25,121,626	23,420,759	1,700,867	7.3%
Operating Expenses	3,564,436	3,483,064	81,372	2.3%
Equipment	625,640	600,000	25,640	4.3%
Grants	560,000	580,000	(20,000)	-3.4%
Total all funds	29,871,702	28,083,823	1,787,879	6.4%
Less estimated income	16,772,588	15,781,635	990,953	6.3%
Total general fund appropriation	13,099,114	12,302,188	796,926	6.5%
Northern Crops Institute:				
Salaries and Wages	887,945	787,813	100,132	12.7%
Operating Expenses	118,650	118,650	0	0.0%
Equipment	72,880	72,450	430	0.6%
Total all funds	1,079,475	978,913	100,562	10.3%
Less estimated income	411,441	335,977	75,464	22.5%
Total general fund appropriation	668,034	642,936	25,098	3.9%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
Main Research Station				
Salaries and Wages	38,630,612	35,178,633	3,451,979	9.8%
Operating Expenses	4,227,580	4,638,480	(410,900)	-8.9%
Equipment	1,532,746	1,367,746	165,000	12.1%
Capital Improvements	658,800	665,284	(6,484)	-1.0%
Ag Research Grants	2,000,000	2,000,000	0	0.0%
Animal Replacement	300,000	300,000	0	0.0%
Subtotal all funds	47,349,738	44,150,143	3,199,595	7.2%
Less estimated income	20,556,378	19,552,580	1,003,798	5.1%
Subtotal general fund appropriation	26,793,360	24,597,563	2,195,797	8.9%
Major Capital Projects:	0	500,000	(500,000)	-100.0%
Subtotal all funds	0	500,000	(500,000)	-100.0%
Less estimated income	0	0	0	0.0%
Subtotal general fund appropriation	0	500,000	(500,000)	-100.0%
Total:				
Total all funds	47,349,738	44,650,143	2,699,595	6.0%
Less estimated income	20,556,378	19,552,580	1,003,798	5.1%
Total general fund appropriation	26,793,360	25,097,563	1,695,797	6.8%
Dickinson Research Station:				
Salaries and Wages	0	1,263,141	(1,263,141)	-100.0%
Operating Expenses	0	613,503	(613,503)	-100.0%
Equipment	0	54,076	(54,076)	-100.0%
Capital Improvements	0	35,000	(35,000)	-100.0%
Animal Replacement	0	100,000	(100,000)	-100.0%
Single Line-Item Budget	2,232,735	0	2,232,735	100.0%
Total all funds	2,232,735	2,065,720	167,015	8.1%
Less estimated income	764,626	681,676	82,950	12.2%
Total general fund appropriation	1,468,109	1,384,044	84,065	6.1%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
Central Grasslands Research Station:				
Salaries and Wages	0	538,782	(538,782)	-100.0%
Operating Expenses	0	388,543	(388,543)	-100.0%
Equipment	0	85,193	(85,193)	-100.0%
Animal Replacement	0	100,000	(100,000)	-100.0%
Single Line-Item Budget	1,363,529	0	1,363,529	100.0%
Total all funds	1,363,529	1,112,518	251,011	22.6%
Less estimated income	522,443	467,593	54,850	11.7%
Total general fund appropriation	841,086	644,925	196,161	30.4%
Hettinger Research Station:				
Salaries and Wages	0	640,642	(640,642)	-100.0%
Operating Expenses	0	228,027	(228,027)	-100.0%
Equipment	0	96,600	(96,600)	-100.0%
Animal Replacement	0	100,000	(100,000)	-100.0%
Single Line-Item Budget	1,227,445	0	1,227,445	100.0%
Total all funds	1,227,445	1,065,269	162,176	15.2%
Less estimated income	495,164	336,533	158,631	47.1%
Total general fund appropriation	732,281	728,736	3,545	0.5%
Langdon Research Station:				
Salaries and Wages	0	610,015	(610,015)	-100.0%
Operating Expenses	0	173,002	(173,002)	-100.0%
Equipment	0	42,800	(42,800)	-100.0%
Single Line-Item Budget	1,141,330	0	1,141,330	100.0%
Total all funds	1,141,330	825,817	315,513	38.2%
Less estimated income	221,752	178,350	43,402	24.3%
Total general fund appropriation	919,578	647,467	272,111	42.0%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
North Central Research Station:				
Salaries and Wages	0	683,072	(683,072)	-100.0%
Operating Expenses	0	323,503	(323,503)	-100.0%
Equipment	0	106,200	(106,200)	-100.0%
Single Line-Item Budget	1,251,892	0	1,251,892	100.0%
Total all funds	1,251,892	1,112,775	139,117	12.5%
Less estimated income	520,360	477,426	42,934	9.0%
Total general fund appropriation	731,532	635,349	96,183	15.1%
Major Capital Projects:	0	546,050	(546,050)	-100.0%
Subtotal all funds	0	546,050	(546,050)	-100.0%
Less estimated income	0	200,000	(200,000)	-100.0%
Subtotal general fund appropriation	0	346,050	(346,050)	-100.0%
Total:				
Total all funds	1,251,892	1,658,825	(406,933)	-24.5%
Less estimated income	520,360	677,426	(157,066)	-23.2%
Total general fund appropriation	731,532	981,399	(249,867)	-25.5%
Williston Research Station:				
Salaries and Wages	0	654,364	(654,364)	-100.0%
Operating Expenses	0	300,632	(300,632)	-100.0%
Equipment	0	159,900	(159,900)	-100.0%
Single Line-Item Budget	1,130,090	0	1,130,090	100.0%
Total all funds	1,130,090	1,114,896	15,194	1.4%
Less estimated income	282,162	249,123	33,039	13.3%
Total general fund appropriation	847,928	865,773	(17,845)	-2.1%
Major Capital Projects:	0	150,000	(150,000)	-100.0%
Subtotal all funds	0	150,000	(150,000)	-100.0%
Less estimated income	0	100,000	(100,000)	-100.0%
Subtotal general fund appropriation	0	50,000	(50,000)	-100.0%
Total:				
Total all funds	1,130,090	1,264,896	(134,806)	-10.7%
Less estimated income	282,162	349,123	(66,961)	-19.2%
Total general fund appropriation	847,928	915,773	(67,845)	-7.4%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
Carrington Research Station:				
Salaries and Wages	0	1,349,201	(1,349,201)	-100.0%
Operating Expenses	0	649,712	(649,712)	-100.0%
Equipment	0	167,250	(167,250)	-100.0%
Animal Replacement	0	100,000	(100,000)	-100.0%
Single Line-Item Budget	2,450,704	0	2,450,704	100.0%
Total all funds	2,450,704	2,266,163	184,541	8.1%
Less estimated income	1,121,832	1,086,873	34,959	3.2%
Total general fund appropriation	1,328,872	1,179,290	149,582	12.7%
Agronomy Seed Farm:				
Salaries and Wages	346,452	303,231	43,221	14.3%
Operating Expenses	597,500	597,500	0	0.0%
Equipment	172,000	172,000	0	0.0%
Total estimated income	1,115,952	1,072,731	43,221	4.0%
Major Capital Projects:	90,000	180,000	(90,000)	-50.0%
Subtotal all funds	90,000	180,000	(90,000)	-50.0%
Less estimated income	90,000	180,000	(90,000)	-50.0%
Subtotal general fund appropriation	0	0	0	0.0%
Total:				
Total all funds	1,205,952	1,252,731	(46,779)	-3.7%
Less estimated income	1,205,952	1,252,731	(46,779)	-3.7%
Total general fund appropriation	0	0	0	0.0%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM
FOR UPPER GREAT PLAINS TRANSPORTATION INSTITUTE
AND THE EXTENSION SERVICE AND EXPERIMENT STATIONS

TOTAL-ALL:	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99 $$ change	Recom. Incr (Decr) over 97-99 %% change
Operating Budget and Capital Improvements:				
Total General Fund	47,917,280	44,083,833	3,833,447	8.7%
Total Special Funds	48,786,142	44,623,914	4,162,228	9.3%
Total All Funds	96,703,422	88,707,747	7,995,675	9.0%
Major Capital Projects:				
Total General Fund	0	896,050	(896,050)	-100.0%
Total Special Funds	90,000	480,000	(390,000)	-81.3%
Total All Funds	90,000	1,376,050	(1,286,050)	-93.5%
TOTAL-ALL:				
Total General Fund	47,917,280	44,979,883	2,937,397	6.5%
Total Special Funds	48,876,142	45,103,914	3,772,228	8.4%
Total All Funds	96,793,422	90,083,797	6,709,625	7.4%

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NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF THE 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM

	1999-01 EXECUTIVE RECOMMENDATION							1997-99 ADJUSTED APPROPRIATION							RECOMMENDED CHANGE TO 97-99 ADJUSTED APPROPRIATION						
	(1) Salaries & Wages	(2) Operating Expenses	(3) Equipment	(4) Capital Improve.	(5) Major Capital Projects	(6) Other	(7) TOTAL	(8) Salaries & Wages	(9) Operating Expenses	(10) Equipment	(11) Capital Improve.	(12) Major Capital Projects	(13) Other	(14) TOTAL	(15) Salaries & Wages	(16) Operating Expenses	(17) Equipment	(18) Capital Improve.	(19) Major Capital Projects	(20) Other	(21) TOTAL
BSC	$16,052,300	$4,996,174	$367,187	$236,835	$650,000		$22,302,496	$15,373,143	$4,600,849	$351,407	$197,552	$965,000	$369,336	$21,857,287	$679,157	$395,325	$15,780	$39,283	($315,000)	($369,336)	$445,209
UND-LR	4,288,220	1,365,961	150,338	99,774	994,544		6,898,837	4,185,665	1,287,706	136,338	113,931	0	49,027	5,772,667	102,555	78,255	14,000	(14,157)	994,544	(49,027)	1,126,170
UND-W	5,167,426	1,565,615	249,596	88,790	4,500,000		11,571,427	5,102,177	1,482,452	217,096	188,078	3,000,000	210,149	10,199,952	65,249	83,163	32,500	(99,288)	1,500,000	(210,149)	1,371,475
UND	102,475,930	33,155,561	2,527,008	2,451,341	6,555,000	2,683,433	149,847,873	102,237,012	33,371,813	2,385,868	2,120,037	5,950,000	2,642,091	148,706,821	238,518	(216,252)	141,140	331,304	605,000	41,342	1,141,052
NDSU	89,261,432	26,550,541	2,043,800	2,457,362	10,665,000	1,537,500	132,515,635	85,486,313	25,102,227	2,023,000	1,543,900	11,350,000	1,264,584	126,770,024	3,775,119	1,448,314	20,800	913,462	(685,000)	272,916	5,745,611
NDSCS	22,795,547	6,749,972	1,519,368	635,885	3,770,325		35,471,097	22,105,854	6,385,122	1,319,368	501,584	2,810,000	116,090	33,238,018	689,693	364,850	200,000	134,301	960,325	(116,090)	2,233,079
DSU	13,954,490	4,141,567	390,000	693,962	3,700,000		22,880,019	13,446,664	3,897,829	330,000	203,385	150,000	579,614	18,607,492	507,826	243,738	60,000	490,577	3,550,000	(579,614)	4,272,527
MASU	7,981,890	2,255,832	170,500	171,671	760,000		11,339,893	7,909,211	2,111,655	170,500	274,107	0	168,808	10,634,281	72,679	144,177	0	(102,436)	760,000	(168,808)	705,612
MiSU	28,372,441	6,172,175	937,929	1,050,466	0		36,533,011	29,806,765	6,130,329	779,668	878,105	5,500,000	534,979	43,629,846	(1,434,324)	41,846	158,261	172,361	(5,500,000)	(534,979)	(7,096,835)
VCSU	10,780,743	2,898,778	323,100	265,334	647,000	423,198	15,238,154	10,438,226	2,732,727	323,100	364,933	840,000	362,436	14,768,422	345,517	166,052	0	(99,599)	7,000	60,762	479,732
MiSU-BC	3,841,868	1,084,101	147,500	90,130	128,000		5,291,599	3,790,383	1,021,352	147,500	213,433	0	96,931	5,269,599	51,485	62,749	0	(123,303)	128,000	(96,931)	22,000
Subtotal	304,971,887	90,936,276	8,826,326	8,241,550	32,269,869	4,644,131	449,890,041	299,878,413	88,124,061	8,183,845	6,599,045	30,265,000	6,394,045	439,444,409	5,093,474	2,812,217	642,481	1,842,505	2,004,869	(1,749,914)	10,445,632
NDUS Office	2,261,708	775,630	26,000	0	400,000	29,329,587	32,792,925	1,995,517	754,465	21,000	0	200,000	10,674,174	13,645,156	266,191	21,165	5,000	0	200,000	16,668,413	19,147,769
Forest Service	1,708,740	431,776	65,011	31,061	48,460	147,486	2,432,554	1,692,737	409,299	46,011	31,061	50,000	269,114	2,500,222	16,003	22,477	17,000	0	(1,620)	(121,626)	(67,668)
UND Med Ctr	66,413,168	18,350,591	2,932,115	0	0		87,695,874	61,014,186	18,049,721	2,705,045	0	0	74,247	81,843,201	5,398,980	300,870	227,070	0	0	(74,247)	5,852,673
Subtotal	70,383,616	19,557,997	3,023,126	31,061	448,460	29,477,073	122,921,353	64,702,442	18,213,485	2,774,056	31,061	250,000	11,017,535	97,988,579	5,681,174	344,512	249,070	0	198,480	16,459,536	24,932,774
UGPTI	2,876,922	2,211,908	250,000	0	0	1,150,000	6,488,830	2,137,185	1,526,794	45,000			1,150,000	4,858,979	739,737	685,114	205,000	0	0	0	1,629,851
Extension Svc	25,121,626	3,564,436	625,640	0	0	560,000	29,871,702	23,420,759	3,483,064	600,000			580,000	28,083,823	1,700,867	81,372	25,640	0	0	(20,000)	1,787,879
N. Crops Inst.	887,945	118,650	72,880	0	0		1,079,475	787,813	118,650	72,450	0	0		978,913	100,132	0	430	0	0	0	100,562
Main Research	38,630,612	4,227,580	1,532,746	658,800	0	2,300,000	47,349,738	35,178,633	4,638,480	1,367,746	665,284	500,000	2,300,000	44,650,143	3,451,979	(410,900)	165,000	(6,484)	(500,000)	0	2,699,595
Dkn Research	0	0	0	0	0	2,232,735	2,232,735	1,263,141	613,503	54,076	35,000		100,000	2,065,720	(1,263,141)	(613,503)	(54,076)	(35,000)	0	2,132,735	167,015
C. Grasslands	0	0	0	0	0	1,363,529	1,363,529	538,782	388,543	85,193	0		100,000	1,112,518	(538,782)	(388,543)	(85,193)	0	0	1,263,529	251,011
Hettinger Res.	0	0	0	0	0	1,227,445	1,227,445	640,642	228,027	96,600	0		100,000	1,065,269	(640,642)	(228,027)	(96,600)	0	0	1,127,445	162,176
Langdon Res.	0	0	0	0	0	1,141,330	1,141,330	610,015	173,002	42,800	0		0	825,817	(610,015)	(173,002)	(42,800)	0	0	1,141,330	315,513
N. Central Res.	0	0	0	0	0	1,251,892	1,251,892	683,072	323,503	106,200	0	546,050	0	1,658,825	(683,072)	(323,503)	(106,200)	0	(546,050)	1,251,892	(406,933)
Williston Res.	0	0	0	0	0	1,130,090	1,130,090	654,364	300,632	159,900	0	150,000	0	1,264,896	(654,364)	(300,632)	(159,900)	0	(150,000)	1,130,090	(134,806)
Carrington Res	0	0	0	0	0	2,450,704	2,450,704	1,349,201	649,712	167,250	0		100,000	2,266,163	(1,349,201)	(649,712)	(167,250)	0	0	2,350,704	184,541
Agron. Seed	346,452	597,500	172,000	0	90,000		1,205,952	303,231	597,500	172,000	0	180,000		1,252,731	43,221	0	0	0	(90,000)	0	(46,779)
Subtotal	67,863,557	10,720,074	2,653,266	658,800	90,000	14,807,725	96,793,422	67,566,838	13,041,410	2,969,215	700,284	1,376,050	4,430,000	90,083,797	296,719	(2,321,336)	(315,949)	(41,484)	(1,286,050)	10,377,725	6,709,625
TOTAL	$443,219,060	$121,214,349	$14,502,718	$8,931,411	$32,808,349	$48,928,929	$669,604,816	$432,147,693	$120,378,956	$13,927,116	$7,330,390	$31,891,050	$21,841,580	$627,516,785	$11,071,367	$835,393	$575,602	$1,801,021	$917,299	$27,087,349	$42,088,031

NOTE: The 1999-01 Executive Recommendation includes single line-item budgets for the NDSU Branch Research Stations.

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NORTH DAKOTA UNIVERSITY SYSTEM
BUDGET ANALYSIS BY ENTITY

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	1997-99 Adjusted Appropriation			1997-99 Capital Projects State Bonds and Revenue Bonds			1999-01 Budget Request			1999-01 Capital Projects Request State Bonds and Revenue Bonds			1999-01 Executive Recommendation			1999-01 Capital Projects Recomm. State Bonds and Revenue Bonds		
Institutions/ Entities	Total	Income	General Fund	Total	Income	General Fund	Total	Income	General Fund	Total	Income	General Fund	Total	Income	General Fund	Total	Income	General Fund
NDUS Office/Grants:																		
Administration	$2,783,621		$2,783,621				$3,537,961		$3,537,961				$3,063,338		$3,063,338			
Information Technology Management	205,494		205,494				206,592		206,592				216,337		216,337			
College Technical Administration	184,906		184,906				190,734		190,734				198,620		198,620			
Student Aid & Grants	5,902,665	3,326,721	2,575,944				8,375,844	2,899,900	5,475,944				5,475,844	2,899,900	2,575,944			
Professional Student Exchange Program	1,483,210		1,483,210				1,467,303		1,467,303				1,467,303		1,467,303			
EPSCoR	1,980,000		1,980,000				1,980,000		1,980,000				1,980,000		1,980,000			
Higher Education Contingency Fund	200,000		200,000				200,000		200,000				200,000		200,000			
Title II Grant	434,000	434,000					534,000	534,000					534,000	534,000				
Disabled Student Services	22,635		22635				26,693		26,693				26,693		26,693			
Virtual University	100,000		100,000															
Center for Innovation in Instruction Grants	148,625		148,625															
Small Campus Capital Projects										500,000		500,000						
System ADA										200,000		200,000						
System Capital Contingency Fund				200,000		200,000				500,000		500,000				400,000		400,000
System Infrastructure Pool										10,000,000	10,000,000							
ODIN Replacement							2,000,000		2,000,000									
SAGE							6,500,000		6,500,000									
HECN Technology Enhancements							1,500,000		1,500,000									
Six Year Plan Strategies							515,316		515,316									
Salary Pool													16,930,790		16,930,790			
Board Initiatives							580,000		580,000				2,300,000	1,500,000	800,000			
Subtotal	13,445,156	3,760,721	9,684,435	200,000	0	200,000	27,614,443	3,433,900	24,180,543	11,200,000	10,000,000	1,200,000	32,392,925	4,933,900	27,459,025	400,000	0	400,000
BSC	20,892,287	6,669,758	14,222,529	965,000	350,000	615,000	21,854,969	7,402,000	14,452,969	4,559,730	4,559,730		21,652,496	7,339,776	14,312,720	650,000	450,000	200,000
UND-LR	5,772,667	1,461,217	4,311,450				5,883,278	1,414,259	4,469,019	994,544	994,544		5,904,293	1,453,806	4,450,487	994,544	495,000	499,544
UND-W	7,199,952	2,399,911	4,800,041	3,000,000	3,000,000		6,947,988	2,058,774	4,889,214	4,500,000	4,500,000		7,071,427	2,300,265	4,771,162	4,500,000	4,500,000	
UND	140,174,781	53,106,428	87,068,353	5,950,000	5,950,000		142,962,944	52,270,968	90,691,976	4,000,000	4,000,000		140,609,440	52,492,071	88,117,369	6,555,000	4,000,000	2,555,000
IVN	2,034,461		2,034,461				2,082,100		2,082,100				2,108,224		2,108,224			
ODIN	547,579		547,579				557,940		557,940				575,209		575,209			
NDSU	115,420,024	45,816,563	69,603,461	11,350,000	11,350,000		125,166,198	50,129,761	75,036,437	23,730,160	23,730,160		121,850,635	49,448,903	72,401,732	10,665,000	10,665,000	
NDSCS	30,428,018	8,738,585	21,689,433	2,810,000	2,310,000	500,000	31,810,870	9,230,807	22,580,063				31,700,772	9,018,742	22,682,030	3,770,325	3,770,325	
DSU	18,457,492	5,566,872	12,890,620	150,000	150,000		19,022,669	6,314,215	12,708,454	3,200,000	3,200,000		19,180,019	6,140,726	13,039,293	3,700,000	3,700,000	
MASU	10,634,281	2,973,524	7,660,757				10,758,328	2,952,934	7,805,394				10,579,893	2,878,227	7,701,666	760,000		760,000
MISU	38,129,846	13,452,405	24,677,441	5,500,000	5,500,000		36,903,073	11,913,878	24,989,195	2,817,000	2,817,000		36,533,011	11,680,734	24,852,277			
VCSU	14,218,422	3,710,529	10,507,893	540,000		540,000	15,241,081	3,968,055	11,273,026	454,300	454,300		14,691,154	3,866,587	10,824,567	547,000		547,000
MISU-BC	5,269,599	1,378,499	3,891,100				5,164,104	1,375,425	3,788,679				5,163,599	1,358,967	3,804,632	128,000	60,000	68,000
Subtotal	409,179,409	145,274,291	263,905,118	30,265,000	28,610,000	1,655,000	424,355,542	149,031,076	275,324,466	44,255,734	44,255,734	0	417,620,172	147,978,804	269,641,368	32,269,869	27,640,325	4,629,544
UND-Medical Ctr.	81,843,201	54,185,095	27,658,106				86,777,732	57,312,782	29,464,950				87,695,874	59,472,012	28,223,862			
Forest Service	2,450,222	810,526	1,639,696	50,000		50,000	2,454,045	859,006	1,595,039				2,384,074	810,526	1,573,548	48,480	48,480	
Subtotal	84,293,423	54,995,621	29,297,802	50,000	0	50,000	89,231,777	58,171,788	31,059,989	0	0	0	90,079,948	60,282,538	29,797,410	48,480	48,480	0
SUBTOTAL W/O EXT. & EXP.	506,917,988	204,030,633	302,887,355	30,515,000	28,610,000	1,905,000	541,201,762	210,636,764	330,564,998	55,455,734	54,255,734	1,200,000	540,093,045	213,195,242	326,897,803	32,718,349	27,688,805	5,029,544
Upper Great Plains Transportation Institute	4,858,979	4,403,417	455,562				6,407,879	5,903,417	504,462				6,488,830	6,001,444	487,386			
Extension Service	28,083,823	15,781,635	12,302,188				30,048,316	16,314,003	13,734,313				29,871,702	16,772,588	13,099,114			
Northern Crops Institute	978,913	335,977	642,936				1,074,552	394,522	680,030				1,079,475	411,441	668,034			
Main Research Center	44,150,143	19,552,580	24,597,563	500,000		500,000	47,245,462	20,126,725	27,118,737				47,349,738	20,556,378	26,793,360			
Branch Research Centers	9,563,158	3,477,574	6,085,584	696,050	300,000	396,050	10,734,622	3,893,155	6,841,467				10,797,725	3,928,339	6,869,386			
Agronomy Seed Farm	1,072,731	1,072,731		180,000	180,000		1,189,965	90,000	1,099,965	90,000	90,000		1,115,952	1,115,952		90,000	90,000	
Subtotal	88,707,747	44,623,914	44,083,833	1,376,050	480,000	896,050	96,700,796	46,721,822	49,978,974	90,000	90,000	0	96,703,422	48,786,142	47,917,280	90,000	90,000	0
TOTAL	$595,625,735	$248,654,547	$346,971,188	$31,891,050	$29,090,000	$2,801,050	$637,902,558	$257,358,586	$380,543,972	$55,545,734	$54,345,734	$1,200,000	$636,796,467	$261,981,384	$374,815,083	$32,808,349	$27,778,805	$5,029,544

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Prepared by the North Dakota Legislative Council
staff for House Appropriations - Education and Environment
February 4, 1999

ITEMS UNDER CONSIDERATION REGARDING HOUSE BILL NO. 1003

The following items are being considered as amendments to the North Dakota University System appropriation bill, House Bill No. 1003:

General fund changes:

	Executive Budget	Allocate Pooled Salaries	Pool Critical Salary Funding	Reduce Compensation Package to 2%:2%	Adjust Health Insurance Cost	Delay Market Salary Adjustments to 1/1/01	House Version
University System office	$11,125,735		($49,376)	($35,118)	$5,417	($29,456)	$11,017,202
Board initiatives	800,000						800,000
Board salary pool	16,930,790	($16,930,790)	2,685,227				2,685,227
Bismarck State College	14,512,720	807,078	(76,895)	(193,940)	44,763		15,093,726
UND-Lake Region	4,950,031	214,097	(23,760)	(59,016)	14,256		5,095,608
UND-Williston	4,771,162	258,239	(31,160)	(70,208)	16,536		4,944,569
University of North Dakota	93,355,802	5,138,540	(982,347)	(1,330,237)	303,367		96,485,125
North Dakota State University	72,401,732	4,464,681	(766,850)	(1,212,920)	261,169		75,147,812
State College of Science	22,682,030	1,143,124	(117,480)	(284,049)	75,414		23,499,039
Dickinson State University	13,039,293	697,602	(84,480)	(189,770)	43,053		13,505,698
Mayville State University	8,461,666	399,279	(55,440)	(105,036)	28,369		8,728,838
Minot State University	24,852,277	1,419,892	(167,310)	(383,481)	84,395		25,805,773
Valley City State University	11,371,567	540,061	(66,000)	(141,147)	37,920		11,742,401
MiSU-Bottineau	3,872,632	192,430	(19,928)	(46,785)	14,826		4,013,175
Forest Service	1,573,548	86,088	(11,880)	(18,532)	5,702		1,634,926
UND School of Medicine and Health Sciences	28,223,862	1,569,679	(232,321)	(267,443)	46,567		29,340,344
Total	$332,924,847	$0	$0	($4,337,682)	$981,754	($29,456)	$329,539,463

Other funds changes:

	Executive Budget	Allocate Pooled Salaries	Pool Critical Salary Funding	Reduce Compensation Package to 2%:2%	Adjust Health Insurance Cost	Delay Market Salary Adjustments to 1/1/01	House Version
University System office	$3,433,900						$3,433,900
Board initiatives	1,500,000						1,500,000
Board salary pool							
Bismarck State College	7,789,776						7,789,776
UND-Lake Region	1,948,806						1,948,806
UND-Williston	2,300,265						2,300,265
University of North Dakota	56,492,071						56,492,071
North Dakota State University	55,698,903			($763)			55,698,140
State College of Science	9,018,742						9,018,742
Dickinson State University	8,340,726						8,340,726
Mayville State University	2,878,227						2,878,227
Minot State University	11,680,734						11,680,734
Valley City State University	3,866,587						3,866,587
MiSU-Bottineau	1,418,967						1,418,967
Forest Service	859,006						859,006
UND School of Medicine and Health Sciences	59,472,012			(633,306)	$87,724		58,926,430
Total	$226,698,722	$0	$0	($634,069)	$87,724	$0	$226,152,377

Total funds changes:

	Executive Budget	Allocate Pooled Salaries	Pool Critical Salary Funding	Reduce Compensation Package to 2%:2%	Adjust Health Insurance Cost	Delay Market Salary Adjustments to 1/1/01	House Version
University System office	$14,559,635		($49,376)	($35,118)	$5,417	($29,456)	$14,451,102
Board initiatives	2,300,000						2,300,000
Board salary pool	16,930,790	($16,930,790)	2,685,227				2,685,227
Bismarck State College	22,302,496	807,078	(76,895)	(193,940)	44,763		22,883,502
UND-Lake Region	6,898,837	214,097	(23,760)	(59,016)	14,256		7,044,414
UND-Williston	7,071,427	258,239	(31,160)	(70,208)	16,536		7,244,834
University of North Dakota	149,847,873	5,138,540	(982,347)	(1,330,237)	303,367		152,977,196
North Dakota State University	128,100,635	4,464,681	(766,850)	(1,213,683)	261,169		130,845,952
State College of Science	31,700,772	1,143,124	(117,480)	(284,049)	75,414		32,517,781
Dickinson State University	21,380,019	697,602	(84,480)	(189,770)	43,053		21,846,424
Mayville State University	11,339,893	399,279	(55,440)	(105,036)	28,369		11,607,065
Minot State University	36,533,011	1,419,892	(167,310)	(383,481)	84,395		37,486,507
Valley City State University	15,238,154	540,061	(66,000)	(141,147)	37,920		15,608,988
MiSU-Bottineau	5,291,599	192,430	(19,928)	(46,785)	14,826		5,432,142
Forest Service	2,432,554	86,088	(11,880)	(18,532)	5,702		2,493,932
UND School of Medicine and Health Sciences	87,695,874	1,569,679	(232,321)	(900,749)	134,291		88,266,774
Total	$559,623,569	$0	$0	($4,971,751)	$1,069,478	($29,456)	$555,691,840

Prepared by the North Dakota
Legislative Council staff for
House Appropriations - Education and
Environment
February 9, 1999

ITEMS UNDER CONSIDERATION IN HOUSE BILL NO. 1003

General fund:

	University System Office	Board Salary Pool	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget	$11,925,735	$16,930,790	$14,512,720	$4,950,031	$4,771,162	$93,355,802	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061	192,430	86,088	1,569,679	
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)	(46,785)	(18,532)	(267,443)	(4,337,682)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367	261,169	75,414	43,053	28,369	84,395	37,920	14,826	5,702	46,567	981,754
Delay market salary adjustments to 1/1/01	(29,456)															(29,456)
Remove UND bookstore project (it is included in SB 2030)																
Remove Dickinson State Student Union (it is included in SB 2065)																
Remove capital improvements emergency line item	(400,000)															(400,000)
Increase contingency line item	200,000															200,000
Decrease PSEP	(150,000)															(150,000)
Decrease EPSCoR	(200,000)															(200,000)
Eliminate Perkins loan match funding	(102,885)															(102,885)
Remove vacant position			(41,590)													(41,590)
Reduce one-time information technology funding								(50,000)								(50,000)
Add funds for information technology initiative													200,000			200,000
Reduce salary funding due to vacant positions							(700,000)									(700,000)
Reduce funding for the Skills Center							(250,000)									(250,000)
Appropriate local funds																
House Version	$11,164,317	$2,685,227	$15,052,136	$5,095,608	$4,944,569	$96,485,125	$74,197,812	$23,449,039	$13,505,698	$8,728,838	$25,805,773	$11,742,401	$4,213,175	$1,634,926	$29,340,344	$328,044,988

Carlson's proposal HB 1003

99632

Prepared by the North Dakota Legislative Council staff for Representative Carlson
February 10, 1999

GENERAL FUND HIGHER EDUCATION FUNDING FOR THE 1999-2001 BIENNIUM

	University System Office	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget	$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Remove:															
Student financial grants	(1,744,604)														(1,744,604)
System capital pool	(400,000)														(400,000)
PSEP	(1,467,303)														(1,467,303)
Salary pool	(16,930,790)														(16,930,790)
Scholars program	(523,347)														(523,347)
Perkins loan match	(102,885)														(102,885)
Native American scholarship	(205,108)														(205,108)
Grants - CII and PPB	(997,500)														(997,500)
Revised general fund budgets	$6,484,988	$14,512,720	$4,950,031	$4,771,162	$93,355,802	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567	$3,872,632	$1,573,548	$28,223,862	$310,553,310
1.5 percent of revised general fund recommendation	$97,275	$217,691	$74,250	$71,567	$1,400,337	$1,086,026	$340,230	$195,589	$126,925	$372,784	$170,574	$58,089	$23,603	$423,358	$4,658,300
2 percent of revised general fund recommendation	$129,700	$290,254	$99,001	$95,423	$1,867,116	$1,448,035	$453,641	$260,786	$169,233	$497,046	$227,431	$77,453	$31,471	$564,477	$6,211,066
General fund budgets after 1.5% reduction	$28,759,250	$14,295,029	$4,875,781	$4,699,595	$91,955,465	$71,315,706	$22,341,800	$12,843,704	$8,334,741	$24,479,493	$11,200,993	$3,814,543	$1,549,945	$27,800,504	$328,266,547
General fund budgets after 2% reduction	$28,726,825	$14,222,466	$4,851,030	$4,675,739	$91,488,686	$70,953,697	$22,228,389	$12,778,507	$8,292,433	$24,355,231	$11,144,136	$3,795,179	$1,542,077	$27,659,385	$326,713,781

If single line item general fund reductions are provided for and designated to be from operating and information technology, the following language could be added as a separate section:

The general fund reductions provided for in subdivisions 1 through 14 of section 1 of this Act are to be made by the individual entities in the operating and information technology areas. After the reductions have been identified, the university system is to report to the budget section on where the reductions were made.

Total tuition income included in the executive budget is $150,436,974. Of the $150,436,974, $9,020,942 is related to the tuition rate increase. The following table compares tuition income and the increased tuition related to the tuition rate increase to the general fund recommendation and total higher education funding:

Tuition as a percent of general fund recommendation	45.19%
Tuition as a percent of general fund recommendation after a 1.5% general fund reduction	45.83%
Tuition as a percent of general fund recommendation after a 2% general fund reduction	46.05%
Tuition increase as a percent of total tuition income	6.00%
Tuition increase as a percent of general fund recommendation	2.71%
Tuition increase as a percent of general fund recommendation after a 1.5% general fund reduction	2.75%
Tuition increase as a percent of general fund recommendation after a 2% general fund reduction	2.76%

Total funds

	University System Office	Board Salary Pool	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget	$16,859,635	$16,930,790	$22,302,496	$6,898,837	$7,071,427	$149,847,873	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154	$5,291,599	$2,432,554	$87,695,874	$559,623,569
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061	192,430	86,088	1,569,679	
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)	(1,213,683)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)	(46,785)	(18,532)	(900,749)	(4,971,751)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367	261,169	75,414	43,053	28,369	84,395	37,920	14,826	5,702	134,291	1,069,478
Delay market salary adjustments to 1/1/01	(29,456)															(29,456)
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)										(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)									(2,200,000)							(2,200,000)
Remove capital improvements emergency line item	(400,000)															(400,000)
Increase contingency line item	200,000															200,000
Decrease PSEP	(150,000)															(150,000)
Decrease EPSCoR	(200,000)															
Eliminate Perkins loan match funding	(102,885)															(102,885)
Remove vacant position			(41,590)													(41,590)
Reduce one-time information technology funding								(50,000)								(50,000)
Add funds for information technology initiative													228,135			228,135
Reduce salary funding due to vacant positions							(700,000)									(700,000)
Reduce funding for the Skills Center							(250,000)									(250,000)
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000	2,124,426	1,336,082		476,266,395
House Version	$16,098,217	$2,685,227	$34,211,912	$13,448,180	$8,897,834	$431,710,805	$241,516,131	$48,047,781	$27,867,821	$19,007,065	$56,490,443	$24,428,988	$7,784,703	$3,830,014	$88,266,774	$1,024,491,895

Attachment 13

North Dakota University System
Proposed Amendment to Engrossed HB1003

Page 10, after line 15 insert "The capital improvement line item contained in subdivisions 2 through 13 of section 1 are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state."

Renumber accordingly

Proposed Purpose of Amendment:
Provides an emergency clause for all capital improvement line items contained in Engrossed HB1003. This will allow the campuses to begin the repair and maintenance projects prior to July 1. This is extremely important due to the short construction season in ND and the need to complete many of these projects prior to the beginning of the fall semester of school.

NDUS proposed amendment

Attachment 14

North Dakota University System
Proposed Amendment to Engrossed HB1003

Page 3, line 12, replace "$104,142,630" with "$104,153,800"

Page 3, line 16, replace "2,108,224" with "2,101,688"

Page 3, line 18, replace "575,209" with "570,575"

Page 5, line 20, replace "$11,151,577" with "11,154,628"

Page 5, line 24 replace "303,043" with "300,728"

Page 5, line 25, replace "69,795" with "69,059"

Purpose of Proposed Amendment:
Amendment needed to correct the line item allocation for the net reduction that was made to the budget for the change in salary policy from 3%/3%/ to 2%/2% and the increases health insurance funding. The total adjustment was taken from the salary line items at UND and VCSU, when part of it should have been taken out of the special line items including IVN, ODIN, CII and special initiatives. This amendment increases the salary line items at UND by $11,170 and $3,051 at VCSU and decreases IVN by $6,536, ODIN by $4,634, CII by $2,315 and special initiatives by $736.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE
ANALYSIS OF 1999-01 EXECUTIVE RECOMMENDATION BY LINE ITEM

	99-01 Exec. Recom.	97-99 Adj. Approp.	Recom. Incr (Decr) over 97-99	
			$$ change	%% change
NDUS Office/Grants				
Salaries and Wages	$2,261,708	$1,995,517	$266,191	13.3%
Operating Expenses	775,630	754,465	21,165	2.8%
Equipment	26,000	21,000	5,000	23.8%
1995-97 Carryover	0	12,639	(12,639)	-100.0%
Information Technology Management	216,337	205,494	10,843	5.3%
College Technical Administration	198,620	184,906	13,714	7.4%
Student Financial Assistance Grants	4,459,004	4,885,825	(426,821)	-8.7%
Professional Student Exchange Program	1,467,303	1,483,210	(15,907)	-1.1%
Scholars Program	708,847	708,847	0	0.0%
Perkins Loan Program Match	102,885	102,885	0	0.0%
Native American Scholarships	205,108	205,108	0	0.0%
EPSCoR	1,980,000	1,980,000	0	0.0%
Higher Education Contingency Fund	200,000	200,000	0	0.0%
Title II Grant	534,000	434,000	100,000	23.0%
Disabled Student Services	26,693	22,635	4,058	17.9%
Salary Pool	16,930,790	0	16,930,790	100.0%
Board Initiatives	2,300,000	0	2,300,000	100.0%
Virtual University	0	100,000	(100,000)	-100.0%
Center for Innovation in Instruction Grants	0	148,625	(148,625)	-100.0%
Subtotal all funds	32,392,925	13,445,156	18,947,769	140.9%
Less estimated income	4,933,900	3,760,721	1,173,179	31.2%
Subtotal general fund appropriation	27,459,025	9,684,435	17,774,590	183.5%
Major Capital Projects	400,000	200,000	200,000	100.0%
Subtotal all funds	400,000	200,000	200,000	100.0%
Less estimated income	0	0	0	0.0%
Subtotal general fund appropriation	400,000	200,000	200,000	100.0%
TOTAL				
Total all funds	32,792,925	13,645,156	19,147,769	140.3%
Less estimated income	4,933,900	3,760,721	1,173,179	31.2%
Total general fund appropriation	27,859,025	9,884,435	17,974,590	181.8%

NOTE: The grants for Prairie Public Broadcasting, totaling $997,500, are not included in the totals for the NDUS Office in this analysis.

Senate Bill

UNIVERSITY SYSTEM OFFICE

System Governance:

The 1999-01 executive budget recommendation for the NDUS office includes an increase of $18,010,507 in general fund support, which includes $16,930,790 for the salary pool (5% reallocated from campuses, Med Center and Forest Service), $800,000 for a pool for Board initiatives, approximately $38,000 for critical salary adjustments and $254,000 for the cost to continue the 1998-99 increases in salaries, the compensation package, operating and equipment of the NDUS Office and Board of Higher Education. The $800,000 in general fund for the Board initiatives, is in addition to an increase in special funds of $1.5 million (planned savings for the administrative system project-SAGE), bringing the total pool for Board initiatives to $2.3 million. The Board could use part of the salary or Board initiative pools to fund some of the initiatives (described, beginning on page 2 of the narrative) that were not specifically recommended in the executive budget.

The executive recommendation also includes the reallocation of funds from the Director of Communications position to a new Planning and Accountability position. The primary responsibility of this position would be to assist the Board and the Chancellor in long term strategic planning and the completion of periodic accountability reporting. This is in keeping with the Board's Six Year plan goal 6.A.1, 2 and 3, which state: *"1. Request Legislative Council approval prior to 1999 of a format for system-level performance report related to the goals and strategies in this plan"; "2. Develop systems to document and demonstrate the University System's effectiveness in meeting the instruction, training, research, and service needs of North Dakota"; "3. Allocate funds to establish a system-wide planning and accountability function within the System Office to continue implementation of the Bush recommendations and to more closely link planning and accountability with the needs and interests of the campuses, legislature, Governor and citizens."* This would provide funding for 1FTE position (Salaries and benefits-$140,110; Operating expenses-$22,500; Equipment-$5,000). The operating and equipment increases in the executive recommendation are related to this position.

Student Grants:

Scholar's Program:

The budget recommendation for the Scholar's Program is at the same level as 1997-99, or $708,847. This level of funding will allow for approximately 33 new freshmen awards in 1999-00 and 2000-01, and the continuation of all upper-classmen. A carryover of $94,350 is currently estimated in 1997-99, which would fund an additional 19 freshmen per year in 1999-00 and 2000-01. This savings was planned so that if a 5% budget cut were made, new students enrolling in the program in 1999-2001 would not be so adversely affected. Thus, with carryover funds, approximately 50-55 new slots will be funded per year in 1999-01. HB1003 provides a carryover provisions for the use of these funds.

State Student Financial Assistance Grant Program:

The budget recommendation for the State Student Financial Assistance Program includes a decrease of $426,821 in federal funding, from $566,821 to $140,000. The federal fund authority has been carried over and compounded over the last several biennia, even though the federal funds have not been available to spend. This reduction brings the federal fund authority to a reasonable amount, based on current projected actual federal support of $70,000 per year. There is no change in the general fund level of $1,744,604, or special funds from the Minnesota/North Dakota reciprocity agreement, totaling $2,574,400. During the 1997-99 biennium, an average of almost 3,700 state grants were awarded per year. The amount included in the executive recommendation for this program, of $4,459,004, will fund approximately 3,715 grants ($600 per year) in the 1999-01 biennium. Limited general fund carryover is currently estimated. The funding recommendation for the Grant program is equivalent to 3.1% of the estimated biennial tuition collections for the University System

Native American Scholarship Program:

Funding in the amount of $205,108 is recommended in the 1999-01 biennium for the Native American Scholarship Program, which is the same level of funding as 1997-99. This level of state support will fund approximately 146 grants of $700 per student for each year of the 1999-01 biennium. No carryover is projected for 1997-99.

Professional Student Exchange Program (PSEP):

The 1999-01 budget recommendation includes $1,467,303 in state general fund support for PSEP. This is a decrease of 1.0% or $15,907 from the 1997-99 adjusted appropriation. This will provide adequate support for the continuation of all upperclassmen, plus a number of new slots in 1999-01. The following table provides the number of freshman slots actually funded in 1997-98, an estimate for 1998-99, and the approximate number of new slots in 1999-01 (amounts in "()" assume authorization is received to carryover an estimated $214,000 in unspent authority from 1997-99 to 1999-01) as provided in HB1003:

	1997-98 Actual	**1998-99 Estimate**	**1999-00 Estimate**	**2000-01 Estimate**
Veterinary Medicine *	9	5	7(9)	7(8)
Dentistry *	1	2	2(3)	2(3)
Optometry	8	8	7(10)	8(9)

*Generally, an additional 1-2 (freshmen) veterinary medicine students and an average of 5 (freshmen) dentistry students participate through the Minnesota reciprocity agreement. The state of North Dakota does not pay a support fee for students attending professional programs at the University of Minnesota. Under the Minnesota-North Dakota reciprocity agreement, North Dakota residents pay the Minnesota rate. The following is a schedule of support fees paid by North Dakota to the out-of state institutions:

	1998-99			1999-00			2000-01		
	Iowa Rate	WICHE Rate	Minnesota Rate	Iowa Rate	WICHE Rate	Minnesota Rate	Iowa Rate	WICHE Rate	Minnesota Rate
Veterinary Medicine	$10,500	$19,900	$0	$11,470	$20,400	$0	$12,275	$20,400	$0
Dentistry	-	14,300	0	-	14,300	0	-	14,700	0
Optometry	-	9,100	-	-	9,300	-	-	9,500	-

Perkins Loan Program Match:

The 1999-01 budget recommendation includes $102,885 in state general fund match for the Perkins Loan Program. This will help to provide part of the 1/3 state match required on the receipt of 2/3 federal funding. This is the same level of funding currently provided in 1997-99. This level of state funding represents only one-half of the state match funds that are required. The additional matching funds are being provided by the campuses through internal reallocation.

SYSTEM GRANTS:

Title II:

The NDUS Office projects to receive $267,000 per year, or $534,000 for the biennium, in federal funding during the 1999-01 biennium for the Title II program. This is an increase of $100,000 over the projected 1997-99 expenditure level of $434,000. This funding is distributed on a competitive basis to institutions of higher education and organizations to provide services to elementary and secondary teachers to improve the teaching-learning process in mathematics and science.

EPSCoR:

General fund support for EPSCoR is proposed to remain at the 1997-99 level of $1,980,000. This is the same level of funding that has been received since the 1993-95 biennium. The National Science Foundation requires a dollar for dollar state match on all federal funds. The state funds are passed thru to UND and NDSU to provide the match. UND and NDSU now receive the federal funds directly and therefore, the federal funds are not included in the NDUS Office budget.

NDUS Contingency Fund:
Contingency funds in the amount of $200,000 are included in the 1999-01 executive recommendation, which is the same level of funding that was received in 1997-99. This level of funding is equal to .03% of the total appropriation for the North Dakota University System, and will assist in providing needed funds to assist the campuses in meeting unforeseen needs/emergencies and provide a pool of resources to the Board that they can allocate for implementing System priorities.

Disabled Student Services:
Funding for Disabled Student Services is recommended in the amount of $26,693 for the 1999-01 biennium. This is the same level of funding that was received in 1997-99, however the adjusted appropriation does not include $4,058, which had been allocated to various campuses at the time the budget was prepared. Therefore, the executive recommendation reflects an increase of $4,058. The campus budgets, however, include decreases for the same amount. The current total appropriation, of $26,693, which has been allocated to date, was used for the following purposes:

- NDSU $13,580 for interpreter services for a hearing impaired student;
- UND-LR $ 9,055 for interpreter services for 3 hearing impaired students;
- BSC $ 2,064 for a site license to allow unlimited computer access to Zoom text for visually disabled and blind students;
- MiSU $ 1,994 for interpreter services for a hearing impaired student.

System Capital Projects:
The 1999-01 budget recommendation includes a pool of $400,000 for a Board capital improvement emergency fund. The Board will distribute these funds to the campuses based on a priority need. The executive recommendation eliminated the funding for the ADA ($500,000), small campus projects pools ($500,000) and the capital contingency fund ($200,000).

During the 1997-99 biennium, funding for system capital projects, totaling $1,000,000, was allocated to the campuses as follows:

ADA Projects - $500,000 - General fund
BSC - $13,010; UND-LR - $3,938; UND-W - $1,149; UND - $212,732; NDSU - $116,828; NDSCS - $12,637; DSU - $32,282; MaSU - $27,182; MiSU - $36,007; VCSU - $34,932; and MiSU-BC - $9,303.

Small Campus Projects - $500,000 - General fund
MiSU-BC - $130,000 for coal handling project; MaSU - $80,000 for electrical panel, circuits & systems upgrades, and $35,000 for emergency egress/wiring upgrade in their theatre; UND-W - $80,000 for street renovation and lighting, and $35,000 for library renovation; VCSU - $85,000 for Osmon Fieldhouse arena floor, and $20,000 for hazardous chemical storage area; UND-LR - $35,000 for sidewalks & ADA compliant restrooms. Most of these were also matched by local, private or federal funds.

Capital Contingency Fund $200,000 - General fund
The $200,000 in capital contingency fund will be used over the remainder of the 1997-99 biennium as needs arise.

Prairie Public Broadcasting
The executive budget also includes $997,500 for support of the operations of Prairie Public Broadcasting. This has been excluded from all of the attached schedules in this analysis, as it does not reflect expenses of the North Dakota University System.

SYSTEM PROJECTS:

Information Technology Management:
The 1999-01 budget recommendation includes $216,337 for the Chief Information Officer (CIO). This is an increase of $10,843, or 2.6% over the 1997-99 spending level of $205,494. The Chief Information Officer (CIO) provides the overall leadership and management for the HECN as prescribed in the HECN Strategic Plan. This position is critical to the ongoing success of the HECN, and will be charged with carrying out the Strategic Plan's prioritized projects which include: off-campus (dial-in) network access improvements, increase e-mail access and usability, comprehensive training plan, comprehensive help desk, and leadership in the use of technology for instruction. Central leadership is critical in this rapidly changing technological environment where the applications and the use of computing will be multi-dimensional and cross host site functions. The CIO is also responsible for the leadership and overall management of IVN and ODIN. Overall leadership in planning, project prioritization and budgeting for all centralized technology efforts is important.

In previous biennia, the IT Management (formerly referred to as computer network budget) was included as a grant line item, and allocated to NDSU to support the position of an interim HECN coordinator. Prior to that, the funding was used to support the financial systems director position for HECN. As a result of budgeting these funds in a grant line item, this position was not reflected in the pay plan of the NDUS Office in the past. For 1999-2001, the pay plan for the NDUS Office ($216,337) includes the position for the Chief Information Officer, creating the new FTE. This is not a new position in 1999-2001, as it was filled during the current biennium. This

funds the salary of the CIO, and the HECN budget at NDSU also includes approximately $73,000 for the operating and equipment needs of this position. This was included in the technology pool allocation to NDSU in 1998-99, and is part of their base budget for HECN. They have been directed to allocate this portion of their budget for the support of the CIO.

College Technical Education Council (CTEC):
The 1999-2001 executive recommendation includes $198,620, an increase of $13,714, or 7.4% over the 1997-99 biennium. The increase includes $5,828 to continue the 1998-99 annual salary base, and $7,886 for the compensation adjustment. The budget includes $169,432 for salaries and fringe benefits and $29,188 for operating expenses (which is the same level as 1997-99).

Workforce Training and Development

The Governor, in his December 10, 1998 Budget Message, recommended providing $2 million in new funding to the State Board for Vocational and Technical Education (SBVE) to upgrade the State's training plan. The Governor stated that the funding would build upon the existing resources of the higher education system, foster partnerships between business and education, and make the colleges and universities more responsive to the demands of the market place.

A statewide task force, coordinated by the Greater North Dakota Association, developed a plan for workforce training which involved business leaders, the Governor's Office, legislative leadership, higher education, several state agencies, Vision-2000, College Technical Education Council, Customized Training Network, and the North Dakota Workforce Development Council. The plan calls for a major revision in how workforce training would be carried out in North Dakota, including: assigning the two-year colleges (BSC, NDSCS, UND-Lake Region, and UND-Williston) primary responsibility for workforce training; establishing a workforce training region for each quadrant of the state; collaborating with other agencies, organizations, and public and private educational institutions involved in the delivery of training; and obtaining financial support from a combination of state, local, institution, and private sources.

Of the $2 million included in the Governor's proposed budget, $1 million would be used to staff and operate the training divisions within each of the four regions of the state. The major expenditures will involve providing staff and operating expenses to work with business and industry in identifying training needs, arranging and conducting training, and conducting followup evaluations and support to the businesses. Performance and accountability measures will be established to determine effectiveness and efficiency of the workforce training divisions. The remaining $1 million will be distributed for equipment for schools, training and small business management needs as determined by SBVE.

Prepared by the North Dakota Legislative Council staff for House Appropriations
February 15, 1999

CHANGES MADE AND PROPOSED TO HOUSE BILL NO. 1003

General fund

	University System Office	Board Salary Pool	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget	$11,925,735	$16,930,790	$14,512,720	$4,950,031	$4,771,162	$93,355,802	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061	192,430	86,088	1,569,679	0
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)	(19,928)	(11,880)	(232,321)	0
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)	(46,785)	(18,532)	(267,443)	(4,337,682)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367	261,169	75,414	43,053	28,369	84,395	37,920	14,826	5,702	46,567	0 981,754
Delay market salary adjustments to 1/1/01	(29,456)															(29,456)
Remove UND bookstore project (it is included in SB 2030)																0 0 0
Remove Dickinson State Student Union (it is included in SB 2065)																0 0 0
Remove capital improvements emergency line item	(400,000)															(400,000) 0
Increase contingency line item	200,000															200,000
Decrease PSEP	(150,000)															(150,000)
Decrease EPSCoR	(200,000)															(200,000)
Eliminate Perkins loan match funding	(102,885)															(102,885) 0
Reduce salaries and wages due to vacant positions			(41,590)			(100,000)	(200,000)		(131,253)		(35,270)				(230,000)	(738,113) 0
Reduce information technology funding						(279,048)		(50,000)			(20,000)					(349,048) 0
Add funds for information technology initiative													200,000			200,000 0
Reduce operating expenses							(350,000)								(220,000)	(570,000)
Reduce equipment funding							(45,000)									(45,000)
Reduce funding for the Skills Center							(250,000)									(250,000) 0
Appropriate local funds																0
Reduce dual credit course program funding									(53,500)							(53,500) 0
Reduce Center for Innovation in Instruction funding												(50,000)				(50,000) 0
Reduce capital improvement funding						(544,036)										(544,036) 0
Reduce on-line training funding											(20,600)					(20,600) 0
Add funding to correct Medical School pay plan															372,180	372,180 0
Add funds for 1 additional class section in 4 capped programs																0 0 0
Remaining changes						400,000	(300,000)									100,000
House Version	$11,164,317	$2,685,227	$15,052,136	$5,095,608	$4,944,569	$95,962,041	$74,002,812	$23,449,039	$13,320,945	$8,728,838	$25,729,903	$11,692,401	$4,213,175	$1,634,926	$29,262,524	$326,938,461
5% general fund reduction	(55,822)	(13,426)	(75,261)	(25,478)	(24,723)	(479,810)	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)	(21,066)	(8,175)	(146,313)	(1,634,692)
General fund after reduction	$11,108,495	$2,671,801	$14,976,875	$5,070,130	$4,919,846	$95,482,231	$73,632,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939	$4,192,109	$1,626,751	$29,116,211	$325,303,769

Other funds:

	University System Office	Board Salary Pool	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget	$4,933,900		$7,789,776	$1,948,806	$2,300,265	$56,492,071	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587	$1,418,967	$859,006	$59,472,012	$226,698,722
Allocate 5% pooled salaries																
Pool critical salary funding							(763)								(633,306)	(634,069)
Reduce compensation package to 2%/2%															87,724	87,724
Adjust health insurance cost																
Delay market salary adjustments to 1/1/01						(4,000,000)										(4,000,000)
Remove UND bookstore project (it is included in SB 2030)									(2,200,000)							(2,200,000)
Remove Dickinson State Student Union (it is included in SB 2065)																
Remove capital improvements emergency line item																
Increase contingency line item																
Decrease PSEP																
Decrease EPSCoR																
Eliminate Perkins loan match funding																
Remove vacant position																
Reduce one-time information technology funding																
Add funds for information technology initiative													28,135			28,135
Reduce salary funding due to vacant positions																
Reduce funding for the Skills Center																
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000	2,124,426	1,336,082		476,266,395
House Version	$4,933,900	$0	$19,159,776	$8,352,572	$3,953,265	$335,225,680	$167,318,319	$24,598,742	$14,362,123	$10,278,227	$30,684,670	$12,686,587	$3,571,528	$2,195,088	$58,926,430	$696,246,907

LEGISLATIVE COUNCIL
ANALYSIS OF LEGISLATIVE CHANGES
AS OF FEBRUARY 18, 1999

BILL #/DEPARTMENT	LINE	EXECUTIVE BUDGET	HOUSE VERSION	HOUSE DIFF TO EXEC BUDGET	SENATE VERSION	SENATE DIFF TO EXEC BUDGET	DIFF BETWEEN HOUSE & SENATE
HB1003	SALARIES AND WAGE	2,261,708	2,153,175	108,533-	0	0+	0+
UNIVERSITY SYSTEM OFFICE	OPERATING EXPENSE	775,630	706,382	69,248-	0	0+	0+
	EQUIPMENT	26,000	26,000	0+	0	0+	0+
	MAJOR IMPROVEMENT	400,000	0	400,000-	0	0+	0+
	STUDENT FINANCE A	4,459,004	4,459,004	0+	0	0+	0+
	INFO TECH MNGT	216,337	216,337	0+	0	0+	0+
	PRO STUDENT EXCHA	1,467,303	1,317,303	150,000-	0	0+	0+
	DISABLED STUDENT	26,693	26,693	0+	0	0+	0+
	TECHNICAL ADMIN	198,620	198,620	0+	0	0+	0+
	CONTINGENCY FUND	200,000	0	200,000-	0	0+	0+
	SCHOLORS PROGRAM	708,847	708,847	0+	0	0+	0+
	PERKINS LOAN PROG	102,885	0	102,885-	0	0+	0+
	NATIVE AMER SCHOL	205,108	205,108	0+	0	0+	0+
	TITLE II	534,000	534,000	0+	0	0+	0+
	COMPETITIVE RESEA	1,980,000	1,780,000	200,000-	0	0+	0+
	PRAIRIE PUBLIC	997,500	997,500	0+	0	0+	0+
	BOARD INITIATIVES	2,300,000	2,300,000	0+	0	0+	0+
	BOARD SALARY POOL	16,930,790	0	16,930,790-	0	0+	0+
	CONTIN & CAP IMPR	0	400,000	400,000+	0	0+	0+
	CRITICAL SALARY P	0	2,685,227	2,685,227+	0	0+	0+
	TOTAL	33,790,425	18,714,196	15,076,229-	0	0+	0+
215	SPECIAL FUNDS	4,933,900	4,933,900	0+	0	0+	0+
	GENERAL FUND	28,856,525	13,780,296	15,076,229-	0	0+	0+
HB1003	SALARIES AND WAGE	16,052,300	16,591,716	539,416+	0	0+	0+
BISMARCK STATE COLLEGE	OPERATING EXPENSE	4,996,174	4,920,913	75,261-	0	0+	0+
	EQUIPMENT	367,187	367,187	0+	0	0+	0+
	MAJOR IMPROVEMENT	636,835	636,835	0+	0	0+	0+
	STUDENT UNION REN	250,000	250,000	0+	0	0+	0+
	LOCAL FUNDS	0	11,370,000	11,370,000+	0	0+	0+
	TOTAL	22,302,496	34,136,651	11,834,155+	0	0+	0+
227	SPECIAL FUNDS	7,789,776	19,159,776	11,370,000+	0	0+	0+
	GENERAL FUND	14,512,720	14,976,875	464,155+	0	0+	0+
HB1003	SALARIES AND WAGE	4,288,220	4,433,797	145,577+	0	0+	0+
UND-LAKE REGION	OPERATING EXPENSE	1,365,961	1,340,483	25,478-	0	0+	0+
	EQUIPMENT	150,338	150,338	0+	0	0+	0+
	MAJOR IMPROVEMENT	1,094,318	1,094,318	0+	0	0+	0+
	LOCAL FUNDS	0	6,403,766	6,403,766+	0	0+	0+
	TOTAL	6,898,837	13,422,702	6,523,865+	0	0+	0+
228	SPECIAL FUNDS	1,948,806	8,352,572	6,403,766+	0	0+	0+
	GENERAL FUND	4,950,031	5,070,130	120,099+	0	0+	0+

LEGISLATIVE COUNCIL
ANALYSIS OF LEGISLATIVE CHANGES
AS OF FEBRUARY 18, 1999

BILL #/DEPARTMENT	LINE	EXECUTIVE BUDGET	HOUSE VERSION	HOUSE DIFF TO EXEC BUDGET	SENATE VERSION	SENATE DIFF TO EXEC BUDGET	DIFF BETWEEN HOUSE & SENATE
HB1003	SALARIES AND WAGE	5,167,426	5,340,833	173,407+	0	0+	0+
UND-WILLISTON	OPERATING EXPENSE	1,565,615	1,540,892	24,723-	0	0+	0+
	EQUIPMENT	249,596	249,596	0+	0	0+	0+
	MAJOR IMPROVEMENT	88,790	88,790	0+	0	0+	0+
	LOCAL FUNDS	0	1,653,000	1,653,000+	0	0+	0+
	TOTAL	7,071,427	8,873,111	1,801,684+	0	0+	0+
229	SPECIAL FUNDS	2,300,265	3,953,265	1,653,000+	0	0+	0+
	GENERAL FUND	4,771,162	4,919,846	148,684+	0	0+	0+
HB1003	SALARIES AND WAGE	102,475,530	104,142,630	1,667,100+	0	0+	0+
UNIVERSITY OF NORTH DAKOTA	OPERATING EXPENSE	33,155,561	32,675,751	479,810-	0	0+	0+
	EQUIPMENT	2,527,008	2,247,960	279,048-	0	0+	0+
	MAJOR IMPROVEMENT	9,006,341	4,762,305	4,244,036-	0	0+	0+
	IVN	2,108,224	2,108,224	0+	0	0+	0+
	ODIN	575,209	575,209	0+	0	0+	0+
	SPEC INITIATIVE P	0	1,462,223	1,462,223+	0	0+	0+
	LOCAL FUNDS	0	282,733,609	282,733,609+	0	0+	0+
	TOTAL	149,847,873	430,707,911	280,860,038+	0	0+	0+
230	SPECIAL FUNDS	56,492,071	335,225,680	278,733,609+	0	0+	0+
	GENERAL FUND	93,355,802	95,482,231	2,126,429+	0	0+	0+
HB1003	SALARIES AND WAGE	66,413,168	67,126,248	713,080+	0	0+	0+
UND MEDICAL CENTER	OPERATING EXPENSE	18,350,591	17,984,278	366,313-	0	0+	0+
	EQUIPMENT	2,932,115	2,932,115	0+	0	0+	0+
	TOTAL	87,695,874	88,042,641	346,767+	0	0+	0+
232	SPECIAL FUNDS	59,472,012	58,926,430	545,582-	0	0+	0+
	GENERAL FUND	28,223,862	29,116,211	892,349+	0	0+	0+
HB1003	SALARIES AND WAGE	89,261,432	91,656,749	2,395,317+	0	0+	0+
ND STATE UNIVERSITY	OPERATING EXPENSE	26,550,541	25,930,527	620,014-	0	0+	0+
	EQUIPMENT	2,043,800	1,998,800	45,000-	0	0+	0+
	MAJOR IMPROVEMENT	4,207,362	4,057,362	150,000-	0	0+	0+
	FARGO SKILLS CENT	1,537,500	1,287,500	250,000-	0	0+	0+
	HEALTH & WELL CEN	4,500,000	4,500,000	0+	0	0+	0+
	LOCAL FUNDS	0	111,620,179	111,620,179+	0	0+	0+
	TOTAL	128,100,635	241,051,117	112,950,482+	0	0+	0+
235	SPECIAL FUNDS	55,698,903	167,318,319	111,619,416+	0	0+	0+
	GENERAL FUND	72,401,732	73,732,798	1,331,066+	0	0+	0+

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BILL #/DEPARTMENT	LINE	EXECUTIVE BUDGET	HOUSE VERSION	HOUSE DIFF TO EXEC BUDGET	SENATE VERSION	SENATE DIFF TO EXEC BUDGET	DIFF BETWEEN HOUSE & SENATE
HB1003	SALARIES AND WAGE	22,795,547	23,996,556	1,201,009+	0	0+	0+
ND STATE COLLEGE OF SCIENCE	OPERATING EXPENSE	6,749,972	6,607,727	142,245-	0	0+	0+
	EQUIPMENT	1,519,368	1,494,368	25,000-	0	0+	0+
	MAJOR IMPROVEMENT	635,885	635,885	0+	0	0+	0+
	LOCAL FUNDS	0	15,580,000	15,580,000+	0	0+	0+
	TOTAL	31,700,772	48,314,536	16,613,764+	0	0+	0+
238	SPECIAL FUNDS	9,018,742	24,982,742	15,964,000+	0	0+	0+
	GENERAL FUND	22,682,030	23,331,794	649,764+	0	0+	0+
HB1003	SALARIES AND WAGE	13,954,490	14,236,142	281,652+	0	0+	0+
DICKINSON STATE UNIVERSITY	OPERATING EXPENSE	4,141,567	4,074,962	66,605-	0	0+	0+
	EQUIPMENT	390,000	390,000	0+	0	0+	0+
	MAJOR IMPROVEMENT	2,893,962	693,962	2,200,000-	0	0+	0+
	LOCAL FUNDS	0	8,221,397	8,221,397+	0	0+	0+
	TOTAL	21,380,019	27,616,463	6,236,444+	0	0+	0+
239	SPECIAL FUNDS	8,340,726	14,362,123	6,021,397+	0	0+	0+
	GENERAL FUND	13,039,293	13,254,340	215,047+	0	0+	0+
HB1003	SALARIES AND WAGE	7,981,890	8,249,062	267,172+	0	0+	0+
MAYVILLE STATE UNIVERSITY	OPERATING EXPENSE	2,255,832	2,212,188	43,644-	0	0+	0+
	EQUIPMENT	170,500	170,500	0+	0	0+	0+
	MAJOR IMPROVEMENT	931,671	931,671	0+	0	0+	0+
	LOCAL FUNDS	0	7,400,000	7,400,000+	0	0+	0+
	TOTAL	11,339,893	18,963,421	7,623,528+	0	0+	0+
240	SPECIAL FUNDS	2,878,227	10,278,227	7,400,000+	0	0+	0+
	GENERAL FUND	8,461,666	8,685,194	223,528+	0	0+	0+
HB1003	SALARIES AND WAGE	28,372,441	29,085,334	712,893+	0	0+	0+
MINOT STATE UNIVERSITY	OPERATING EXPENSE	6,172,175	6,043,525	128,650-	0	0+	0+
	EQUIPMENT	937,929	917,929	20,000-	0	0+	0+
	MAJOR IMPROVEMENT	1,050,466	1,050,466	0+	0	0+	0+
	LOCAL FUNDS	0	19,003,936	19,003,936+	0	0+	0+
	TOTAL	36,533,011	56,101,190	19,568,179+	0	0+	0+
241	SPECIAL FUNDS	11,680,734	30,499,937	18,819,203+	0	0+	0+
	GENERAL FUND	24,852,277	25,601,253	748,976+	0	0+	0+

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BILL #/DEPARTMENT	LINE	EXECUTIVE BUDGET	HOUSE VERSION	HOUSE DIFF TO EXEC BUDGET	SENATE VERSION	SENATE DIFF TO EXEC BUDGET	DIFF BETWEEN HOUSE & SENATE
HB1003	SALARIES AND WAGE	10,780,743	11,151,577	370,834+	0	0+	0+
VALLEY CITY STATE UNIVERSITY	OPERATING EXPENSE	2,898,779	2,840,317	58,462-	0	0+	0+
	EQUIPMENT	323,100	323,100	0+	0	0+	0+
	MAJOR IMPROVEMENT	812,334	812,334	0+	0	0+	0+
	SPECIAL INITIATIV	69,795	69,795	0+	0	0+	0+
	CENTER FOR INNOVA	353,403	303,403	50,000-	0	0+	0+
	LOCAL FUNDS	0	8,820,000	8,820,000+	0	0+	0+
	TOTAL	15,238,154	24,320,526	9,082,372+	0	0+	0+
242	SPECIAL FUNDS	3,866,587	12,686,587	8,820,000+	0	0+	0+
	GENERAL FUND	11,371,567	11,633,939	262,372+	0	0+	0+
HB1003	SALARIES AND WAGE	3,841,868	4,089,733	247,865+	0	0+	0+
MISU-BOTTINEAU	OPERATING EXPENSE	1,084,101	1,117,998	33,897+	0	0+	0+
	EQUIPMENT	147,500	178,350	30,850+	0	0+	0+
	MAJOR IMPROVEMENT	218,130	253,130	35,000+	0	0+	0+
	LOCAL FUNDS	0	2,124,426	2,124,426+	0	0+	0+
	TOTAL	5,291,599	7,763,637	2,472,038+	0	0+	0+
243	SPECIAL FUNDS	1,418,967	3,571,528	2,152,561+	0	0+	0+
	GENERAL FUND	3,872,632	4,192,109	319,477+	0	0+	0+
HB1003	SALARIES AND WAGE	1,708,740	1,770,118	61,378+	0	0+	0+
ND FOREST SERVICE	OPERATING EXPENSE	431,776	423,601	8,175-	0	0+	0+
	EQUIPMENT	65,011	65,011	0+	0	0+	0+
	MAJOR IMPROVEMENT	79,541	79,541	0+	0	0+	0+
	GRANTS	147,486	147,486	0+	0	0+	0+
	LOCAL FUNDS	0	1,336,082	1,336,082+	0	0+	0+
	TOTAL	2,432,554	3,821,839	1,389,285+	0	0+	0+
244	SPECIAL FUNDS	859,006	2,195,088	1,336,082+	0	0+	0+
	GENERAL FUND	1,573,548	1,626,751	53,203+	0	0+	0+
BILL TOTAL	TOTAL	559,623,569	1021,849,941	462,226,372+	0	0+	0+
HB1003	SPECIAL FUNDS	226,698,722	696,446,174	469,747,452+	0	0+	0+
	GENERAL FUND	332,924,847	325,403,767	7,521,080-	0	0+	0+

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

HOUSE - This amendment makes the following changes:

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General fund:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$11,925,735	$16,930,790	$14,512,720	$4,950,031	$4,771,162	$93,355,802
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367
Delay market salary adjustments to 1/1/01	(29,456) [1]					
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000) [2]					
Increase contingency line item	200,000 [2]					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590) [3]			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds						
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						(244,036)
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)
House version	$11,095,069	$2,685,227	$14,976,875	$5,070,130	$4,919,846	$95,482,231

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	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)		(131,253)		(35,270)	
Reduce information technology funding		(50,000)			(20,000)	
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds						
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939

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	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL GENERAL FUND
Executive budget	$3,872,632	$1,573,548	$28,223,862	$332,924,847
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(267,443)	(4,337,682)
Adjust health insurance cost	14,826	5,702	46,567	981,754
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				
Remove Dickinson State Student Union (it is included in SB 2065)				
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)[3]	(788,113)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	200,000			200,000
Reduce operating expenses			(220,000)	(470,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds				
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036)
Reduce on-line training funding				(20,600)
Add funding to correct medical school pay plan			372,180	372,180
Add funds for 1 additional class section in 4 capped programs				
Decrease operating expenses for a .5% general fund reduction	(21,066)	(8,175)	(146,313)	(1,634,694)
House version	$4,192,109	$1,626,751	$29,116,211	$325,403,767

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Other funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$4,933,900		$7,789,776	$1,948,806	$2,300,265	$56,492,071
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation package to 2%/2%						
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions						
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction						
House version	$4,933,900	$0	$19,159,776	$8,352,572	$3,953,265	$335,225,680

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	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587
Allocate 5% pooled salaries						
Pool critical salary funding						
Reduce compensation package to 2%/2%	(763)					
Adjust health insurance cost						
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions					(184,733) [3]	
Reduce information technology funding						
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000 [4]				
Decrease operating expenses for a .5% general fund reduction						
House version	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587

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	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL OTHER FUNDS
Executive budget	$1,418,967	$859,006	$59,472,012	$226,698,722
Allocate 5% pooled salaries				
Pool critical salary funding				
Reduce compensation package to 2%/2%			(633,306)	(634,069)
Adjust health insurance cost			87,724	87,724
Delay market salary adjustments to 1/1/01				
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)				(2,200,000)
Remove capital improvements emergency line item				
Increase contingency line item				
Decrease PSEP				
Decrease EPSCoR				
Eliminate Perkins loan match funding				
Reduce salaries and wages due to vacant positions				(184,733)
Reduce information technology funding				
Add funds for information technology initiative	28,135			28,135
Reduce operating expenses				
Reduce equipment funding				
Reduce funding for the Skills Center				
Appropriate local funds	2,124,426	1,336,082		476,266,395
Reduce dual credit course program funding				
Reduce Center for Innovation in Instruction funding				
Reduce capital improvement funding				
Reduce on-line training funding				
Add funding to correct medical school pay plan				
Add funds for 1 additional class section in 4 capped programs				384,000
Decrease operating expenses for a .5% general fund reduction				
House version	$3,571,528	$2,195,088	$58,926,430	$696,446,174

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Total funds:

	UNIVERSITY SYSTEM OFFICE	BOARD SALARY POOL	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND-WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget	$16,859,635	$16,930,790	$22,302,496	$6,898,837	$7,071,427	$149,847,873
Allocate 5% pooled salaries		(16,930,790)	807,078	214,097	258,239	5,138,540
Pool critical salary funding	(49,376)	2,685,227	(76,895)	(23,760)	(31,160)	(982,347)
Reduce compensation package to 2%/2%	(35,118)		(193,940)	(59,016)	(70,208)	(1,330,237)
Adjust health insurance cost	5,417		44,763	14,256	16,536	303,367
Delay market salary adjustments to 1/1/01	(29,456)					
Remove UND bookstore project (it is included in SB 2030)						(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)						
Remove capital improvements emergency line item	(400,000)					
Increase contingency line item	200,000					
Decrease PSEP	(150,000)					
Decrease EPSCoR	(200,000)					
Eliminate Perkins loan match funding	(102,885)					
Reduce salaries and wages due to vacant positions			(41,590)			
Reduce information technology funding						(279,048)
Add funds for information technology initiative						
Reduce operating expenses						
Reduce equipment funding						
Reduce funding for the Skills Center						
Appropriate local funds			11,370,000	6,403,766	1,653,000	282,733,609
Reduce dual credit course program funding						
Reduce Center for Innovation in Instruction funding						
Reduce capital improvement funding						(244,036)
Reduce on-line training funding						
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs						
Decrease operating expenses for a .5% general fund reduction	(69,248)		(75,261)	(25,478)	(24,723)	(479,810)
House version	$16,028,969	$2,685,227	$34,136,651	$13,422,702	$8,873,111	$430,707,911

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	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,238,154
Allocate 5% pooled salaries	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061
Pool critical salary funding	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)
Reduce compensation package to 2%/2%	(1,213,683)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)
Adjust health insurance cost	261,169	75,414	43,053	28,369	84,395	37,920
Delay market salary adjustments to 1/1/01						
Remove UND bookstore project (it is included in SB 2030)						
Remove Dickinson State Student Union (it is included in SB 2065)			(2,200,000)			
Remove capital improvements emergency line item						
Increase contingency line item						
Decrease PSEP						
Decrease EPSCoR						
Eliminate Perkins loan match funding						
Reduce salaries and wages due to vacant positions	(350,000)		(131,253)		(220,003)	
Reduce information technology funding		(50,000)			(20,000)	
Add funds for information technology initiative						
Reduce operating expenses	(250,000)					
Reduce equipment funding	(45,000)					
Reduce funding for the Skills Center	(250,000)					
Appropriate local funds	111,620,179	15,580,000	8,221,397	7,400,000	19,003,936	8,820,000
Reduce dual credit course program funding			(53,500)			
Reduce Center for Innovation in Instruction funding						(50,000)
Reduce capital improvement funding	(150,000)					
Reduce on-line training funding					(20,600)	
Add funding to correct medical school pay plan						
Add funds for 1 additional class section in 4 capped programs		384,000				
Decrease operating expenses for a .5% general fund reduction	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)
House version	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526

LEGISLATIVE COUNCIL
ANALYSIS OF LEGISLATIVE CHANGES
AS OF FEBRUARY 18, 1999

	MSU-BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL ALL FUNDS
Executive budget	$5,291,599	$2,432,554	$87,695,874	$559,623,569
Allocate 5% pooled salaries	192,430	86,088	1,569,679	
Pool critical salary funding	(19,928)	(11,880)	(232,321)	
Reduce compensation package to 2%/2%	(46,785)	(18,532)	(900,749)	(4,971,751)
Adjust health insurance cost	14,826	5,702	134,291	1,069,478
Delay market salary adjustments to 1/1/01				(29,456)
Remove UND bookstore project (it is included in SB 2030)				(4,000,000)
Remove Dickinson State Student Union (it is included in SB 2065)				(2,200,000)
Remove capital improvements emergency line item				(400,000)
Increase contingency line item				200,000
Decrease PSEP				(150,000)
Decrease EPSCoR				(200,000)
Eliminate Perkins loan match funding				(102,885)
Reduce salaries and wages due to vacant positions			(230,000)	(972,846)
Reduce information technology funding				(349,048)
Add funds for information technology initiative	228,135			228,135
Reduce operating expenses			(220,000)	(470,000)
Reduce equipment funding				(45,000)
Reduce funding for the Skills Center				(250,000)
Appropriate local funds	2,124,426	1,336,082		476,266,395
Reduce dual credit course program funding				(53,500)
Reduce Center for Innovation in Instruction funding				(50,000)
Reduce capital improvement funding				(394,036)
Reduce on-line training funding				(20,600)
Add funding to correct medical school pay plan			372,180	372,180
Add funds for 1 additional class section in 4 capped programs				384,000
Decrease operating expenses for a .5% general fund reduction	(21,066)	(8,175)	(146,313)	(1,634,694)
House version	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941

[1] In addition to the two percent annual salary increases, funding is included to provide the finance director a market equity salary increase of $135 per month, the legal counsel a market equity salary increase of $692.17 per month, and the human resources director a market equity salary increase of $520 per month. These increases are effective January 1, 2001, for the last six months of the biennium.

[2] The $400,000 for capital improvement emergencies line item was removed, and then the contingency line item was increased by $200,000, from $200,000 to $400,000. The contingency line was also renamed contingency and capital improvements emergency fund.

[3] The reductions to the salaries and wages line items, relating to vacant positions does not include a reduction in the number of FTE because the board has the authority to adjust FTE levels as needed.

[4] The additional $384,000 of estimated income at the State College of Science is for the addition of 8 FTE and 1 additional class section in each of the diesel technology, computer information systems, architectural drafting, and electrical technology programs.

This amendment also:

Adds in the appropriation of local funds at the campuses. The total local funds appropriation is $476,266,395.

Replaces the sections providing for the North Dakota building authority to issue evidences of indebtedness for the student union renovations ($250,000) at Bismarck State College and the Health and Wellness Center ($4,500,000) at North Dakota State University with sections providing for these two projects to be funded through revenue bonds issued through the State Board of Higher Education.

Removes the section of intent providing that the Office of Management and Budget was to prepare the 2001-03 budget to only include a general fund appropriation.

Adds a section declaring the $760,000 for boiler repairs and fuel storage at Mayville State University and the $4,500,000 for the Health and Wellness Center at North Dakota State University to be emergencies.

Adds language providing that Bismarck State College is to complete the hallway renovation project at Schafer Hall from within the funding provided for the 1999-2001 biennium.

Please refer to the following schedule for a summary of the House changes to House Bill No. 1003.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE
COMPARISON OF ENGROSSED HB 1003 TO 1999-01 EXECUTIVE RECOMMENDATION AND 1997-99 ADJUSTED APPROPRIATION

Line Item	(1) 1997-99 Adjusted Appropriation	(2) 1999-01Executive Recommendation	(3) Engrossed HB 1003	(4) House Change From Exec. Recomm.	
Salaries and wages	$ 1,995,517	$ 2,261,708	$ 2,153,175	$ (108,533)	1/
Operating expenses	754,465	775,630	706,382	(69,248)	2/
Equipment	21,000	26,000	26,000	-	
1995-97 carryover	12,639	-	-	-	
Information Technology Mgmt	205,494	216,337	216,337	-	
College Technical Administration	184,906	198,620	198,620	-	
Student Financial Assistance Grants (SSIG)	4,885,825	4,459,004	4,459,004	-	
Professional Student Exchange Program (PSEP)	1,483,210	1,467,303	1,317,303	(150,000)	3/
Scholars Program	708,847	708,847	708,847	-	
Perkins Loan Program Match	102,885	102,885	-	(102,885)	4/
Native American Scholarships	205,108	205,108	205,108	-	
EPSCoR	1,980,000	1,980,000	1,780,000	(200,000)	5/
Higher Ed Contingency Fund	200,000	200,000	-	(200,000)	6/
Capital Improvements Contingency Fund	200,000	400,000	-	(400,000)	6/
Contingency & Cap. Improve. Emergency Fund	-	-	400,000	400,000	6/
Title II Grant	434,000	534,000	534,000	-	
Disabled Student Services Fund	22,635	26,693	26,693	-	
Salary Pool	-	16,930,790	-	(16,930,790)	7/
Critical Salary Pool	-	-	2,685,227	2,685,227	8/
Board Initiatives	-	2,300,000	2,300,000	-	
Virtual University	100,000	-	-	-	
Center for Innovation in Instruction Grants	148,625	-	-	-	
Subtotal All Funds	13,645,156	32,792,925	17,716,696	(15,076,229)	
Less Estimated Income	3,760,721	4,933,900	4,933,900	-	
General Fund Appropriation	9,884,435	27,859,025	12,782,796	(15,076,229)	

NOTE: The grants for Prairie Public Broadcasting, totaling $950,000 in 1997-99 and $997,500 in the 1999-01 Executive Recommendation and Engrossed Bill, are not included in the above totals.

SUMMARY OF HOUSE REDUCTIONS:

1/ The House reductions to the salary line consist of the following:

Net reduction to compensation package	$	(29,701)
Reallocate critical salary adjustment from the salary line to critical salary pool		(49,376)
Reduce critical salary adjustment, to delay market salary adjustment until 1-1-2001		(29,456)
	$	(108,533)

The $49,376 that was transferred from the salary line to the critical salary pool, contained $11,500 to continue a base salary of an existing employee. In addition, the $29,456 of market adjustments were part of the critical salary adjustment that had already been transferred to the pool. We will seek amendments to transfer the total of the 2 adjustments, from the critical salary pool to the NDUS salary line item.

2/ Operating expenses were reduced by an amount equal to .5% of the adjusted general fund appropriation (after all other adjustments). The .5% general fund reduction was computed on all line items of the NDUS Office, but the total was deducted from the operating line. Approximately $54,300 (of the $69,248) applies to other line items, and an amendment will be sought to reallocate these reductions to the other line items. If the amendment is not obtained, the transfers would be made during the annual budget process. A schedule of the proposed reallocation of the .5% reduction to the other line items is attached.

3/ Funding for PSEP was reduced by $150,000 in Engrossed HB 1003. This will reduce the number of new freshmen slots by 4-5 each year of the biennium.

4/ The elimination of the Perkins loan matching funds will require the campuses to internally reallocate more funds to provide the state matching funds for this program, 75% of which goes to UND.

5/ The $200,000 reduction in EPSCoR will have a direct impact on UND and NDSU. These campuses will have to internally reallocate additional funds to match the federal dollars (or forfeit the federal funding) that this $200,000 would have otherwise provided.

6/ The House eliminated $200,000 from the higher ed contingency fund and $400,000 from the capital improvements contingency fund, and then created a new "contingency and capital improvements emergency fund," totaling $400,000 (a net reduction of $200,000).

7/ The House reallocated the salary pool that was included in the executive recommendation back to the campuses, Med School and Forest Service, in the same proportion that they had been removed from their budgets in the executive recommendation.

8/ The executive recommendation included funds for critical salary adjustments in the individual budgets of the campuses, Med School, Forest Service and NDUS Office. The House reallocated these funds to a "critical salary pool" that the Board of Higher Education would distribute during the 1999-01 biennium.

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NDUS Office
Proposed Adjustments to Line Items-Engrossed HB1003

	Engrossed Bill	Correct Critical Sal Adj 1/	Reallocate .5% Reduction 2/	Adjusted Total
Salaries & wages	2,153,175	40,956		2,194,131
Operating	706,382		54,327	760,709
Equipment	26,000			26,000
SSIG	4,459,004		(8,723)	4,450,281
IT Mgmt	216,337		(1,082)	215,255
PSEP	1,317,303		(6,587)	1,310,716
Disabled Stdnt Svcs	26,693		(133)	26,560
Technical Admin	198,620		(993)	197,627
Conting & Cap Impr Emergency Fund	400,000		(2,000)	398,000
Scholars	708,847		(2,617)	706,230
Native American Schol.	205,108		(1,026)	204,082
Title II	534,000			534,000
EPSCoR	1,780,000		(8,900)	1,771,100
PPB	997,500		(4,988)	992,513
Bd Initiatives	2,300,000		(4,000)	2,296,000
Critical Salary Pool	2,685,227	(40,956)	(13,279)	2,630,992
Total	18,714,196	-	0	18,714,196

1/ Continuation of current salary base	11,500
Reallocate 18 mos of salary mkt adjustment	29,456
	40,956

The $49,376 that was transferred from the salary line to the critical salary pool, contained $11,500 to continue current salary base, + 37,875 for the salary equity adjustments from the mkt study. Then, $29,456 was deducted from the salary line to delay the salary equity adjustments until 1-01-2001. Since the full amount had already been transferred to the critical salary pool, the adjustment should be from there, rather than the salary line item. The $11,500 for the current salary base shouldn't have been considered part of the critical salary pool, but rather as a cost to continue the 97-99 salary base.

2/ Reallocates .5% GF reduction to various programs/line items

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Prepared by the North Dakota Legislative staff

March 31, 1999

SUMMARY OF PROPOSED CHANGES TO HOUSE BILL NO. 1003

General fund

	System Pools	University System Office	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget		$28,856,525	$14,512,720	$4,950,031	$4,771,162	$93,355,802	$72,401,732	$22,682,030	$13,039,293	$8,461,666	$24,852,277	$11,371,567	$3,872,632	$1,573,548	$28,223,862	$332,924,847
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429	1,331,066	649,764	215,047	223,528	748,976	262,372	319,477	53,203	892,349	(7,521,080)
House version	$0	$13,780,296	$14,976,875	$5,070,130	$4,919,846	$95,482,231	$73,732,798	$23,331,794	$13,254,340	$8,685,194	$25,601,253	$11,633,939	$4,192,109	$1,626,751	$29,116,211	$325,403,767
Senate changes																
Restore EPSCoR funding		$200,000														$200,000
Provide funding to complete Schafer Hall hallway renovation project			$72,000													72,000
Correct other funds portion of Medical School pay plan error																
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)	($65,450)	($2,364)		($1,038)						(554,323)
Remove information technology initiative added by the House													($200,000)			(200,000)
Restore a portion of the capital improvement funds removed by the House						154,831	95,169									250,000
Restore a portion of the specific operating expense reductions made by the House							161,874								$142,449	304,323
Restore all of the Skills Center funding removed by the House							250,000									250,000
Provide for a systemwide restoration pool	$1,178,000															1,178,000
Funding transferred to the system technology pool	21,948,467					(12,291,515)	(9,656,952)									
Funding transferred to the system salary pool	182,747,053	(4,825,123)	(9,251,940)	(2,979,991)	(3,040,568)	(47,214,067)	(37,717,319)	(14,510,720)	(8,089,566)	(5,340,344)	(17,583,483)	(7,260,842)	(2,617,594)	(1,107,078)	(21,208,418)	
Funding source change for increased land department revenue distributions						(141,022)	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)	(5,850)			(505,130)
Total Senate changes	$205,873,520	($4,625,123)	($9,207,641)	($2,982,432)	($3,060,344)	($59,927,326)	($47,138,452)	($14,596,178)	($8,095,416)	($5,371,873)	($17,589,333)	($7,288,041)	($2,823,444)	($1,107,078)	($21,065,969)	$994,870
Senate version	$205,873,520	$9,155,173	$5,769,234	$2,087,698	$1,859,502	$35,554,905	$26,594,346	$8,735,616	$5,158,924	$3,313,321	$8,011,920	$4,345,898	$1,368,665	$519,673	$8,050,242	$326,398,637

Other funds

	System Pools	University System Office	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget		$4,933,900	$7,789,776	$1,948,806	$2,300,265	$56,492,071	$55,698,903	$9,018,742	$8,340,726	$2,878,227	$11,680,734	$3,866,587	$1,418,967	$859,006	$59,472,012	$226,698,722
House changes			11,370,000	6,403,766	1,653,000	278,733,609	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000	2,152,561	1,336,082	(545,582)	469,747,452
House version	$0	$4,933,900	$19,159,776	$8,352,572	$3,953,265	$335,225,680	$167,318,319	$24,982,742	$14,362,123	$10,278,227	$30,499,937	$12,686,587	$3,571,528	$2,195,088	$58,926,430	$696,446,174
Senate changes:																
Restore EPSCoR funding																
Provide funding to complete Schafer Hall hallway renovation project																
Correct other funds portion of Medical School pay plan error															($521,503)	($521,503)
Utility reductions																
Remove information technology initiative added by the House													($28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House																
Restore a portion of the specific operating expense reductions made by the House																
Restore all of the Skills Center funding removed by the House																
Provide for a systemwide restoration pool																
Funding transferred to the system technology pool																
Funding transferred to the system salary pool	$159,370,760		($7,339,776)	($1,453,806)	($2,300,265)	($52,633,093)	($48,866,414)	($9,485,836)	($6,146,576)	($2,908,718)	($11,501,851)	($3,893,786)	(1,364,817)	($663,040)	(10,812,782)	
Funding source change for increased land department revenue distributions						141,022	205,774	83,094	5,850	30,491	5,850	27,199	5,850			505,130
Total Senate changes	$159,370,760	$0	($7,339,776)	($1,453,806)	($2,300,265)	($52,492,071)	($48,660,640)	($9,402,742)	($6,140,726)	($2,878,227)	($11,496,001)	($3,866,587)	($1,387,102)	($663,040)	($11,334,285)	($44,508)
Senate version	$159,370,760	$4,933,900	$11,820,000	$6,898,766	$1,653,000	$282,733,609	$118,657,679	$15,580,000	$8,221,397	$7,400,000	$19,003,936	$8,820,000	$2,184,426	$1,532,048	$47,592,145	$696,401,666

Total funds

	System Pools	University System Office	Bismarck State College	UND-Lake Region	UND-Williston	University of North Dakota	North Dakota State University	State College of Science	Dickinson State University	Mayville State University	Minot State University	Valley City State University	MSU-Bottineau	Forest Service	UND School of Medicine and Health Sciences	Total
Executive budget		$33,790,425	$22,302,496	$6,898,837	$7,071,427	$149,847,873	$128,100,635	$31,700,772	$21,380,019	$11,339,893	$36,533,011	$15,236,154	$5,291,599	$2,432,554	$87,695,874	$559,623,569
House changes		(15,076,229)	11,834,155	6,523,865	1,801,684	280,860,038	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372	2,472,038	1,389,285	346,767	462,226,372
House version	$0	$18,714,196	$34,136,651	$13,422,702	$8,873,111	$430,707,911	$241,051,117	$48,314,536	$27,616,463	$18,963,421	$56,101,190	$24,320,526	$7,763,637	$3,821,839	$88,042,641	$1,021,849,941
Senate changes																
Restore EPSCoR funding		$200,000														$200,000
Provide funding to complete Schafer Hall hallway renovation project			$72,000													72,000
Correct other funds portion of Medical School pay plan error															($521,503)	(521,503)
Utility reductions			(27,701)	($2,441)	($19,776)	($435,553)	($65,450)	($2,364)		($1,038)						(554,323)
Remove information technology initiative added by the House													($228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House						154,831	95,169									250,000
Restore a portion of the specific operating expense reductions made by the House							161,874								142,449	304,323
Restore all of the Skills Center funding removed by the House							250,000									250,000
Provide for a systemwide restoration pool	$1,178,000															1,178,000
Funding transferred to the system technology pool	21,948,467					(12,291,515)	(9,656,952)									
Funding transferred to the system salary pool	342,117,813	(4,825,123)	(16,591,716)	(4,433,797)	(5,340,833)	(99,847,160)	(86,583,733)	(23,996,556)	($14,236,142)	(8,249,062)	($29,085,334)	($11,154,628)	(3,982,411)	($1,770,118)	(32,021,200)	
Funding source change for increased land department revenue distributions																
Total Senate changes	$365,244,280	($4,625,123)	($16,547,417)	($4,436,238)	($5,360,609)	($112,419,397)	($95,799,092)	($23,998,920)	($14,236,142)	($8,250,100)	($29,085,334)	($11,154,628)	($4,210,546)	($1,770,118)	($32,400,254)	$950,362
Senate version	$365,244,280	$14,089,073	$17,589,234	$8,986,464	$3,512,502	$318,288,514	$145,252,025	$24,315,616	$13,380,321	$10,713,321	$27,015,856	$13,165,898	$3,553,091	$2,051,721	$55,642,387	$1,022,800,303

Department 227 - Bismarck State College
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	143.44	$14,512,720	$7,789,776	$22,302,496
1997-99 Legislative Appropriations	141.94 *	14,510,886	9,596,060	24,106,946 **
Increase (Decrease)	1.50	$1,834	($1,806,284)	($1,804,450)

* The 1997-99 appropriation is based on 140.35 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The number of positions shown for 1997-99 represents the number of positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown has been adjusted to reflect allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the State Board of Higher Education and spending authority carried over from the 1995-97 biennium.

Major Items Affecting Bismarck State College 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reduces funding to reflect institution's 95 percent budget request (excluding request for capital projects)	($1,309,794)	$999,230	($310,564)
Restores funding for critical programs, reinvests funds in new initiatives, and provides for the cost to continue current programs and services, including the continuation of 1997-99 salary increases and inflationary increases in operating expenses (includes $262,887 additional income generated through annual 4 percent tuition increases during 1999-2001)	1,197,927	262,497	1,460,424
Net changes (includes elimination of athletic director, language instructor, and agribusiness instructor, and the addition of a humanities instructor, English tutor, institutional research director, and distance education coordinator)	($111,867)	$1,261,727	$1,149,860
2. Adds funding for critical salary increases (The House removed from the institution and pooled in the board office.)	$76,473	$422	$76,895
3. Increases other funds and decreases general fund spending authority for operating expenses	(191,567)	191,567	
4. Reduces salaries and wages to reflect funding transferred to the University System salary funding pool (The House reallocated back to the institutions.)	(807,079)		(807,079)
5. Adds funding for vocational and technical education equipment	40,780		40,780
6. Adds funding for extraordinary repairs	77,293		77,293
7. Removes the appropriation of local funds (The House included the appropriation of local funds of $11,370,000.)		(3,710,000)	(3,710,000)
Provides funding for the following capital projects:			
Schafer Hall renovation	200,000	200,000	400,000
Student union renovation		250,000	250,000
9. Provides for the following FTE changes (included in No. 1 above):			
Adds:			
1.00 FTE education programs coordinator	92,027		92,027
1.50 FTE faculty	167,346		167,346
1.00 FTE administrative assistant II	41,105		41,105
0.50 FTE other service	26,788		26,788
Deletes:			
(0.75) FTE faculty	(117,700)		(117,700)
(1.00) FTE other administrative	(170,981)		(170,981)
(0.75) FTE faculty	(126,779)		(126,779)

Major Legislation Affecting Bismarck State College

There is no major legislation affecting Bismarck State College.

BSC

Presentation to N.D. House Appropriations Committee
Education and Environment Division
By Bismarck State College
President Donna S. Thigpen
January 15, 1999

Chairman Wentz and Members of the Committee:

My name is Donna Thigpen and I am president of Bismarck State College. I appreciate the opportunity to highlight the accomplishments and needs of Bismarck State College. We plan a brief presentation. I will give you an overview of the college, our accomplishments and new initiatives. Dave Clark will present our budget request.

We also have four other individuals who will share their perceptions of Bismarck State College. With us today are two students, Justin Dever and Cathy Anderson, and two members of the community, Gary Jacobson and Russ Staiger.

I would like to direct your attention to the slide show for a quick overview of the college.

Bismarck State College

- N.D. House Appropriations Committee Hearing
- Education & Environment Division
- Jan. 15, 1999

Overview of BSC

Donna Thigpen
President
Bismarck State College

BSC at a Glance

- College established in 1939
- SBHE governance since 1984
- Campus - 100 acres
- Buildings - 9
- Gross square feet - 394,809

BSC Enrollment

- Fall 1998 credit enrollment - 2,594
  - 1,877 are full time; 717 are part time
  - 51% are female; 49% are male
  - 25% are 25 years or older
  - Students enrolled from 49 of 53 counties
- Non-credit and continuing education
  - 16,256 people served in FY98
    - duplicated count

Faculty and Staff

- Faculty
  - 92 full time, 69 part time
- Support staff
  - 105 full time, 67 part time
- Non-credit instructors/presenters
  - 614 In FY98

BSC is a comprehensive community college

- Division of Instruction
- Division of Corporate and Continuing Education
- Division of Student Services

Transfer

- Students enroll in first two years of traditional four-year college education
- Curricula in more than 40 majors
- Completion of curricula leads to associate in arts degree or associate in science degree
- 70 percent of students in Fall 1998

Technical Programs

- Students prepare for entry-level placement in specific careers
- Career training in 25 programs
- One-year and two-year programs
- Lead to Associate in Applied Science degree, diploma or certificate
- 30 percent of students in Fall 1998

Corporate and Continuing Education

- Continuing education (career advancement and personal enrichment)
  - Computer training
  - Non-credit classes
- Major conferences, including
  - Energy Generation
  - Teaching and Technology
  - Emergency Medical Services
  - Workers Compensation

Corporate and Continuing Education

- Customized training for business/industry
- Small Business Management
- Satellite downlinks of teleconferences
- College for Kids
- Speakers Bureau

Collaborative Baccalaureate Programs

- B.S. Degree in Criminal Justice - Minot
- B.S. Degree in Management - Minot
- Bachelor of Nursing Science - Medcenter One College of Nursing
- B.A. degrees in University Studies, English, Composite Social Science - Dickinson

Other Collaborative Programs

- UND-Lake Region
  - Legal Assistant
- ND State College of Science
  - Practical Nursing
- UND Graduate Center at BSC

BSC Accomplishments

- New Programs
  - Computer Support Specialist
  - Practical Nursing
  - Certified Nursing Assistant
  - Phlebotomy Technician
  - Surgical Technician - proposed

BSC Accomplishments

- Corporate and Continuing Education
  - Customized training for 24 businesses
  - Served 16,256 people through all CCE programs in 97-98
    - 15% increase from previous year

Recent Customized Training

- City of Bismarck
  - Computer training
- Basin Electric Power Co-op
  - Customer service
  - Cisco networking
- Remco Software Inc., Dickinson
  - Specialized computer training
- ND National Guard
  - Welding

BSC Accomplishments

- Plant Improvements
  - Jack Science Center
  - Bismarck Community Bowl
  - BSC Armory renovation
  - Schafer Hall Phase I renovation in process

BSC Accomplishments

- Distance Education
  - Online classes began Fall 1998
    - 86 students enrolled in 6 classes in Fall
    - Nearly 300 students enrolled in 17 classes for Spring 1999
  - Two IVN classrooms
  - ITV (Great Western Network)
    - 41 students enrolled in 4 classes in Fall

New Initiatives

- Cisco Networking Associate
  - BSC is a Regional Networking Academy for Cisco Systems Inc.
  - Classes offered for credit as technical electives in Computer Support Specialist program
  - Classes also available in non-credit format as customized training for business/industry

New Initiatives

- Partnerships with energy industry
  - Regional training in power plant technology
    - Silver Bay Power Plant (Minnesota)
      - 18 students completed two-year program in August 1998
    - North Shore Mining & LTV Steel Mining (Minnesota)
      - 15 students enrolled, to complete training July 1999
    - Western Resources (Kansas)
      - training began this semester, online and on site

New Initiatives

- Partnerships with Energy Industry
  - Electric Power Research Institute Simulator & Training Center and Great River Energy (Coal Creek Station)
    - Simulator for Power Plant training to be located on BSC's campus
    - Simulator instructor to train and develop training materials

BSC Student Perspective

Cathy Anderson
Sophomore in Hotel-Restaurant Management

BSC Student Perspective

Justin Dever
Sophomore in Electronics Technology

Consumer Perspective

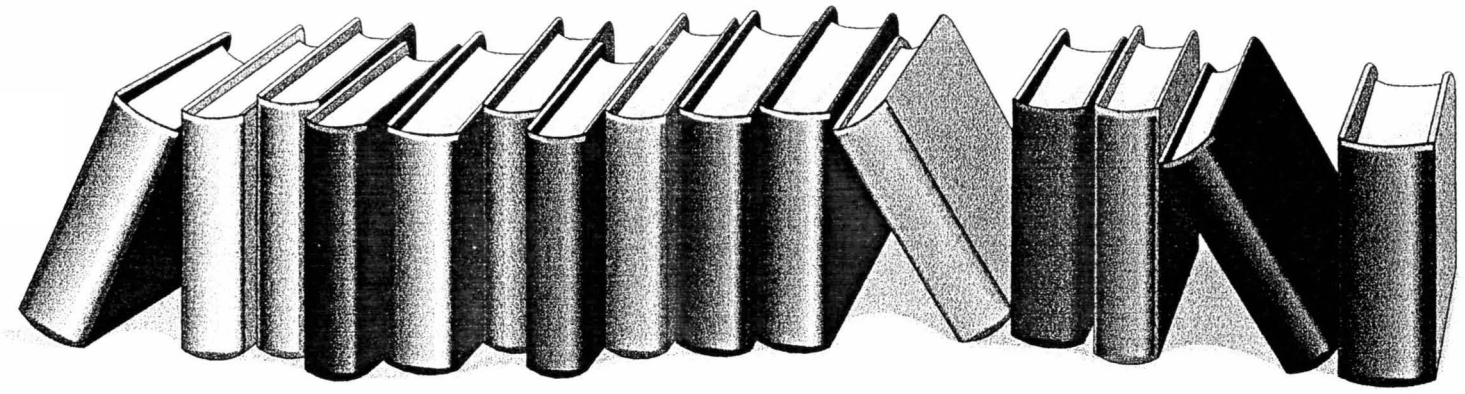
Gary Jacobson
Consultant
Basin Electric Power Cooperative

Consumer Perspective

Russ Staiger
President
Bismarck-Mandan Development Association

BSC Budget Information

Dave Clark
Vice President, Operations and
Corporate and Continuing
Education



WHAT BSC HAS MEANT TO MY FAMILY AND ME!

Good Morning Madam Chair, and members of the appropriations committee, my name is Cathy Anderson. I am here on behalf of the student body at Bismarck State College, where I am currently a sophomore majoring in Hotel/Restaurant Management.

Today, I want to share with you the significant part that Bismarck State College has played in my life. First, let me tell you a little bit about myself. I am a life long resident of Mandan and have been a taxpayer in this state for 25 years. I am a 41-year-old single mother of two teenage daughters (ages 15 & 17). After the death of their father in July of 1993 I thought I had gone through the most difficult time in our lives; however, in June of 1996 my children and I were faced with yet another challenge. I was employed with one of the largest corporations in the area for nearly 19 years when suddenly my job was eliminated due to down sizing. I was overwhelmed with the fear of unemployment and the many questions of how to continue to raise my children in the way they had become accustomed. I was felling lost and alone, wondering what my future held for me. I went from professional career women with an annual salary and benefits exceeding $ 65,000 to a single unemployed mother, wondering how my next house payment would be made. It has been a long struggle emotionally as well as financially for us these past few years. Thankfully, with the support of this community and the educational opportunities made available to me, we are doing much better today. Bismarck State College has been instrumental in giving me the tools needed to supply my family with our new future.

Enough about me.... Let me tell you a little bit about my Bismarck State College.

While walking down the hallways on any given day, you will see a random sampling of our North Dakota community. Students at Bismarck State College are not just those recently graduated high schoolers; in addition they are single moms and dads, dislocated workers, professionals, laborers, senior citizens and the list goes on. It is these older than average students whom would not have had the opportunity to attend college if it were not for Bismarck State College.

Single parents in particular have unique limitations. They are bound by responsibilities and qualifying factors that prohibit them from accessing higher education elsewhere. As single parents we are faced with difficulties similar to what you are facing as members of this committee. We must prioritize!

In my budget for example I have set expenditures for every month. On occasion though an unforeseen added expense will arise. I need to step back and contemplate my priorities. Will this expense improve any aspect of my life this month? If the answer is yes than I need to find the way to include this expenditure in my budget.

This is much like the question you are posed with today. Ask yourselves will Bismarck State College improve the lives of this community and its students? I'm standing here today to truly demonstrate that YES it has and will continue in the future with your financial support!

I believe the continued increase in enrollment at Bismarck State College is due four critical factors:

- High quality education with relatively minimal fees
- Low faculty to student ratios
- Easy faculty accessibility
- An all around "family" atmosphere

You as a committee have the choice to recognize Bismarck State College as a more than worthy recipient of additional funding.

Thank-you ladies and gentleman for allowing me to share just how much Bismarck State College has truly been an answer to my prayers!

Testimony Before the
Education and Environment Section
of the
House Appropriations Committee
by Justin Dever
President, Bismarck State College
Board of Governors

January 15, 1999

Madam Chair, members of the committee, my name is Justin Dever. I am a resident of Bismarck, and a Sophomore majoring in Electronics Technology. As President of the BSC Board of Governors, I am able to offer a student perspective of the high quality education we are receiving there.

There seems to be two primary issues that students are concerned about at BSC. They are concerned about keeping pace with rapidly advancing technology. They are also concerned about finishing the renovation of Schafer hall that was begun with funding from the last session of the legislature.

Let me mention that your investment in the new Jack Science Center at BSC is very much appreciated. Many students have commented to me that the center has enhanced their education. The new science center represents a giant step forward in preparing students for the new millenium.

Likewise, the investment you made in the first phase of renovation of Schafer Hall makes that part of that facility a first class facility. Unfortunately, the second phase is not included in the Governor's budget. You need to give serious consideration to completing that project. The contrast between the new and the old puts BSC in the new millenium while dragging a foot in the old. My parents always taught me that I should not start something I am not prepared to finish. I would invite you to tour both the Jack Science Center and Schafer Hall during your time here in Bismarck. I would be happy to show you around. My phone number is included at the end of my testimony.

As a student of Electronics Technology, I am in a position to speak to the need for keeping pace with advancing technology. Many of the computers at BSC operate at slow speeds with limited capacity. Some of you might appreciate the benefits of technology as you use your laptop computers here in the legislature. Others might be looking forward to realizing that appreciation. Let me assure you that state of the art education for the future requires state of the art equipment.

I enjoy the quality of education I am receiving at BSC. With it's involvement in the community, it's high rate of part-time students improving their lives, and it's training programs for local business, Bismarck State College is truly a community college. It's corporate partnerships make it a valuable asset toward economic development.

In the current climate of a University system trying to justify all it's universities, Bismarck State College is in the enviable position of being a vibrant, growing college ready to step forward into the future. My personal plans involve continuing my education elsewhere in North Dakota. My education at BSC is preparing me very well for that opportunity.

Your investment in education at BSC is a wise investment in the future of North Dakota. Thank you for allowing me the opportunity to visit with you today, and I would be happy to answer any questions you might have. Thank you.

Justin Dever
1416 Eastwood St.
Bismarck, ND 58504
701-222-2604
701-224-5541 (BSC Board of Governor's office)

TESTIMONY BEFORE THE NORTH DAKOTA HOUSE APPROPRIATIONS COMMITTEE, EDUCATION AND ENVIRONMENT DIVISION, REP. JANET WENTZ, CHAIRMAN, ON HB 1003, BISMARCK STATE COLLEGE, BY GARY JACOBSON, REPRESENTING BASIN ELECTRIC POWER COOPERATIVE, JANUARY 15, 1999.

Madame Chairman, I am Gary Jacobson and I represent Basin Electric Power Cooperative.

Basin Electric, a consumer-owned regional energy cooperative, founded in 1961, is headquartered in Bismarck. The Cooperative operates 3,304 megawatts of electric generating capacity for its 117 rural electric member systems in the eight states of Colorado, Iowa, Minnesota, Montana, Nebraska, North Dakota, South Dakota and Wyoming.

Basin Electric and its subsidiaries are primarily in the business of energy supply, but they also provide other services that rural Americans need and use. Basin Electric and its subsidiaries employ nearly 1800 people.

Today's hearing allows us the opportunity to express our appreciation for a long-term relationship with Bismarck State College (BSC), stretching over twenty years, and to outline just how that relationship has benefited the Cooperative, the region, the state and the local communities.

During the past 15 years, a majority of the people hired to work in Basin Electric's power plants have been graduates of the BSC Power Plant Training Program.

Basin Electric was instrumental in the formation of the program and a number of employees have served on the advisory committees of that program, as well as other programs, over the years.

BSC has also provided valuable assistance in helping the Cooperative and its subsidiaries prepare to meet the demands of new technologies such as the CISCO program for telecommunications. The CISCO Company makes routers and switches for computer networks and the Basin Telecommunications Inc. (BTI) subsidiary has a number of people undergoing long-term training to enhance their technical skills in providing timely and reliable service to the Cooperative's telecommunications programs.

It has been our experience that BSC has the staff expertise, on short notice, to develop and deliver appropriate and timely training on new and emerging technologies. Basin Electric's Training Coordinator, Mike LaLonde, has pointed out that BSC has been very responsive to the Cooperative's training requests and have the resources and a well-prepared staff, in tune with business needs, which reliably respond to requests for assistance. Most of the programs with which BSC and Basin Electric have been engaged, have been channeled through the BSC Division of Corporate and Continuing Education.

Some of the programs we have received from BSC include: power plant-power process training, internship programs, on site training for telecommunications employees, apprentice training approved by the U.S. Dept. of Labor, advisory committee involvement, etc.

BSC also helps coordinate the annual Energy Generation Conference, of which Basin electric is a sponsor. The Conference is one-of-a-kind conference for plant operations personnel throughout the United States and boasts of an annual attendance of nearly 1500 people.

In the final analysis, the cost savings and quality of services provided by BSC in local settings greatly enhance Basin Electric's ability to compete in a very challenging industry, using North Dakota resources and well prepared employees, most of whom originate in North Dakota and the region.

We consider our involvement with BSC to be a mutually beneficial and very satisfactory partnership!

BISMARCK STATE COLLEGE

Presentation to
House Appropriations Committee
House Bill 1003

56th North Dakota Legislative Assembly

1999-2001 Budget

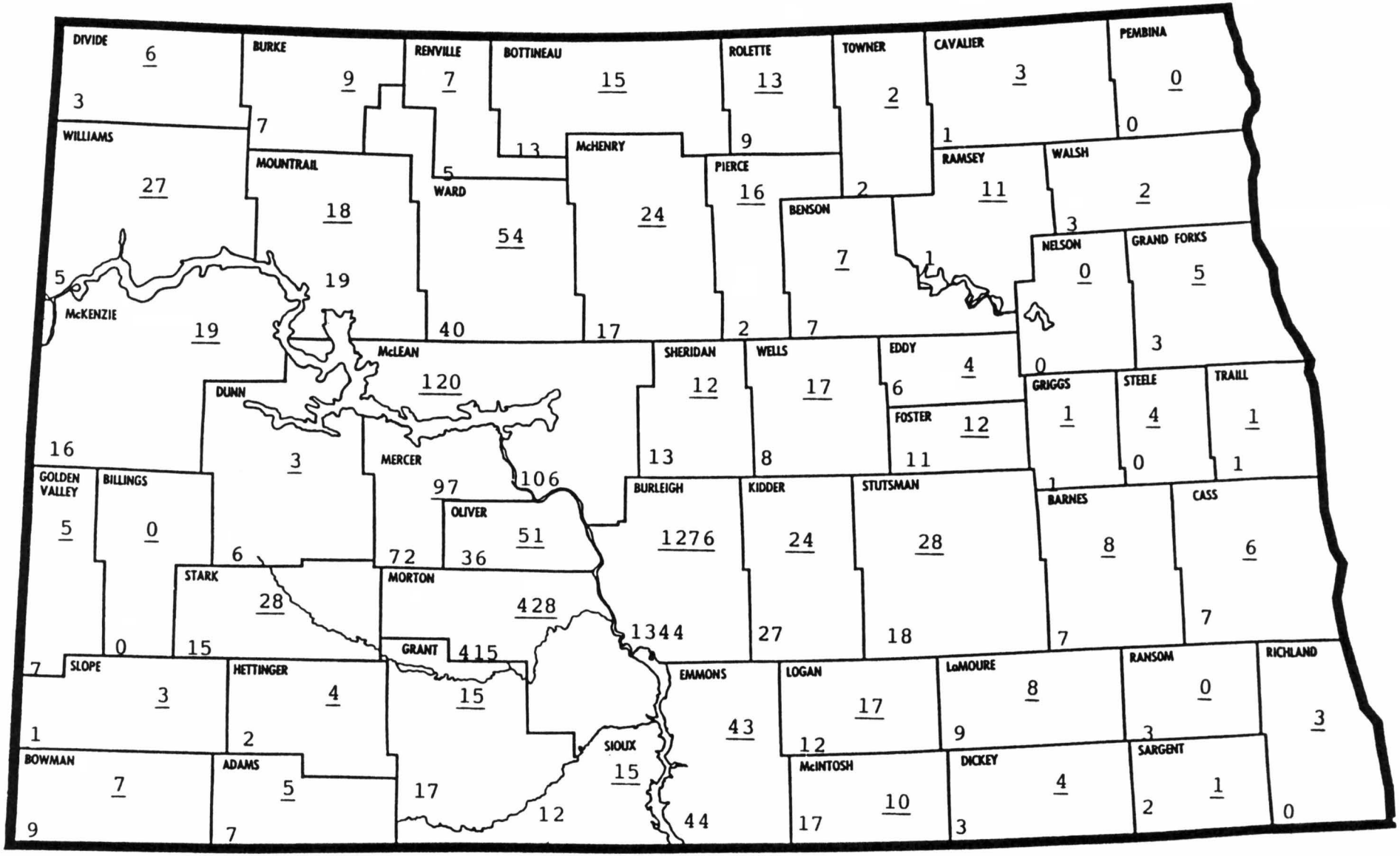
BISMARCK STATE COLLEGE FACTS

. . . at a glance

Bismarck State College is a comprehensive community college and a member of the North Dakota University System.

History:	Created in 1939 as a city junior college; Governance by N.D. State Board of Higher Education began July 1, 1984
Credit Enrollment Fall 1998:	2,594 total credit students; 1,877 full-time, a 17% increase over fall 1995; 717 part-time
Non-credit Enrollment:	16,256 learners served in 1997-98, a 15% increase from 1996-97
Credit Student Profile:	96.3% North Dakota Residents, 66% Burleigh and Morton County, 49 of 53 counties represented at BSC, 49% male, 51% female, 25% are 25 years or older
Tuition and Fees Per Semester:	N.D. resident: $916.44 in 1998-99
Programs:	Transfer - 40 majors available; Vocational-Technical - 25 programs
Degrees:	Transfer students - associate in arts and associate in science; Vocational-Technical students - certificate, diploma, and associate in applied science degree
Offerings of Division of Corporate and Continuing Education:	Continuing education courses and seminars; non-credit and personal enrichment courses; certification; conference coordination services; customized training for business and industry; and other programs

Bismarck State College • 1500 Edwards Avenue • Bismarck, North Dakota 58501

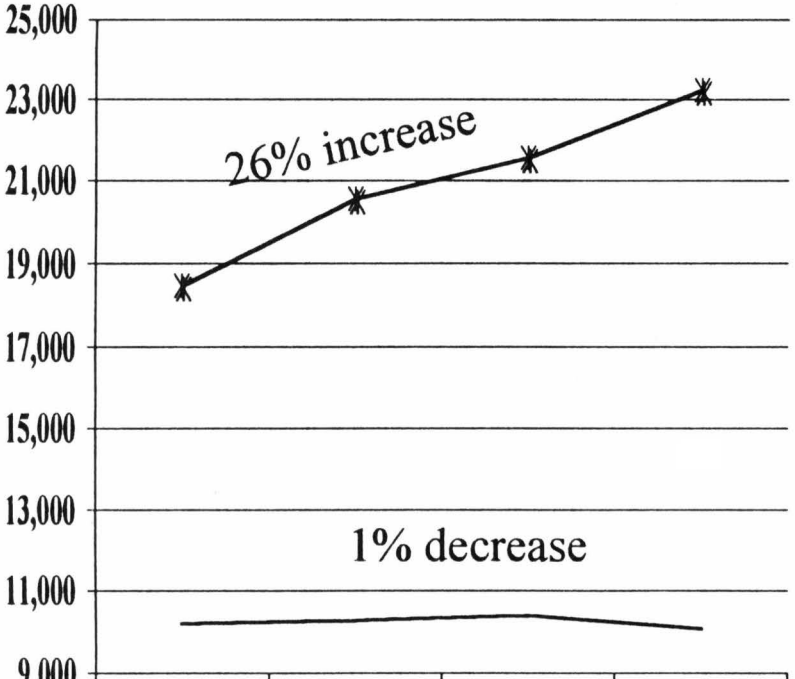


1997	OUT OF STATE	81	1998	OUT OF STATE	93
1997	FOREIGN	9	1998	FOREIGN	3
1997	TOTAL	2406	1998	TOTAL	2594

** NUMBERS TYPED IN THE LOWER LEFT CORNER OF EACH COUNTY ARE FOR 1997.

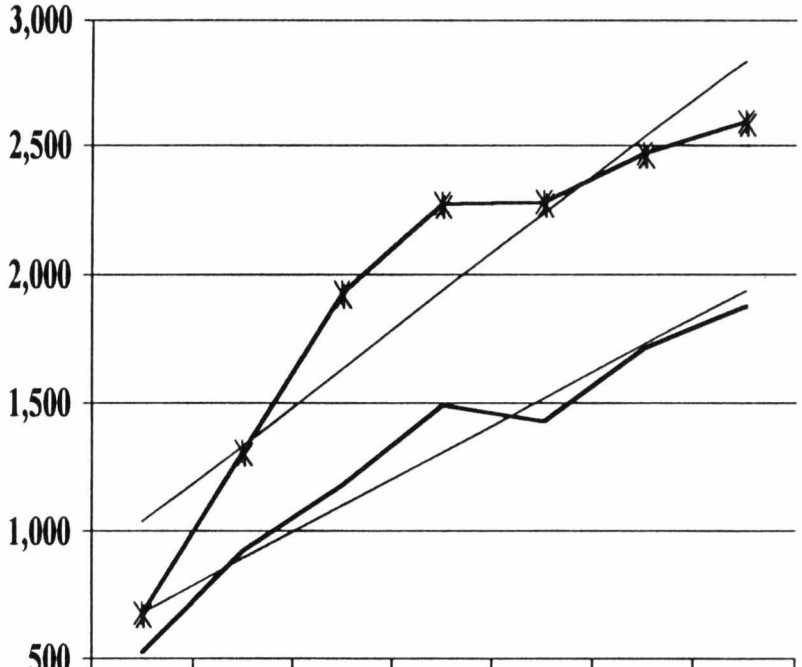
FALL ENROLLMENT TRENDS

Credit Hours



	1995	1996	1997	1998
✳ Transfer	18,489	20,580	21,581	23,210
— Vo-Tech	10,221	10,307	10,426	10,076

Students



	1962	1968	1974	1980	1986	1992	1998
✳ Head Count	678	1,312	1,930	2,273	2281	2472	2594
— Full-Time	528	923	1,183	1,496	1429	1715	1877

BUDGET SUMMARY

As an introduction to a discussion about the budget we feel it's important to relate to you the current state of affairs at BSC.

Bismarck State College has undergone a significant transition phase attributed to new leadership and the completion of a strategic planning process which is directing resource allocation. The strategic planning process identified the fact that the college needed to focus more on meeting the development and training needs of business and industry in our service region. As a result, there will be a greater demand placed on our resources as we develop programs designed to meet those needs.

The Science Center was completed and occupied in February 1998. When this building came on line, it increased campus-operating expenses relating to the day to day functions of the facility, particularly in the area of utilities. It is very important that this be recognized in the budget process.

Another critical issue is technology. An ever-increasing investment in technology is required by the college in order to manage the administrative functions of the college and to ensure that the appropriate use of technology is incorporated into the teaching-learning activities of the college. The acquisition and support of appropriate technology is a high priority at BSC and within NDUS. The installation, maintenance and day to day operational issues are all important functions. In conjunction with the acquisition, use, and maintenance of both hardware and software, there is another cost associated with the use of technology and that is the need for faculty and support staff trained to use that technology. This continuous training is costly and must also be considered in the budgeting process. As has been noted in many recent publications, there is a critical shortage in the state of individuals with skills in information technology. Thus ongoing training of current employees is vital to make productive use of new technology.

Closely linked with the need for cutting edge technology in the computer area is the need for the resources required to maintain and expand opportunities for distance education. While the IVN system meets some of those needs, the explosion of other types of distance education opportunities such as Internet courses are raising the expectations of our students. If we are to meet these expectations, it will take a significant allocation of

resources in order to develop and deliver these courses using modern methodologies.

The fourth critical issue is that not only must new programs be developed to meet the needs of an ever changing society, existing programs must be updated and re-equipped to stay in step with current business practices. We are attempting through our strategic planning process to align instructional programs more closely with the needs of the Bismarck/Mandan community and the region we serve. The rapid changes that are occurring because of technology and because of the new occupations that are constantly emerging require program development and revision to have a much higher priority than in the past.

We do have many other needs at BSC. Instructional budgets could utilize more faculty to provide more class offerings and more individual student attention. Instructional support areas including the Library and IVN are experiencing stress as a result of increased utilization. The increasing enrollments impact on our physical plant. The campus is utilized from 7 a.m. to 10 p.m. during the school week and the facilities are experiencing significant deferred maintenance issues.

Another issue that Bismarck State College is dealing with are the demographic trends in North Dakota which indicate population growth for the Bismarck/Mandan metropolitan areas, which is BSC's primary student residency sector. This is not the population trend on a statewide basis, but for Bismarck/Mandan, the trends indicate that the college can expect enrollment growth for at least the next five to seven years in the curriculum programs. In addition to these enrollment increases which are expected to be 1-2% per year, current trends data indicate that the enrollment at BSC in the Corporate & Continuing Education Division, specifically in the areas of workforce training, are increasing at the rate of 12-15% per year. Later in the session you will be hearing from the business community about a GNDA initiative for workforce training. BSC supports this proposal. This again is creating the need for additional resources and for the reallocation of internal resources to meet this heavy demand.

Finally, but certainly not least important, current equipment in all of our vocational technical programs will be essential if we are to implement our mission. Our students must be able to compete for jobs locally, regionally and nationally upon graduation. This will only be possible if these students

are trained in the technology and on the equipment currently being used in business and industry. Classes that traditionally have not needed equipment now have equipment requirements. Some English classes require computer lab environment. It should be noted that in addition to the need for computer technology, BSC has a number of high technology vocational programs such as automotive technology and electronics programs that require a significant investment in order to keep the equipment in those programs current.

For presentation purposes we present the budget information excluding the local funds appropriation, Science Center capital improvement appropriation and carryover funds.

Line Item	1997-1999 Budget	1999-2001 Budget Request	1999-2001 Budget Recommendation	Inc. (Dec.) Present Budget
Salaries & Wages	$15,373,143	$14,821,809	$16,052,300*	$ 679,157
Operating Expenses	4,600,849	4,778,624	4,996,174	395,325
Equipment	351,407	326,407	367,187	15,780
Capital Improvement	1,162,552	4,719,272	886,835	(275,717)
TOTAL	$21,487,951	$24,646,112	$22,302,496	$ 814,545
Fund Source				
General Fund	$14,526,892	$13,201,092	$14,512,720	$ (14,172)
Other Funds	6,961,059	11,445,020	7,789,776	828,717
TOTAL	$21,487,951	$24,646,112	$22,302,496	$814,545

*Excludes 5% that was pooled with NDUS budget. For BSC this amounts to $807,078.

The budget summary as presented compares our current 1997-99 budget to the 1999-2001 budget request and the 1999-2001 executive recommendation. Bismarck State College supports the budget recommendations contained in the executive budget. We feel this budget recognizes a number of critical factors that will provide BSC with the opportunity and ability to meet many of the education needs of our service area. Some of the budget highlights include:

- $578,007 for the employee compensation package which includes 3% per year to correct inequities and salary compression problems and to provide merit and performance increases for employees.

- $139,792 continues full health insurance coverage for state employees and their families.

- Approves eliminating positions in athletics, language instruction and agribusiness and reinvests this funding into instruction and support positions that are reflective of the future growth areas of the college. Humanities and two faculty positions for new and expanding programs are identified. Curriculum development, instructional support and additional adjunct faculty to meet the needs of increasing enrollment would also be funded.

- Provides $76,995 for critical salary adjustments.

- Provides additional $77,293 for extraordinary repairs.

- Provides $40,780 in one-time funding for vocational technical equipment and $75,093 in support program to meet 6 year plan initiatives.

- Provides $87,500 technology enhancement for distance education coordinator.

- Approves $40 per year tuition increase. This is a 2.5% increase per year and will generate approximately $263,000 at BSC.

Capital Projects

Schafer Hall

The executive budget recognizes the completion of Phase I of Schafer Hall renovation and eliminates funding of $615,000 of general funds and $350,000 of asbestos lawsuit recovery funds. Schafer Hall at one time or another has housed the college's library, food service, bookstore and shower facilities for physical education. Phase I, which will be completed in the Spring of 1999 had the following objectives:

- ❖ Remodel chemistry and biology labs and offices on the 2nd and 3rd floor that have been moved to the newly completed Jack Science Center.

- ❖ Asbestos abatement of floor, ceiling, mechanical piping and the corridor walls (due to overspray) in the remodeled areas.

- ❖ Removal of the central stair to comply with building code requirements.

- ❖ Ground floor vestibule improvements.

The remodel area results in:

- 9 new classrooms
- 10 new faculty offices
- 2 new staff workrooms
- 2 communications termination closets

The remaining renovation of Schafer Hall consists of the west side of the 2nd and 3rd floors and all of the first floor. The primary objectives with the remaining renovation are:

- ➢ 8 new classrooms
- ➢ 10 new faculty offices
- ➢ adjunct instructor offices
- ➢ ADA compliance issues (toilets on 2nd and 3rd floors, stairwell addition, elevator)
- ➢ asbestos abatement
- ➢ regrading to stabilize building
- ➢ student friendly configuration for Business Office, Financial Aid, Registrar, Counseling and President's Office
- ➢ Sidney J Lee Auditorium and building exterior remodel
- ➢ building automation

Depending on the availability of funds (both appropriated and locally raised) we are proposing three small additions with the renovation of Schafer Hall. This space is needed to serve a student body which has grown 12.1% since the Fall of 1995. The three options for additional space are:

- ▫ A 3600 sq. ft. addition for our music department which provides sound proofing and acoustical features. This addition is included in Governor Schafer's executive budget and provides for $200,000 of general fund

and $200,000 of local funds. The local funds would need to be collected through fund raising activities by the BSC Foundation before this improvement would occur. This music addition is desperately needed. The space would serve both choral and band disciplines. Our current band room, in the basement of Schafer Hall, is not handicap accessible. Our choral classes are held in a classroom on the 3rd floor of Schafer Hall. Neither environment lends itself to quality teaching and learning. If this addition is built our drama activities would move into the lower level of Schafer Hall and the ADA elevator indicated on the cost estimate would service the physically challenged. This elevator would also service the lower level of the Sykes Student Success Center.

- A 2,484 sq. ft. addition for a new stairwell that meets ADA safety requirements. This addition would allow for handicap accessibility to the entrance of Schafer Hall from the north.

- A 1,620 sq. ft. addition for our Information Services department. This addition provides more space to support the technology explosion that is occurring in the classroom lab and office areas. This space then also allows for the one-stop-shop student friendly configuration of Student Services and the Business Office. This co-location will prevent students from having to visit multiple offices to register, apply for financial aid and pay tuition and fees.

The estimated costs for the remaining renovation of Schafer Hall (excluding the music addition included in the executive budget) is as follows:

Schafer Hall Master Plan Phase II Cost Estimate

A)	Renovation:		
	1st Floor	$1,720,000	
	2nd Floor	758,000	
	3rd Floor	604,000	
			$3,082,000
B)	Alternates:		
	ADA Elevator	$ 89,000	
	Building Automation	100,000	
	Auditorium Remodel	34,000	
	Exterior Remodel	111,000	
			$ 339,000

C) Additions:

Stair Addition	$ 289,000	
Information Serv. Addition	190,000	
		$ 479,000
	TOTAL	$ 3,900,000

The costs have been segregated by floor, alternate, and addition to facilitate multiple phases if necessary. If no additional funds are provided for Schafer Hall renovation, we feel at a minimum the need to finish construction in the corridors on 2nd and 3rd floor. The estimate to do this is $72,000. This cost is included in the renovation estimates for the 2nd and 3rd floors. BSC's greatest need on campus is additional and improved space. The information provided in the NDUS resource guide indicates that BSC has 54% of the average academic and administrative square footage. In other words, we have about half as much space for our students as the NDUS average. We support the $400,000 recommended for the music addition. Board of Higher Education President Jack Hoeven and Chancellor Larry Isaak have issued statements requesting that the Legislative consider funding two State Board of Higher Education priorities not included in the Governor's budget. These are the renovations of Schafer Hall at Bismarck State College and Old Main at Minot State University.

Student Union

BSC proposes to make Student Union improvements through a $250,000 revenue bond. The Student Union is 25 years old and some of the improvement options would include:

- Replace kitchen equipment
- Install passenger elevator
- Fire code compliance
- Remodel snack bar
- Install energy efficient lighting

The fee we would charge all students at BSC would be approximately $.65 per credit hour. A full-time student would pay an additional $15.60 per year. We are considering a 10-year term for the bond.

The executive budget accurately reflects the BSC revenue projections for the next biennium. We are also supportive of the North Dakota University

System initiatives contained in Subsection 1 of House Bill 1003 that are important to BSC and other campuses in the NDUS. Some specifics include:

- Capital improvement emergency $ 400,000
- Student financial assistance grants 4,459,004
- Disabled student services 26,693
- Contingency fund 200,000
- Board initiatives 2,300,000
  (includes 1.5 million of other funds that have been previously set aside for administrative system project – SAGE)
- Board salary pool 16, 930,790

The board salary pool consists of 5% of salaries of the campuses, Medical School and Forest Services. BSC supports the pooling of all salary and wage line items to the Board similar to the 1997 legislative appropriation.

We also strongly support Section 3 dealing with excess income, Section 6 dealing with full-time equivalent positions, and Section 7 dealing with carryover funds. These are all examples of providing budget flexibility and the latitude we need in a rapidly changing education environment.

Section 9 deals with the local match of $200,000 for the music addition. We support the NDUS amendment which allows additional flexibility regarding fund source and the time frame in which we could complete the project. We also interpret the language in this section that says music addition and related renovations to mean that if federal, public, private or other sources became available in excess of the $400,000, that other aspects of Schafer Hall renovation may be addressed.

Section 11 and 12 deal with the student union improvement. We are supportive of the NDUS amendment that identifies $250,000 of revenue bonds for this activity.

If additional resources do become available, we would ask you to consider the following NDUS priorities:

- Technology projects – SAGE
- Additional salary increases
- Equity funding

BSC is also strongly supportive of Section 13, which provides intent that tuition and other institutional income be handled in the budget process like auxiliary revenues and board and room fees. In the current biennium, the first $200,000 of BSC excess tuition revenue can be approved by the Board of Higher Education for expenditure purposes. Any amounts over $200,000 need Emergency Commission approval. BSC, due to increased enrollments in the 1997-99 biennium, will collect approximately $550,000 of tuition income in excess of what was estimated as part of our 1997-99 biennium appropriation. We have received approval from the Board of Higher Education on two different occasions to expend the first $200,000. We have also received approval from the Emergency Commission on our estimate of tuition income last summer, which accounted for $250,000 of excess income. We will be requesting Emergency commission approval again in late spring for the balance of the excess income, which is $100,000. This is, in my opinion, a cumbersome approach to handling student revenue that is utilized to pay the ongoing costs of the college. As enrollment grows, additional class sections are added requiring additional salary payments to faculty, additional educational supplies and materials, greater utilization of plant resources, which results in a need for additional funding. In our case, we will have incurred expenses, that we have cash from tuition collections to pay for, but not the appropriation authority until the Emergency Commission acts. Any business entity would want their financing in place before incurring expense. The structural environment in which we operate within the budget process does not allow for that. Section 13 would provide the flexibility to manage the College like a business.

Thank you for your support of Bismarck State College.

WITH EXCEPTION OF THE FOLLOWING PAGES

#5

SENATE TESTIMONY IS SAME AS PRESENTED TO THE HOUSE

BISMARCK STATE COLLEGE

Presentation to
Senate Appropriations Committee
House Bill 1003

56th North Dakota Legislative Assembly

BISMARCK STATE COLLEGE

BSC

1999-2001
Budget

improvement would occur. This music addition is desperately needed. The space would serve both choral and band disciplines. Our current band room, in the basement of Schafer Hall, is not handicap accessible. Our choral classes are held in a classroom on the 3rd floor of Schafer Hall. Neither environment lends itself to quality teaching and learning. If this addition is built our drama activities would move into the lower level of Schafer Hall and the ADA elevator indicated on the cost estimate would service the physically challenged. This elevator would also service the lower level of the Sykes Student Success Center.

- A 2,484 sq. ft. addition for a new stairwell that meets ADA safety requirements. This addition would allow for handicap accessibility to the entrance of Schafer Hall from the north.

- A 1,620 sq. ft. addition for our Information Services department. This addition provides more space to support the technology explosion that is occurring in the classroom lab and office areas. This space then also allows for the one-stop-shop student friendly configuration of Student Services and the Business Office. This co-location will prevent students from having to visit multiple offices to register, apply for financial aid and pay tuition and fees.

The estimated costs for the remaining renovation of Schafer Hall (excluding the music addition included in the executive budget) is as follows:

Schafer Hall Master Plan Phase II Cost Estimate

A)	Renovation:		
	1st Floor	$1,720,000	
	2nd Floor	758,000	
	3rd Floor	604,000	
			$3,082,000
B)	Alternates:		
	ADA Elevator	$ 89,000	
	Building Automation	100,000	
	Auditorium Remodel	34,000	
	Exterior Remodel	111,000	
			$ 339,000

C) Additions:

Stair Addition	$ 289,000	
Information Serv. Addition	190,000	
		$ 479,000
	TOTAL	$ 3,900,000

The costs have been segregated by floor, alternate, and addition to facilitate multiple phases if necessary. If no additional funds are provided for Schafer Hall renovation, we feel at a minimum the need to finish construction in the corridors on 2nd and 3rd floor. The estimate to do this is $72,000. This cost is included in the renovation estimates for the 2nd and 3rd floors. BSC's greatest need on campus is additional and improved space. The information provided in the NDUS resource guide indicates that BSC has 54% of the average academic and administrative square footage. In other words, we have about half as much space for our students as the NDUS average. We support the $400,000 recommended for the music addition. Board of Higher Education President Jack Hoeven and Chancellor Larry Isaak have issued statements requesting that the Legislative consider funding two State Board of Higher Education priorities not included in the Governor's budget. These are the renovations of Schafer Hall at Bismarck State College and Old Main at Minot State University.

Student Union

BSC proposes to make Student Union improvements through a $250,000 revenue bond. The Student Union is 25 years old and some of the improvement options would include:

- Replace kitchen equipment
- Install passenger elevator
- Fire code compliance
- Remodel snack bar
- Install energy efficient lighting

The fee we would charge all students at BSC would be approximately $.65 per credit hour. A full-time student would pay an additional $15.60 per year. We are considering a 10-year term for the bond.

The executive budget accurately reflects the BSC revenue projections for the next biennium. We are also supportive of the North Dakota University System initiatives contained in Subsection 1 of engrossed House Bill 1003 that are important to BSC and other campuses in the NDUS. Some specifics include:

♦ Student financial assistance grants	4,459,004
♦ Disabled student services	26,693
♦ Contingency and capital improvements emergency fund	400,000
♦ Board initiatives (includes 1.5 million of other funds that have been previously set aside for administrative system project – SAGE)	2,300,000
♦ Central salary pool	2,685,227

BSC supports the pooling of all salary and wage line items to the Board similar to the 1997 legislative appropriation.

We also strongly support Section 3 dealing with excess income, Section 6 dealing with full-time equivalent positions, and Section 7 dealing with carryover funds. These are all examples of providing budget flexibility and the latitude we need in a rapidly changing education environment.

Section 9 deals with the local match of $200,000 for the music addition. We support the NDUS amendment which allows additional flexibility regarding fund source and the time frame in which we could complete the project. We also interpret the language in this section that says music addition and related renovations to mean that if federal, public, private or other sources became available in excess of the $400,000, that other aspects of Schafer Hall renovation may be addressed.

If additional resources do become available, we would ask you to consider the following NDUS priorities:

- Technology projects – SAGE
- Additional salary increases
- Equity funding

BSC is also strongly supportive of Amendments that provide intent that for next biennium tuition and other institutional income be handled in the budget process like auxiliary revenues and board and room fees. In the current biennium, the first $200,000 of BSC excess tuition revenue can be approved by the Board of Higher Education for expenditure purposes. Any amounts over $200,000 need Emergency Commission approval. BSC, due to increased enrollments in the 1997-99 biennium, will collect approximately $550,000 of tuition income in excess of what was estimated as part of our 1997-99 biennium appropriation. We have received approval from the Board of Higher Education on two different occasions to expend the first $200,000. We have also received approval from the Emergency Commission on our estimate of tuition income last summer, which accounted for $250,000 of excess income. We may be requesting Emergency commission approval again in late spring for the balance of the excess income, which is $100,000. This is, in my opinion, a cumbersome approach to handling student revenue that is utilized to pay the ongoing costs of the college. As enrollment grows, additional class sections are added requiring additional salary payments to faculty, additional educational supplies and materials, greater utilization of plant resources, which results in a need for additional funding. In our case, we will have incurred expenses, that we have cash from tuition collections to pay for, but not the appropriation authority until the Emergency Commission acts. Any business entity would want their financing in place before incurring expense. The structural environment in which we operate within the budget process does not allow for that. Please provide us with the flexibility to manage the College in a more business-like fashion.

House Amendments

- The compensation adjustment for a 2% increase per year and the health insurance premium increase was a net reduction of $149,177. This reduction will make it more difficult to recruit and retain our most exceptional faculty members. This provides fewer funds for meritorious or equity increases. The majority of the compensation will be given to provide the $35/month increase to all employees. BSC's average appropriated salary is $33,000. Thus the mandated $420/annual increase ($35/month) utilizes 64% of the compensation. Our recommendation would be to remove the $35 minimum increase if the compensation package is 2% per year.

- One vacant custodial supervisor position was removed cutting $41,590 and the across the board cut of .5% amounted to $75,261. These cuts come at a time when we're struggling to keep our head above water with enrollment growth and the demands of technology. As this committee probably already knows BSC is funded less than any other campus in the NDUS on a per student basis. These cuts would require difficult decisions if access and quality are to be important factors.

- The salary pool reallocations were the correct amounts. As stated earlier BSC supports pooling of all salary dollars to the Board similar to the 1997 legislative appropriation.

- Section 14 of engrossed House Bill 1003 was added. This states that BSC shall complete the renovation of the Schafer Hall hallway on the 2nd and 3rd floors out of our regular plant improvement funds. As stated earlier in our presentation this cost is projected to be $72,000. The capital improvement line for extraordinary repairs at BSC is $236,835 of which $95,000 is for special assessments next biennium. Thus if the $72,000 hallway project comes from these funds it leaves a balance of $69,835 for extraordinary repairs for 2 years on a campus with building assets of 26 million. If Section 14 remains in the bill we feel that $72,000 should be added to our capital improvements.

Thank you for your support of Bismarck State College.

#2

BISMARCK-MANDAN
DEVELOPMENT ASSOCIATION

701-222-5530 • fax 701-222-3843 • 1-888-222-5497 info@bmda.org • www.bmda.org

March 2, 1999

To: Senate Appropriations Committee

From: Russell Staiger, President
Bismarck-Mandan Development Association

Re: Testimony in support of HB 1003, Bismarck State College budget.

Mr. Chairman and members of the Senate Appropriations Committee, this is to express the unanimous support of the Bismarck-Mandan Development Association board of directors for the Bismarck State College (BSC) budget with any appropriate changes offered by President Donna Thigpen.

In the efforts to assist existing businesses grow and to attract new business to the community, a major issue confronting us today is the ability to demonstrate that we have the capacity to fund and to train the necessary work force which employers may need. This may vary from skilled machinists to someone with specific computer skills to someone with medical skills or power plant management.

A week ago yesterday I spent the day with a West Coast company who is looking for a site to initially locate a 75,000 sf building, followed by 50,000 sf data center. This company would employ approximately 1,500 persons in jobs which would pay from $20,000 to $150,000 with excellent benefits. The kind of jobs we want our kids to have.

The first question asked in our meeting is: "Do you have the work force and can you train them if we think they need it"? Followed by: "You have really poor air service to the southwest"!

My answer to them on the first question was an absolute "YES"! And I can say that because we have the outstanding resources of Bismarck State College to back up the training side. Without BSC, Bismarck and the rest of western North Dakota would be a severe economic disadvantage in dealing with the question of training capacities.

We are also working with an existing employer who is contemplating a large expansion. Again the site locater for the corporate parent of this business has asked the question of

work force availability and training capacity. I believe we have satisfied them with our response because we have BSC to plug the hole.

With North Dakota's unemployment rates at levels which are historic lows, it is critical that we are able to respond as I have and as my counterparts in other North Dakota cities have as they meet with prospective employers.

BSC has helped us provide the training necessary to create new job opportunities for the unemployed, under employed and new high school and college graduates. We have been able to diversify our State's economy to neutralize the hard negative side we feel from an ag economy which has been beaten almost to its knees. This applies in small towns perhaps even more importantly than in the large city centers. Five or ten new or retained jobs in New Salem or Hebron have as much importance as 200 in Bismarck.

Education is the answer to the problem. With it we can continue to diversify the economy by providing the skills which existing employers need to stay in business and grow. We also need to be able to provide the training or retraining which new employers will need if they are to locate here. Bismarck State College is the key providing that training whether it is academic or skilled technical.

Your approval of HB 1003 will be a positive step in keeping North Dakota's economy growing in both the small and the large communities.

Thank you.

Summary of Indirect Economic Impacts

Beyond its direct economic impact, Bismarck State College has an indirect economic impact on the community as well. Some indirect factors include:

- student spending of $13 million for board, room, and personal expenses,
- participant spending of approximately $1.5 million by those who travel here to attend continuing education programs,
- visitor spending for cultural, athletic and other events on campus.

When the same economic multiplier of 2.8 is applied to the $14.5 million spent by students and participants, BSC generated $40.6 million in indirect economic impact.

Student Spending

Nine-month estimated budget on campus	
Tuition and fees	$1,833
Room and board	2,613
Books	700
Personal expenses	2,600
Total	**$7,746**
Nine-month estimated budget at home	
Tuition and fees	$1,833
Room and board	2,500
Books	700
Personal expenses	2,100
Total	**$7,133**

According to figures from the BSC Financial Aid Office, the average student living on campus spends an estimated $2,600 on personal expenses. (BSC houses 216 students for a total of $561,600.)

The 2,378 students who live off campus spend an estimated $5,213 each for board, room and personal expenses, totaling $12,396,514.

Taken together, living expenses of students amount to approximately $12,958,114.

Participant Spending

The BSC Division of Corporate and Continuing Education provides life-long learning opportunities for citizens in this area and for some state and regional conferences.

During the 1997-98 academic year, 16,256 people attended programs and seminars sponsored by BSC. Of that number, 3,246 traveled from out of town and stayed in the city more than one day The average stay was 2.75 nights. The Bismarck Mandan Convention and Visitors Bureau estimates that an overnight convention visitor spends $166.84 per day in the community, for a total of approximately $1.5 million.

Visitor Spending

Throughout the year, the college hosts many events for elementary and secondary students, such as music and speech festivals, crop and livestock judging contests, Science Olympiads, and athletic camps. These events bring thousands of people to Bismarck-Mandan from throughout the state, some involving overnight stays.

Indirect Annual Economic Impact of $40.6 Million

Bismarck State College

Bismarck State College, a comprehensive community college, provides student-centered teaching in a full spectrum of educational offerings.

- Transfer - Students can complete their first and second year of studies toward a bachelor's degree. Courses are available for more than 40 majors. Students earn an associate in arts or an associate in science degree.
- Technical - Students can choose from 25 programs that prepare them for entry-level placement in specific careers. Completion of course work leads to a certificate, diploma or an associate in applied science degree.
- Corporate and Continuing Education - This division of the college provides continuing education courses and seminars; customized training for business and industry; non-credit, avocational courses; and conference coordination services.
- BSC is one of 11 campuses in the North Dakota University System. Several bachelor degree and graduate programs are offered on campus in cooperation with other NDUS institutions.

Student Statistics (Fall 1998)

Total credit enrollment	**2,594**
Men	49.3%
Women	50.6%
North Dakota residents	96.4%
Burleigh/Morton County residents	65.6%
Age 25 or older	24.6%
Married	5.6%
Live on campus	8.4%
Live off campus	91.6%

For more information about Bismarck State College or additional copies of this document, contact the President's Office, 1500 Edwards Avenue, Bismarck, ND 58501, or call (701)224-5431. BSC is an affirmative action/equal opportunity institution.

Bismarck State College

60 YEARS

BSC

BISMARCK STATE COLLEGE

Economic Impact

January 1999

Summary of Direct Economic Impacts

Bismarck State College significantly impacts the economy of Bismarck-Mandan and the area.

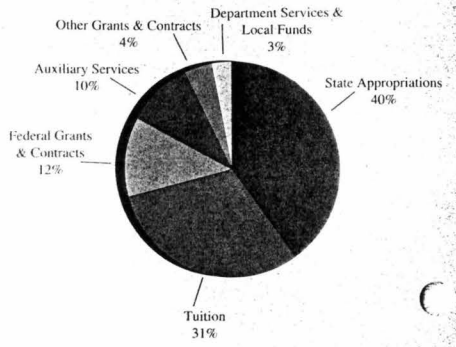
The college, its students and its employees contribute to the economy in several ways: creating jobs, strengthening the tax base, and expanding the credit base of the community.

BSC's economic presence creates an estimated 500 secondary jobs outside the college. Secondary jobs are the employment opportunities required by local businesses to support the presence of the college, its students and employees.

For the fiscal year ended June 30, 1998, the college injected $15.9 million into the economy. Using an economic multiplier factor of 2.8* developed by North Dakota State University, BSC's direct spending generated a total annual economic impact of $44.5 million.

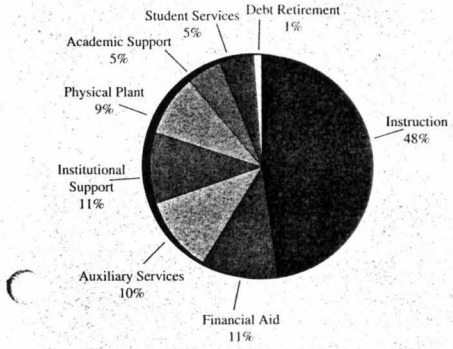
* These calculations were based on the North Dakota Input Output Model developed and tested by agricultural economists at North Dakota State University. The multiplier is a statistical measure that shows the effect of how money cycles through the economy, thus representing the total impact of each dollar spent.

Income



State Appropriations	$6,545,500
Tuition	4,950,700
Federal Grants/Contracts (financial aid)	1,898,900
Auxiliary Services (food service, dorms, bookstore)	1,581,000
Other Grants & Contracts (vocational ed)	575,800
Department Services & Local Funds (Corporate & Continuing Ed, application fees)	539,000
Total Income	**$16,090,900**

Expenses



Instruction (faculty salaries, equipment)	$7,492,700
Financial Aid	1,695,100
Auxiliary Services (food service, dorms, bookstore)	1,633,000
Institutional Support (pres./business office)	1,791,500
Physical Plant	1,424,600
Academic Support (vice-pres., deans, library)	830,300
Student Services (admissions, financial aid, counseling)	831,700
Debt Retirement	193,000
Total Expenses	**$15,891,900**
Multiplier	x 2.8*

Direct Annual Economic Impact of $44.5 Million

Work Force

(November 1998)

Full time	
Faculty	92
Staff	105
Subtotal	**197**
Part time	
Faculty	69
Staff	67
Students	108
Subtotal	**244**
Total	**441**

Wages and Benefits

(Fiscal Year 1998)

Faculty, Staff and Students	
Total Compensation	**$8,894,377**

Capital Assets

Land	100 acres

Buildings

	No.	Gross Sq. Ft.	Value
Academic	5	304,156	$26,000,000
General	1	31,016	2,393,000
Auxiliary	3	52,041	4,193,000
Other	6	7,596	155,000
Equipment			$5,165,000
Library resources			$2,009,000
Total			**$39,915,000**

Department 241 - Minot State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	258.93	$24,852,277	$11,680,734	$36,533,011
1997-99 Legislative Appropriations	274.92	24,104,461	23,488,137	47,592,598
Increase (Decrease)	(15.99)	$747,816	($11,807,403)	($11,059,587)

* The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

Major Items Affecting Minot State University 1999-2001 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $19,003,936.)		($4,671,807)	($4,671,807)
2. Reductions made to reflect the institution's 95 percent budget request, which included full-time faculty, part-time faculty, summer school, support pools, facility positions, instructional pools, instructional support, support positions, equipment, and operating	($4,467,319)		(4,467,319)
3. Adds funds for restoration and reinvestment, including funds for restoring services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, or maintenance	1,180,959		1,180,959
4. Adds funds for cost to continue including previous year salary increases, utility cost increases, and operating expense inflationary increases	757,165		757,165
5. Adds funds for critical salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	167,310		167,310
6. Decreases funding for extraordinary repairs	(291,632)		(291,632)
7. Provides one-time extraordinary repair funding for deferred maintenance	500,000		500,000
8. Removes 1997-99 capital project funding for Moore Hall ($4,000,000) and the Student Center addition ($1,500,000)		(5,500,000)	(5,500,000)
9. Provides for the following FTE changes:			
Adds:			
1.00 FTE higher education other professional	76,851		76,851
Deletes:			
0.75 FTE higher education academic staff	(82,275) *		(82,275)
0.32 FTE higher education faculty	(64,909) *		(64,909)
0.75 FTE higher education faculty	(74,726) *		(74,726)
0.60 FTE higher education faculty	(81,820) *		(81,820)
0.29 FTE higher education academic staff	(26,611) *		(26,611)
0.75 FTE higher education faculty	(108,798) *		(108,798)
0.75 FTE higher education faculty	(97,692) *		(97,692)
0.75 FTE higher education faculty	(139,341) *		(139,341)
0.75 FTE higher education faculty	(87,263) *		(87,263)
0.75 FTE higher education faculty	(134,471) *		(134,471)
0.75 FTE higher education faculty	(87,342) *		(87,342)
0.75 FTE higher education faculty	(86,386) *		(86,386)
0.75 FTE higher education academic staff	(69,327) *		(69,327)
0.75 FTE higher education academic staff	(74,261) *		(74,261)
0.50 FTE administrative secretary II	(32,821) *		(32,821)
1.00 FTE administrative secretary II	(44,153) *		(44,153)
0.47 FTE higher education academic staff	(23,004) *		(23,004)
0.38 FTE higher education faculty	(93,272) *		(93,272)
0.75 FTE higher education academic staff	(71,283) *		(71,283)
0.75 FTE higher education faculty	(96,695) *		(96,695)
0.75 FTE higher education academic staff	(85,880) *		(85,880)
0.83 FTE higher education academic staff	(57,934) *		(57,934)
0.60 FTE higher education academic staff	(48,060) *		(48,060)
0.38 FTE higher education faculty	(61,836) *		(61,836)
0.12 FTE higher education faculty	(23,250) *		(23,250)
1.00 FTE higher education faculty	(87,364) *		(87,364)
10. Deducts salary funding transferred to the systemwide salary pool (provides for an annual tuition increase of 4.6 percent) (The House reallocated to the institutions.)	(2,175,352)	755,460	(1,419,892)
11. Adds funds for Memorial Hall equipment	119,340		119,340
12. Adds funds for high-technology equipment ($100,000) and part-time faculty for on-line technology program ($105,600) (The House reduced information technology funding by $20,000 and the on-line training program by $20,600.)	205,600		205,600

* The funding decreases are also included in the 95 percent budget reductions shown above.

Major Legislation Affecting Minot State University

There is no major legislation affecting Minot State University.

MINOT STATE UNIVERSITY

House Appropriation Hearings

Fifty-Sixth Legislative Assembly

January 14, 1999

Budget Number 241

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Minot State University
Agency 241

Introductory Remarks
H. Erik Shaar, President
January 14, 1999

Minot State University has long been recognized for its stewardship in the administration of state resources allocated for its operation. Once again, throughout the current biennium, the University and therefore the citizens of the State of North Dakota, have been the beneficiaries of this considered approach to academic and financial management. The campus reflects this continuing diligence, and faculty, staff, students and administrators are all contributors to the enterprise.

While we recognize that there is never enough money, we continue to be appreciative of the efforts Governor Schafer and his staff are making on behalf of public higher education in North Dakota and especially Minot State University. The 1999-2001 Executive Budget, should it be approved by the Legislature, will further energize the following campus efforts:

1. Provide technological support for a rapidly expanding computer presence on the campus.
2. Provide a better level of maintenance of the State's investment in facilities on campus.
3. Provide for critical salary adjustments for campus personnel in the interest of retaining valued employees in an increasingly competitive job market.
4. Provide for critical equipment purchases in Memorial Hall (Communication Disorders and Special Education) and the newly renovated Cyril Moore Science Center.
5. Correct a very serious gap in the administrative support area; i.e. purchasing agent.
6. Begin to address the uncharted spaces of electronic course delivery. MSU is a leader in this field, and with each passing day we learn more about what we don't know about this phenomenon of the future.

During the current biennium, MSU has grappled with a decline in student enrollment. Unlike several other regions in the State, the northwestern quarter of North Dakota is losing population. Traditionally Minot State has drawn the bulk of its student body from these rural communities. The supply is diminishing. Further, another source for students, undergraduate and graduate, has deteriorated dramatically. Canadian students are no longer able to endure the impact of the growing disadvantageous currency exchange rate and are, in many cases, electing not to pursue a higher education at all or are choosing to remain in Canada for their post-secondary educational experience.

Due to this enrollment decline, MSU has, on its own volition, downsized (right sized) its instructional staff. A substantial reduction in force was self-imposed even before Governor Schafer's 95% order, and while we are grateful that the Executive Budget with its reinvestment provisions appears to nullify the earlier directive, Minot State had already adjusted to remain viable. Through increased marketing efforts and the exploration of some new markets, we are confident that we are turning the situation around and that enrollment estimates will be met or exceeded.

We are appreciative of recommendations to adjust salaries of university system personnel. Further, internal reallocation is a major factor in this equation. Most critical to institutional well-being is the reallocation of $1.4 million (5%) of salary dollars deducted from Minot State University's budget and reappropriated to the North Dakota University System budget. Without the return of this amount, and hopefully more, to MSU, salary comparisons on a national level will be dismal. It must be recognized that MSU is unique in the North Dakota higher education spectrum. Unlike

Dickinson, Valley City and Mayville, Minot State has 13 graduate programs and one education specialist degree program. These programs are unique and are not duplicated anywhere in the state. However, there has not been sufficient financial recognition in previous budget allocations of the fact that in order to maintain viability and accreditability of graduate programs, a higher priced/credentialed faculty is required. It is our request that as the State Board of Higher Education redistributes the pool of dollars, this will be an element in the decision-making process.

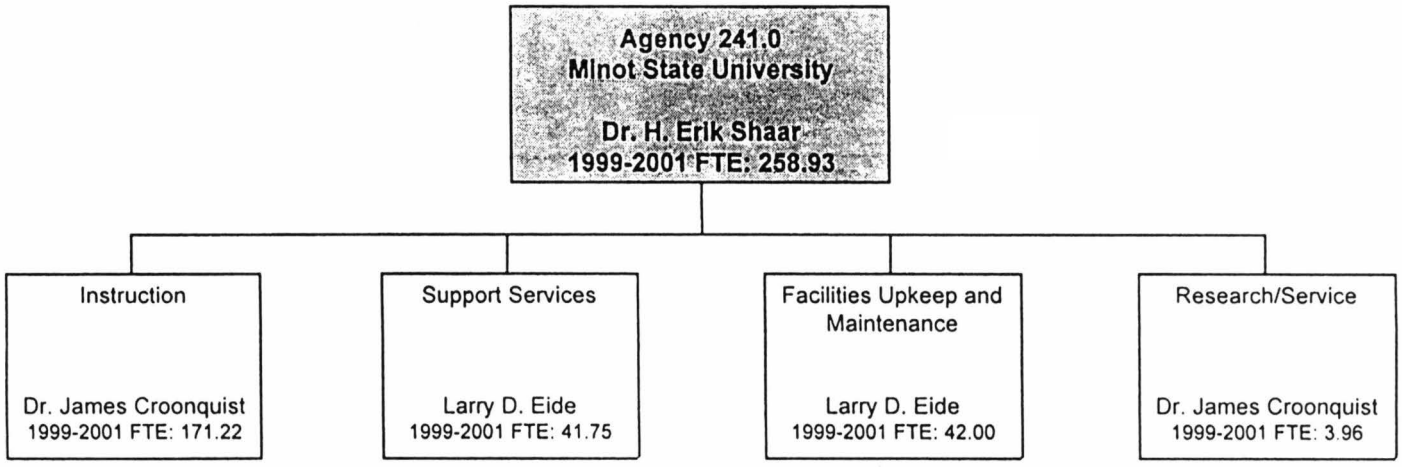
Consistent with Board of Higher Education action taken in April, 1996, Minot State University has assumed responsibility for the institution which was formerly NDSU-Bottineau. This realignment and reaffiliation appears to have been a correct decision, for the two institutions are working closely in the interest of better serving the citizens of northwestern North Dakota. Significant enrollment increases, program development and professional growth on the part of faculty and staff have characterized this organizational change. A by-product of this collaborative engagement has been a closer relationship between the two communities - Minot and Bottineau. In April, 1999 the campus will be visited by a team from the North Central Association for Colleges and Schools for purposes of reaccreditation. A self-study has been completed, and the campus is poised to receive its consultant/evaluators.

By the time the current biennium has expired, Minot State University will have completed all the capital projects authorized in the last biennial session of the Legislature. Cyril Moore Science Center as renovated and reconfigured will present a new direction in science education at the University. Undergraduate science majors and others with scientific interests will be engaged with faculty in a research environment. The virtually new facility and a younger research oriented faculty will create a different atmosphere and will encourage a more intense study in these respective academic disciplines.

The Old Main emergency exit project approved in the 1997-1999 legislative session is complete, and we are confident that, in the event of a fire, all occupants of the building will be able to escape safely. In addition to the exits (in the east and west) fire retardant capacities have been installed, and the entire building has been rendered more safe.

As indicated in the preceding paragraphs, all of us at MSU are pleased with the Governor's recommendations. They are sound and deserve the Legislature's consideration and approval. But there is one significant omission from the Executive Budget without which Minot State, Minot, and the northwestern sector of North Dakota will be seriously crippled. That omission is the proposed $2.8 million electrical/mechanical infrastructure upgrade of Old Main. This original campus building has been on line for 86 years, and while it has been well maintained, its essential systems -- heating, ventilating, cooling, electrical -- are archaic. This fully utilized instructional facility must, in order to meet the demands of the 21st century, be electrically and mechanically modernized. The building is structurally sound but requires infrastructure attention immediately. While we recognize that there are many bonding/funding priorities in the State and that the competition for limited resources is fierce, we respectfully suggest that this project is one requiring Legislative attention. Please be aware that this project was very high on the Board of Higher Education's capital project list.

As always we appreciate the opportunity to appear before the Committee and present our needs for your consideration.



Statutory Authority - North Dakota Constitution, Article VIII, Section 6; North Dakota Century Code 15-10 and 15-13.

Mission Statement - Since its inception in 1913, Minot State University has matured from a normal school to a university. Throughout, it has retained guiding principles central to its institutional philosophy. Specifically, it has continued to honor its historical mandate to improve the condition of the citizens of North Dakota by delivering programs and services that provide for an educated populace.

Executive Budget Recommendation -

- Approves elimination of political science program.
- Approves instructional reorganization.
- Reinvests in equipment for Moore Hall.
- Reinvests in faculty positions in special education, chemistry, and social work.
- Reinvests in purchasing agent.
- Provides 1.00 FTE for network services professional.
- Provides $119,340 for Memorial Hall equipment.
- Provides $100,000 in one-time funding for high technology equipment update.
- Provides $105,600 in one-time funding for establishing on-line training programs.
- Provides $152,368 in extraordinary repairs and $500,000 in one-time funding to address plant needs.
- Approves 4.6% tuition increase.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

241 MINOT STATE UNIVERSITY **Bill #: HB1003**

Biennium: 1999-2001

Description	Expenditures Prev Biennium 1995-1997	Present Budget 1997-1999	1999-2001 Requested Incr (Decr)	1999-2001 Requested % Chg	Requested Budget 1999-2001	1999-2001 Recommended Incr (Decr)	1999-2001 Recommended % Chg	Executive Recommendation 1999-2001
BY MAJOR PROGRAM								
INSTRUCTION	22,716,326	25,432,134	(3,162,838)	-12.4%	22,269,296	(1,204,770)	-4.7%	24,227,364
SUPPORT SERVICES	3,614,242	5,064,755	(461,658)	-9.1%	4,603,097	(156,839)	-3.1%	4,907,916
FACILITIES UPKEEP AND MAINTENANCE	5,032,685	12,593,022	(3,826,423)	-30.4%	8,766,599	(5,775,654)	-45.9%	6,817,368
RESEARCH/SERVICE	692,838	593,547	(12,828)	-2.2%	580,719	(13,184)	-2.2%	580,363
LOCAL FUNDS	0	4,535,732	136,075	3.0%	4,671,807	(4,535,732)	-100.0%	0
TOTAL MAJOR PROGRAMS	**32,056,091**	**48,219,190**	**(7,327,672)**	**-15.2%**	**40,891,518**	**(11,686,179)**	**-24.2%**	**36,533,011**
BY LINE ITEM								
SALARIES AND WAGES	26,211,097	29,806,765	(3,058,440)	-10.3%	26,748,325	(1,434,324)	-4.8%	28,372,441
OPERATING EXPENSES	5,270,383	6,130,329	(492,630)	-8.0%	5,637,699	41,846	0.7%	6,172,175
EQUIPMENT	515,031	779,668	(161,079)	-20.7%	618,589	158,261	20.3%	937,929
CAPITAL IMPROVEMENTS	59,580	6,431,717	(3,216,619)	-50.0%	3,215,098	(5,381,251)	-83.7%	1,050,466
LOCAL FUNDS	0	4,535,732	136,075	3.0%	4,671,807	(4,535,732)	-100.0%	0
95 BIENNIUM CARRYOVER	0	534,979	(534,979)	-100.0%	0	(534,979)	-100.0%	0
TOTAL LINE ITEMS	**32,056,091**	**48,219,190**	**(7,327,672)**	**-15.2%**	**40,891,518**	**(11,686,179)**	**-24.2%**	**36,533,011**
BY FUNDING SOURCE								
GENERAL FUND	18,634,997	24,677,441	(2,200,004)	-8.9%	22,477,437	174,836	0.7%	24,852,277
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	13,421,094	23,541,749	(5,127,668)	-21.8%	18,414,081	(11,861,015)	-50.4%	11,680,734
TOTAL FUNDING SOURCE	**32,056,091**	**48,219,190**	**(7,327,672)**	**-15.2%**	**40,891,518**	**(11,686,179)**	**-24.2%**	**36,533,011**
TOTAL FTE	**310.96**	**274.92**	**(22.84)**	**-8.3%**	**252.08**	**(15.99)**	**-5.8%**	**258.93**

MINOT STATE UNIVERSITY
Summary of 1997-99 Authority and Adjusted 1997-99 Budget

1997-99 Line Items	Salaries & Wages	Operating	Equipment	Capital Improvement	Local Funds	*TOTAL*	*FTE*
SB 2003:	$ 0	$ 5,938,012	$ 779,668	$ 6,342,098	$ 4,535,732	$ 17,595,510	274.92
July 1997	14,710,715	92,312				14,803,027	
August 1997				534,978		534,978	
September 1997				36,007		36,007	
January 1998	1,994			53,612		55,606	
February 1998	15,094,056	100,005				15,194,061	
Total 1997-99 Authority	$ 29,806,765	$ 6,130,329	$ 779,668	$ 6,966,695	$ 4,535,732	$ 48,219,189	274.92
Budget Adjustments:							
1997-99							
Faculty Positions							
College of Arts & Sciences	$ *(477,353)*						*(6.00)*
College of Ed. & Human Services	*(212,248)*						*(3.00)*
College of Business	*(192,677)*						*(3.32)*
Total Faculty Adjustment	(882,278)					(882,278)	(12.32)
Part-time Faculty	(164,623)					(164,623)	(2.04)
Summer Session	(332,396)					(332,396)	(4.13)
Faculty & Staff Development	(74,193)					(74,193)	(0.92)
Support Positions	(240,362)					(240,362)	(4.82)
Operating Expenses		$ (200,000)				(200,000)	
Equipment			$ (123,050)			(123,050)	
Total Reductions	$ (1,693,852)	$ (200,000)	$ (123,050)			$ (2,016,902)	(24.23)
Adjusted 1997-99 Budget	$ 28,112,913	$ 5,930,329	$ 656,618	$ 6,966,695	$ 4,535,732	$ 46,202,287	250.69

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Minot State University
Enrollment Report

CREDIT HOUR PRODUCTION & FTE STUDENTS

	1995-96		1996-97		1997-98		1998-99		1999-00		2000-01	
	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE
Lower Division	58,469	1,827	53,549	1,673	49,388	1,543	45,867	1,432	44,000	1,375	44,000	1,375
Upper Division	36,839	1,151	33,969	1,061	30,667	959	27,411	857	25,000	781	25,000	781
Graduate	3,300	138	3,254	136	3,453	144	3,661	153	3,500	145	3,500	145
Nursing	2,735	85	2,710	85	2,784	87	2,650	83	2,650	84	2,650	84
Totals	101,343	3,201	93,482	2,955	86,292	2,733	79,589	2,525	75,150	2,385	75,150	2,385

HEADCOUNT ENROLLMENTS BY RESIDENT STATUS

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
	Head Count	Head Count	Head Count	Head Count	Head Count	Head Count
Under-Graduate						
Resident	3092	2895	2654	2582	2514	2514
Non-Resident	61	63	73	72	72	72
Minnesota	34	29	25	23	18	18
Contiguous	409	541	387	364	300	300
	3596	3528	3139	3041	2904	2904
Graduate						
Resident	194	186	189	180	180	180
Non-Resident	2	8	8	8	8	8
Minnesota	2	3	2	2	2	2
Contiguous	323	132	176	150	150	150
	521	329	375	340	340	340
Total Students	**4117**	**3857**	**3514**	**3381**	**3244**	**3244**

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MINOT STATE UNIVERSITY
Requested Budget @ 95% General Fund and Executive Recommendation

1999-01 Line Items	Salaries & Wages	Operating	Equipment	Capital Improvement	Local Funds	*TOTAL*	*FTE*
Requested Budget	$ 26,748,325	$ 5,637,699	$ 618,589	$ 3,215,098	$ 4,671,807	$ 40,891,518	252.08
EXECUTIVE RECOMMENDATION:							
Restoration/Reinvestment	925,246						5.85
Cost to Continue	379,749						
Critical Salary Adjustment	165,963						
New Position	72,984						1.00
On-Line Training	105,600						
Compensation Package	1,394,466						
NDUS 5% Pool	(1,419,892)						
Total Adjustments	1,624,116					1,624,116	
Total Salaries & Wages	$ 28,372,441						
Restoration/Reinvestment		157,060					
Cost to Continue		377,416					
Total Adjustments		534,476				534,476	
Total Operating Expenses		$ 6,172,175					
Reinvestment (Moore Hall)			100,000				
Memorial Hall Equipment			119,340				
One-time High Tech Equipment			100,000				
Total Adjustments			319,340			319,340	
Total Equipment			$ 937,929				
Old Main Renovation				(2,817,000)			
Extraordinary Repairs				152,368			
One-time Plant Needs				500,000			
Total Adjustments				(2,164,632)		(2,164,632)	
Total Capital Improvements				$ 1,050,466			
Local Funds Adjustment					(4,671,807)	(4,671,807)	
Total Local Funds					$ 0		
Total 1999-01 Executive Recommendation						$ 36,533,011	258.93

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MINOT STATE UNIVERSITY
Budget by Line Item

LINE ITEM

Salaries	**1997-99**	**1999-01**	***Increase/(Decrease)***
Instruction	$ 22,838,650	$ 21,468,024	*$ (1,370,626)*
Support Services	3,789,757	3,736,027	*(53,730)*
Plant Services	2,613,186	2,616,402	*3,216*
Research/Public Service	565,172	551,988	*(13,184)*
Total	$ 29,806,765	$ 28,372,441	*$ (1,434,324)*
Operating Expenses			
Instruction	$ 2,226,584	$ 2,073,100	*$ (153,484)*
Support Services	945,630	1,003,600	*57,970*
Plant Services	2,929,740	3,067,100	*137,360*
Research/Public Service	28,375	28,375	*0*
Total	$ 6,130,329	$ 6,172,175	*$ 41,846*
Equipment			
Instruction	$ 366,900	$ 686,240	*$ 319,340*
Support Services	329,368	168,289	*(161,079)*
Plant Services	83,400	83,400	*0*
Research/Public Service	0	0	*0*
Total	$ 779,668	$ 937,929	*$ 158,261*
Capital Projects	$ 6,431,717	$ 1,050,466	*$ (5,381,251)*
1995-97 Carryover	$ 534,979	$ 0	*(534,979)*
Local Funds	$ 4,535,732	$ 0	*$ (4,535,732)*
Total	**$ 48,219,190**	**$ 36,533,011**	***$ (11,686,179)***

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MINOT STATE UNIVERSITY
Budget by Major Program

MAJOR PROGRAM	1997-99		1999-01		Increase/(Decrease)	
Instruction						
Salaries	FTE 183.36	$ 22,838,650	FTE 171.22	$ 21,468,024	*FTE (12.14)*	*$ (1,370,626)*
Operating Expenses		2,226,584		2,073,100		*(153,484)*
Equipment		366,900		686,240		*319,340*
Total		$ 25,432,134		$ 24,227,364		*$ (1,204,770)*
Support Services						
Salaries	FTE 42.75	$ 3,789,757	FTE 41.75	$ 3,736,027	*FTE (1.00)*	*$ (53,730)*
Operating Expenses		945,630		1,003,600		*57,970*
Equipment		329,368		168,289		*(161,079)*
Total		$ 5,064,755		$ 4,907,916		*$ (156,839)*
Plant Services						
Salaries	FTE 42.00	$ 2,613,186	FTE 42.00	$ 2,616,402	*FTE 0.00*	*$ 3,216*
Operating Expenses		2,929,740		3,067,100		*137,360*
Equipment		83,400		83,400		*0*
Total		$ 5,626,326		$ 5,766,902		*$ 140,576*
Research/Public Services						
Salaries	FTE 6.81	$ 565,172	FTE 3.96	$ 551,988	*FTE (2.85)*	*$ (13,184)*
Operating Expenses		28,375		28,375		*0*
Equipment		0		0		*0*
Total		$ 593,547		$ 580,363		*$ (13,184)*
Capital Projects		$ 6,431,717		$ 1,050,466		*$ (5,381,251)*
1995-97 Carryover		$ 534,979		$ 0		*$ (534,979)*
Local Funds		$ 4,535,732		$ 0		*$ (4,535,732)*
Total	**FTE 274.92**	**$ 48,219,190**	**FTE 258.93**	**$ 36,533,011**	***FTE (15.99)***	***$ (11,686,179)***

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MINOT STATE UNIVERSITY
Capital Projects and Repairs
Summary Report

1997-99 Request:

ADA	$	87,985
Roofs: Power House, Hartnett		150,000
Networking		300,000
Tuckpointing/Caulking (Old Main)		100,000
Exterior Walls (Powerhouse)		100,000
	$	737,985
Emergency Exits		544,000
Student Union Addition		1,500,000
Moore Hall Renovation		4,000,000
Total Request	**$**	**6,781,985**

1999-01 Request:

Eleventh Avenue Pedestrian Mall	$	73,098
ADA		75,000
Roofs		150,000
Power House		50,000
Networking		50,000
	$	398,098
Old Main Mech. System Renovation		2,817,000
Total Request	**$**	**3,215,098**

1997-99 Appropriation:

Extraordinary Repairs	$	398,098
Emergency Exits		444,000
1993-95 Carry Forward		534,979
NDUS Pools (ADA)		36,007
Moore Hall Renovation		4,000,000
Student Union Additon		1,500,000
Technology Bonds		53,612
Total Appropriation	$	6,966,696
General Fund	$	1,413,084
Special Funds		5,553,612
	$	6,966,696

1999-01 Recommendation:

Extraordinary Repairs	$	398,098
Infrastructure		500,000
Extraordinary Repairs Increase		152,368
Old Main Mech. System Renovation		0
Total Recommendation	$	1,050,466
General Fund	$	1,050,466

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MINOT STATE UNIVERSITY
Budget by Funding Source

FUNDING SOURCE	1997-99	1999-01	*Increase/(Decrease)*
General Fund	$ 24,677,441	$ 24,852,277	$ 174,836
Collections	13,452,405	11,680,734 *	(1,771,671)
Special Funds	5,553,612	0	(5,553,612)
Local Funds	4,535,732	0	(4,535,732)
Total	**$ 48,219,190**	**$ 36,533,011**	**$ (11,686,179)**

*	Tuition Collections	$ 11,562,714
	Miscellaneous Fees	85,020
	State Land Interest	33,000
		$ 11,680,734

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WITH EXCEPTION OF FOLLOWING PAGES TESTIMONY THE SAME AS PRESENTED IN THE HOUSE

MINOT STATE UNIVERSITY

Senate Appropriation Hearings

Fifty-Sixth Legislative Assembly

March 2, 1999

Budget Number 241

MINOT STA[redacted]UNIVERSITY
Requested Budget @ 95% General Fund,
Executive Recommendation and Engrossed HB 1003

1999-01 Line Items	Salaries & Wages	Operating	Equipment	Capital Improvement	Local Funds	Total	FTE Employees
I. REQUESTED BUDGET @ 95%	$ 26,748,325	$ 5,637,699	$ 618,589	$ 3,215,098	$ 0	$ 36,219,711	252.08
II. EXECUTIVE RECOMMENDATION							
Additions/ (Reductions)							
Restoration/Reinvestment	$ 923,899	$ 157,060	$ 100,000			1,180,959	5.85
Cost to Continue	379,749	377,416	119,340	$ 152,368		1,028,873	
Critical Salary Adjustment	167,310					167,310	
New Position	72,984					72,984	1.00
One-Time Adjustment	105,600		100,000	500,000		705,600	
Compensation Package	1,394,466					1,394,466	
NDUS 5% Pool	(1,419,892)					(1,419,892)	
Old Main Renovation				(2,817,000)		(2,817,000)	
Total Adjustments	$ 1,624,116	$ 534,476	$ 319,340	$ (2,164,632)	0	$ 313,300	6.85
Totals HB 1003	$ 28,372,441	$ 6,172,175	$ 937,929	$ 1,050,466	0	$ 36,533,011	258.93
III. HOUSE AMENDMENTS							
Additions/ (Reductions)							
Return 5% Pool to Campuses	$ 1,419,892					1,419,892	
Transfer Critical Salary to NDUS	(167,310)					(167,310)	
Reduce Compensation Pkg. to 2% + 2%	(383,481)					(383,481)	
Add Health Insurance Increase	84,395					84,395	
Reduce for Vacant Positions	(220,003)					(220,003)	
Reduce for On-Line Training	(20,600)					(20,600)	
Reduce Information Technology			(20,000)			(20,000)	
Reduce Operating Exp. & IT .5%		(128,650)				(128,650)	
Local Funds Appropriation					19,003,936	19,003,936	
Total Adjustments	$ 712,893	$ (128,650)	$ (20,000)	$ 0	$ 19,003,936	$ 19,568,179	0
Totals Engrossed HB 1003	$ 29,085,334	$ 6,043,525	$ 917,929	$ 1,050,466	$ 19,003,936	$ 56,101,190	258.93

Senappr

MINOT STATE UNIVERSITY
Budget by Funding Source

FUNDING SOURCE	1997-99	Executive Recommendation 1999-01	House Amendments 1999-01
General Fund	$ 24,677,441	$ 24,852,277	$ 25,601,253
Collections	13,452,405	11,680,734	11,496,001 *
Special Funds	5,553,612	0	0
Local Funds	4,535,732	0	19,003,936
Total	**$ 48,219,190**	**$ 36,533,011**	**$ 56,101,190**

*	Tuition Collections	$ 11,377,981
	Miscellaneous Fees	85,020
	State Land Interest	33,000
		$ 11,496,001

Senappr

Department 243 - Minot State University - Bottineau
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	46.20	$3,872,632	$1,418,967	$5,291,599
1997-99 Legislative Appropriations	46.20 *	3,680,583	1,563,882	5,244,465 **
Increase (Decrease)	0.00	$192,049	($144,915)	$47,134

* The 1997-99 appropriation is based on 43.98 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The number of positions shown for 1997-99 represents the number of positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown has been adjusted to reflect allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the State Board of Higher Education and spending authority carried over from the 1995-97 biennium.

Major Items Affecting Minot State University - Bottineau Branch 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reduces funding to reflect institution's 95 percent budget request	($184,029)	($43,988)	($228,017)
Restores funding for critical programs, reinvests funds in new initiatives, and provides for the cost to continue current programs and services, including the continuation of 1997-99 salary increases and inflationary increases in operating expenses (includes $49,132 additional income generated through annual 4 percent tuition increases during 1999-2001)	278,847	80,173	359,020
Net changes	$94,818	$36,185	$131,003
2. Adds funding for critical salary increases (The House removed from the institutions and pooled in the board office.)	$19,928		$19,928
3. Reduces salaries and wages to reflect funding transferred to the University System salary funding pool (The House reallocated to the institutions.)	(192,429)		(192,429)
4. Adds funding for extraordinary repairs	16,000		16,000
5. Removes the appropriation of local funds (The House included the appropriation of local funds of $2,124,426.)		($241,100)	(241,100)
6. Provides funding for fire alarm system upgrades	68,000	60,000	128,000

Major Legislation Affecting Minot State University - Bottineau

There is no major legislation affecting Minot State University - Bottineau .

Bottineau

MINOT STATE UNIVERSITY—BOTTINEAU

House Appropriation Hearings

Fifty-Sixth Legislative Assembly

January 14, 1999

Budget Number 243

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Introductory Remarks
Kathleen Corak Sund, Campus Dean
January 14, 1999

Now in its third year of affiliation with Minot State University, the Bottineau Campus is highly energized. Because of its relatively small size and "northern tier" location, MiSU-BC does not daily grab media attention. But its press image is very positive. It is recognized as a little gem in the University System.

MiSU-BC maintains a vital faculty, committed to the instruction of students whose needs fit this environment. With low student to faculty ratios, any high school graduate or GED (graduate equivalency degree) holder, regardless of innate abilities or educational history, can succeed at MiSU-Bottineau. This campus provides its students with the intellectual and social support needed to make for themselves a promising future. Whether there to acquire their first two years of academic course work for the bachelor's degree or the vocational/technical skills needed for first entry into the work force, students of all ages at MiSU-Bottineau are investing in their future. These investments, we continually observe, are paying them great dividends.

The enrollment and retention of students is very encouraging. Since its alignment with MiSU, the campus has observed the following:

* **21% head count enrollment growth.**
* **18% increase in full-time students.**
* **20% increase in full-time equivalent (FTE) students.**
* **60% retention rate from freshman to sophomore year.**

Since its last presentation to the Appropriations Committee, the Bottineau Campus has accomplished much that is worthy of note. For example:

- Each discipline has created an assessment plan and is beginning to use data to improve programming.
- The campus obtained NCA approval for the extension of six of its certificate and AAS programs to the Minot campus. A comprehensive NCA visit is scheduled for April, 1999. The preparatory self-study is nearing completion.
- Two new vocational programs have been developed and are expected to be accepting new students in fall, 1999.
- Five computer labs contain hardware that is relatively state-of-the-art and are accessible to all students throughout the week.
- The addition of a Phoenix program has brought new students to campus and is helping to meet federal and state welfare reform/work force training objectives.
- Two career exploration software programs have been added to the campus and are networked to all Learning Center and Library computers for easy accessibility.
- Dual credit and articulation agreements have been established with area high schools and with Brandon University, Manitoba.

- There has been dramatic growth in IVN courses offered by the campus. MiSU-BC provides 34% of all the underdivision course work currently available to NDUS IVN studios. This includes one entire vocational program.
- The campus is now offering off-site degrees at Minot Air Force Base in collaboration with MiSU.
- Two faculty members will soon undergo training that will enable them to deliver once traditional course content over the Internet.
- All faculty offices are now hard-wired for technology. All faculty have computers, email, and Internet access.
- Professional development of faculty and staff has become a priority. More than half have participated in one or more opportunities in the last eighteen months.
- The campus has revamped its web page.
- The campus has assumed more of a leadership role in area economic development activities (e.g. REAP, CONAC, Bottineau EDC).
- Regional Academy status with Cisco, Inc., has just been acquired and will position the campus for some cutting-edge technical programming opportunities in the northwest quadrant of the state.
- Grant-writing activity has greatly increased and continues to be nurtured.
- Community outreach has intensified and resulted in a Speakers' Bureau, School-to-Work activities between the campus and assorted community agencies, the Build Project, and customized training/adult education.
- The hockey team won its third National Junior College championship last season.
- The Lumberjacks once again have a cheer team after a twenty-three year hiatus. The four women and two men of "Jack Spirit" are now performing at home games.

The campus appreciates the Governor's recommendations. Should the Legislature approve that budget, MiSU-Bottineau stands to benefit. The executive budget:

- Provides $33,405 for part-time vocational program coordinator
- Provides $16,000 in extraordinary repairs for boiler feed water tank
- Provides $68,000 (general funds) with $60,000 local funds match for fire system upgrades
- Provides $46,580 to continue salary increases granted during 1997-99
- Provides $42,749 for inflationary increases in operating expenses
- Provides $19,928 for critical salary adjustments
- Restores $218,651 in salary & wages associated with the 95% budget submittal
- Restores $20,000 in equipment associated with the 95% budget submittal
- Approves $40 per year tuition increase (Additional $49,132 in estimated tuition revenues for 1999-01)

~ Special Initiative ~
Information Technology

The Minot State University-Bottineau Campus respectfully requests the Legislature's consideration of a special programming initiative in information technology.

Planning for this programming began in fall, 1997. The campus evaluated local and national occupational trend data and recognized the tremendous need for information technology workers. It then reviewed existing programming available in North Dakota and found two niches to be filled:

(1) network operating systems design and maintenance
(2) Webpage design and maintenance

In spring, 1998, the Bottineau Campus began to develop curriculum that would teach freshman and sophomore students the technical skills necessary to complete vocational training in these areas with either one or two years of study. An extensive examination of existing instruction from a wide variety of national sources was undertaken. Decisions were made as to what must be included to provide students with state-of-the-art knowledge in network and Webpage technology.

Then, fortuitously, the Cisco corporation, a network hardware company, brought its Regional and Local Academies model into North Dakota. Cisco, Inc. was touted at the Information Technology conference at the University of Mary last fall, as a prime example of a company known to be meeting employer needs with its unique educational programs. MiSU-BC acquired Cisco's Regional Academy status, enabling it to ultimately take cutting edge curriculum to students in high school as well as college. This was a most timely opportunity. The Cisco curriculum marries beautifully with the new MiSU-BC curriculum, giving secondary students an opportunity to jump start their college-level training by as much as two years.

MiSU-BC has now creatively repackaged new information technology curriculum such that studies in this area will lead to one or more of the following:

* **Cisco certification**
* **Windows NT certification**
* **Microsoft certification**
* **Associate of Applied Science (AAS) degree in Network Engineering**
* **Associate of Applied Science (AAS) in Webmaster Technology**

CRITICAL WORKER SHORTAGE.

According to a major industry study and the Bureau of Labor statistics a critical shortage of Information Technology (IT) workers exists:

- Presently there are 346,000 vacant IT positions.
- The industry averages a 10% vacancy rate.

- Job opportunities exist at all levels from recent high school graduates to Ph.D's.
- Projected growth by 2006 is between 250,000 and 520,000 jobs nation wide.
- Salaries for these occupations range from $35,000 to $99,000 a year.
- Hot jobs include:

~ network administrators
~ Web designers
~ Web content writers/editors
~ systems programmers
~ software engineers
~ Internet developers
~ Webmasters
~ HTML programmers
~ systems analysts
~ network specialists
~ systems administrators

SCHOOL-TO-WORK

The MiSU-BC information technology curriculum is an excellent fit with the School-to-Work effort. Because of its affiliation with MiSU, the Bottineau Campus can bring its new programs into Minot. Working in concert with Minot Public Schools, secondary students there can begin studies that will lead them to well-paid jobs upon graduation. Bottineau High School will also be partnering with MiSU-BC in the fall to give those secondary students an early start with IT training.

WORKFORCE DEVELOPMENT

The MiSU-BC information technology curriculum will teach those very skills that are desperately needed now and in the future. The curriculum is flexible. Some of it is Internet delivered. Some can be mastered and completed within a matter of months. MiSU-BC can bring this training to current and prospective IT employees in the Minot area as early as next fall.

WELFARE REFORM

The MiSU-BC information technology curriculum lends itself well to welfare reform efforts by providing practical training that leads to high-paying jobs. Participants of Phoenix, a college-based program for single mothers with a welfare reform intent, would be drawn to these occupations. Vocational Rehabilitation is another service agency that has expressed keen interest in placing clients into a program of this type.

SUMMARY

These new certificate and degree opportunities available from MiSU-BC will help to fill a severe IT worker shortage. This shortage is as real in North Dakota as it is nation wide. After only a brief investment of time, students will have acquired skills that will lead to high paying jobs. These particular technical training programs speak to the needs of *School-to-Work, Workforce Development* and *Welfare Reform* endeavors.

BUDGET

Information Technology Initiative MiSU-BC

START UP COSTS

NETWORKING ENGINEER

Hardware

20,500	13 computers to serve as work stations (12 PCs and 1 Mac)
4,000	1 computer to act as the server
1,600	20 Ethernet cards
800	printer
350	print server
700	hub
1,000	testing equipment
1,000	wiring to connect above equipment forming a network
4,000	presentation station

Software

4,000	Back Office package (20-user)
1,500	NT Workstation
1,000	Novell Netware

Expendable Items

5,000	cable, connectors, raceway, boxes, etc.

Furniture

3,000	desks, tables, chairs, etc.

WEBMASTER TECHNICIAN

Hardware

2,500	server
4,000	presentation station
400	printer

Software

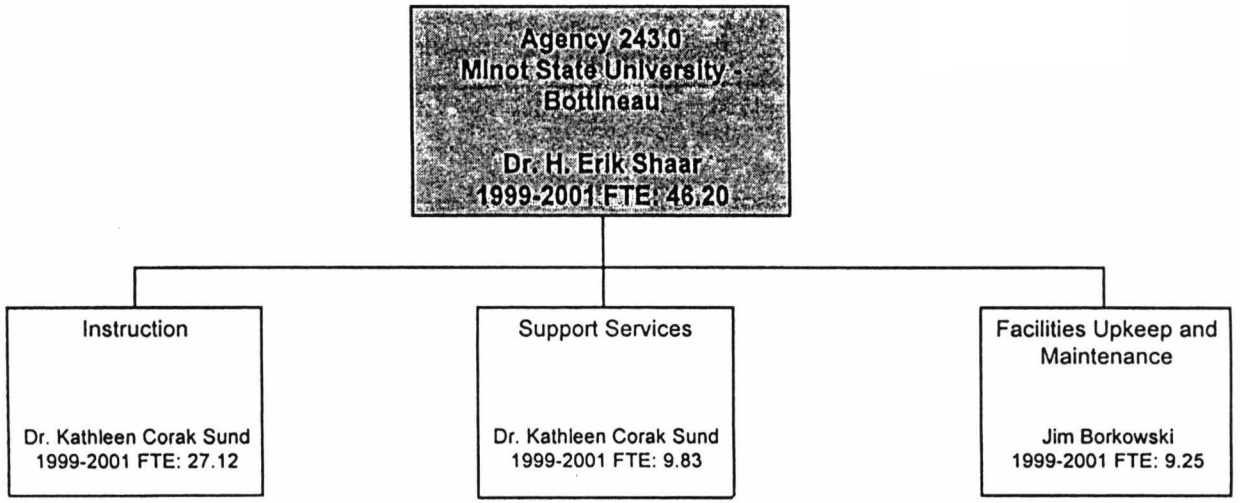
2,500	Homepage
2,500	Java
2,000	Frontpage

OTHER

35,000	air conditioning of computer labs
53,661	first year salary and fringe benefits for 1 FTE instructor
5,000	instructor certification
156,011	Total Start Up

ANNUAL COSTS TO CONTINUE (2nd year)

53,661	salary/fringe 1 FTE
5,000	operating (expendables/other)
13,463	hardware replacement (4-yr.cycle)
72,124	Total Costs to Continue per annum



Statutory Authority – Section 216, Part Four, of Article XIX of the State Constitution created the School of Forestry with its location in Bottineau. On March 8, 1969, Senate Bill 159 was approved, authorizing the Board of Higher Education to make the School of Forestry a branch of North Dakota State University. On April 18, 1996 the Board of Higher Education approved the transfer of governance (of NDSU-Bottineau, a.k.a. School of Forestry) from North Dakota State University to Minot State University.

Mission Statement - Minot State University - Bottineau is a public, two-year college whose primary focus is to meet the educational and training needs of the local community and the region. The campus achieves its mission by providing specialized technical programs in agriculture, environmental/natural resources studies, as well as for business and other traditional transfer courses.

Executive Budget Recommendation –

- Provides $33,405 general funds for part-time vocational program coordinator.
- Provides $16,000 in extraordinary repairs for boiler feed water tank.
- Provides $68,000 general funds with $60,000 local funds match for fire system upgrades.
- Approves $40 per year tuition increase.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

243 MINOT STATE UNIVERSITY - BOTTINEAU **Bill #: HB1003**

Biennium: 1999-2001

Description	Expenditures Prev Biennium 1995-1997	Present Budget 1997-1999	1999-2001 Requested Incr (Decr)	1999-2001 Requested % Chg	Requested Budget 1999-2001	1999-2001 Recommended Incr (Decr)	1999-2001 Recommended % Chg	Executive Recommendation 1999-2001
BY MAJOR PROGRAM								
INSTRUCTION	2,461,994	2,743,408	(193,570)	-7.1%	2,549,838	35,015	1.3%	2,778,423
SUPPORT SERVICES	887,906	969,176	(59,822)	-6.2%	909,354	26,034	2.7%	995,210
FACILITIES UPKEEP AND MAINTENANCE	1,285,508	1,557,015	(240,859)	-15.5%	1,316,156	(39,049)	-2.5%	1,517,966
LOCAL FUNDS	0	211,100	30,000	14.2%	241,100	(211,100)	-100.0%	0
TOTAL MAJOR PROGRAMS	**4,635,408**	**5,480,699**	**(464,251)**	**-8.5%**	**5,016,448**	**(189,100)**	**-3.5%**	**5,291,599**
BY LINE ITEM								
SALARIES AND WAGES	3,468,403	3,790,383	(258,017)	-6.8%	3,532,366	51,485	1.4%	3,841,868
OPERATING EXPENSES	949,856	1,021,352	20,000	2.0%	1,041,352	62,749	6.1%	1,084,101
EQUIPMENT	117,412	147,500	(20,000)	-13.6%	127,500	0	0.0%	147,500
CAPITAL IMPROVEMENTS	54,962	213,433	(139,303)	-65.3%	74,130	4,697	2.2%	218,130
LOCAL FUNDS	0	211,100	30,000	14.2%	241,100	(211,100)	-100.0%	0
95 BIENNIUM CARRYOVER	44,775	96,931	(96,931)	-100.0%	0	(96,931)	-100.0%	0
TOTAL LINE ITEMS	**4,635,408**	**5,480,699**	**(464,251)**	**-8.5%**	**5,016,448**	**(189,100)**	**-3.5%**	**5,291,599**
BY FUNDING SOURCE								
GENERAL FUND	3,222,919	3,891,100	(394,546)	-10.1%	3,496,554	(18,468)	-0.5%	3,872,632
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	1,412,489	1,589,599	(69,705)	-4.4%	1,519,894	(170,632)	-10.7%	1,418,967
TOTAL FUNDING SOURCE	**4,635,408**	**5,480,699**	**(464,251)**	**-8.5%**	**5,016,448**	**(189,100)**	**-3.5%**	**5,291,599**
TOTAL FTE	43.82	46.20	(3.80)	-8.2%	42.40	0.00	0.0%	46.20

MINOT STATE UNIVERSITY BOTTINEAU CAMPUS
Enrollment Report

CREDIT HOUR PRODUCTION & FTE STUDENTS

	1995-96		1996-97		1997-98		1998-99		1999-00		2000-01	
	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE	Cr. Hr.	FTE
Lower Division	10,212	319	11,175	349	11,881	371	12,523	391	12,787	400	12,920	404

HEADCOUNT ENROLLMENTS BY RESIDENT STATUS

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
	Head Count	Head Count	Head Count	Head Count	Head Count	Head Count
Under-Graduate						
Resident	233	281	324	362	372	377
Non-Resident	61	59	42	34	25	25
Minnesota	6	3	3	3	3	3
Contiguous	36	41	30	21	32	32
Total Students	336	384	399	420	432	437

MiSU-BC all growth

MINOT STATE UNIVERSITY [redacted]TTINEAU CAMPUS

Requested Budget @ 95% General Fund and Executive Recommendation

1999-01 Line Items	Salaries & Wages	Operating	Equipment	Capital Improvement	Local Funds	*TOTAL*	*FTE*
Requested Budget	$ 3,532,366	$ 1,041,352	$ 127,500	$ 74,130	$ 241,100	$ 5,016,448	42.40
EXECUTIVE RECOMMENDATION:							
Restoration/Reinvestment	185,246						3.80
Tuition/Restoration	31,040						
Cost to Continue	46,580						
Critical Salary Adjustment	19,928						
Part-time Program Coordinator	33,405						
Compensation Package	185,733						
NDUS 5% Pool	(192,430)						
Total Adjustments	309,502					309,502	
Total Salaries & Wages	$ 3,841,868						
Cost to Continue		42,749					
Total Adjustments		42,749				42,749	
Total Operating Expenses		$ 1,084,101					
Cost to Continue			20,000				
Total Adjustments			20,000			20,000	
Total Equipment			$ 147,500				
Capital Improvement Increase				16,000			
Fire Alarm Upgrade Project				128,000			
Total Adjustments				144,000		144,000	
Total Capital Improvements				$ 218,130			
Local Funds Adjustment					(241,100)	(241,100)	
Total Local Funds					$ 0		
Total 1999-01 Executive Recommendation						$ 5,291,599	46.20

apprhear.Bot

MINOT STATE UNIVERS[redacted] BOTTINEAU CAMPUS

Budget by Line Item

LINE ITEM

	1997-99	1999-01	*Increase/(Decrease)*
Salaries			
Instruction	$ 2,390,823	$ 2,416,838	*$ 26,015*
Support Services	723,704	743,577	*19,873*
Plant Services	675,856	681,453	*5,597*
Total	$ 3,790,383	$ 3,841,868	*$ 51,485*
Operating Expenses			
Instruction	$ 258,474	$ 267,474	*$ 9,000*
Support Services	205,378	211,539	*6,161*
Plant Services	557,500	605,088	*47,588*
Total	$ 1,021,352	$ 1,084,101	*$ 62,749*
Equipment			
Instruction	$ 94,111	$ 94,111	*$ 0*
Support Services	40,094	40,094	*0*
Plant Services	13,295	13,295	*0*
Total	$ 147,500	$ 147,500	*$ 0*
Capital Projects	$ 213,433	$ 218,130	*$ 4,697*
1995-97 Carryover	$ 96,931	$ 0	*$ (96,931)*
Local Funds	$ 211,100	$ 0	*$ (211,100)*
Total	**$ 5,480,699**	**$ 5,291,599**	***$ (189,100)***

MINOT STATE UNIVERS[redacted] BOTTINEAU CAMPUS

Budget by Major Program

MAJOR PROGRAM	1997-99		1999-01		INCREASE (DECREASE)	
Instruction						
Salaries	FTE 27.12	$ 2,390,823	FTE 27.12	$ 2,416,838	*FTE 0.00*	*$ 26,015*
Operating Expenses		258,474		267,474		*9,000*
Equipment		94,111		94,111		*0*
Total		$ 2,743,408		$ 2,778,423		*$ 35,015*
Support Services						
Salaries	FTE 9.83	$ 723,704	FTE 9.83	$ 743,577	*FTE 0.00*	*$ 19,873*
Operating Expenses		205,378		211,539		*6,161*
Equipment		40,094		40,094		*0*
Total		$ 969,176		$ 995,210		*$ 26,034*
Plant Services						
Salaries	FTE 9.25	$ 675,856	FTE 9.25	$ 681,453	*FTE 0.00*	*$ 5,597*
Operating Expenses		557,500		605,088		*47,588*
Equipment		13,295		13,295		*0*
Total		$ 1,246,651		$ 1,299,836		*$ 53,185*
Capital Projects		$ 213,433		$ 218,130		*4,697*
1995-97 Carryover		$ 96,931		$ 0		*(96,931)*
Local Funds		$ 211,100		$ 0		*$ (211,100)*
Total	**FTE 46.20**	**$ 5,480,699**	**FTE 46.20**	**$ 5,291,599**	***FTE 0.00***	***$ (189,100)***

MINOT STATE UNIVERSITY BOTTINEAU CAMPUS
Capital Projects and Repairs
Summary Report

1997-99 Request:

Coal Handling System	$	130,000
Roof Repair		25,000
Networking		73,599
Propane Conversion		52,432
Total Request	$	**281,031**

1999-01 Request:

Heating Plant Roof Repair	$	10,065
Electrical System Upgrade		11,975
Sewer Systems		15,000
Campus Networking		10,590
Miscellaneous Repair Projects		26,500
	$	74,130
Fire Alarm System Upgrade	$	128,500
Air Conditioning - Thacher Hall		35,000
Total Request	$	**237,630**

1997-99 Appropriation:

Extraordinary Repairs	$	74,130
Coal Handling System (NDUS Pool)		130,000
ADA (NDUS Pool)		9,303
1995-97 Carryover		96,931
Total Appropriation	$	**310,364**

1999-01 Recommendation:

Extraordinary Repairs	$	74,130
Capital Improvements Increase		9,494
Adjustment to Extraordinary Repairs		6,506
Fire Alarm System Upgrade		128,000
Air Conditioning - Thacher Hall		0
Total Recommendation	$	**218,130**

General Fund	$	158,130
Local Match		60,000
	$	218,130

MINOT STATE UNIVERSITY BOTTINEAU CAMPUS
Budget by Funding Source

FUNDING SOURCE	1997-99	1999-01	*Increase/(Decrease)*
General Fund	$ 3,891,100	$ 3,872,632	$ (18,468)
Collections	1,378,499	1,418,967 *	40,468
Special Funds	0	0	0
Local Funds	211,100	0	(211,100)
Total	**$ 5,480,699**	**$ 5,291,599**	**$ (189,100)**

'* Tuition Collections	$ 1,317,114
Local Match - Fire Alarm Project	60,000
Miscellaneous Fees	8,803
State Land Interest	33,050
	$ 1,418,967

MINOT PUBLIC SCHOOLS

215 Second Street SE
Minot, North Dakota 58701

LaDonna Elhardt, Director
Vocational/Technical Education

Tel: (701) 857-4458
Fax: (701) 857-4432

January 13, 1999

Kathleen Corak Sund, Dean
MSU Bottineau
105 Simrall Blvd.
Bottineau, ND 58318

Dear Dr. Corak Sund:

It is my pleasure to write a letter of support endorsing ongoing and increased collaboration between Minot Public Schools and Minot State University/MSU Bottineau.

We are looking forward to being an integral partner in helping provide Minot and regional secondary students, graduates, and employees in transition with the opportunity receive post secondary technical education in Minot. We are especially excited about the proposal to provide an associate degree in the field of Information Technology. It is my understanding that these would focus on Network Engineering and Webmaster Technology. These are career fields that indicate potential for high growth and high pay. Equally important these factors are essential for community growth and retention of our citizens.

The proposal that you are recommending will allow our high school students to make a smooth transition from high school to post secondary education. It fits ideally with our "School to Work" plan. The proposal will also allow secondary students, who have a desire, the opportunity of getting a jump start on their post secondary education. Minot High School students do take classes at Minot State University but to date none are available in technical education.

Funding for this proposal would provide exciting opportunities for students as well as Minot and area businesses. You have my support and I look forward to working with you in the implementation of the curriculum.

Sincerely,

LaDonna Elhardt

LaDonna Elhardt
VTE Director

JOB SERVICE North Dakota

Edward T. Schafer, Governor • Jennifer L. Gladden, Executive Director

3416 N Broadway • PO Box 1727 • Minot ND 58702-1727

January 13, 1999

RUSS GAGNON
EDUCATION COORDINATOR
MINOT STATE UNIVERSITY-BOTTINEAU CAMPUS
105 SIMRALL BOULEVARD
BOTTINEAU ND 58318-1198

Dear Mr. Gagnon:

The JTPA program is excited to learn of the proposed additions of two Association of Science degrees being offered through MSU-Bottineau starting Fall 1999. This opportunity will provide job skills for a growing technology industry offering above average wages. Our office has already had requests for this training. These clients have had to relocate out of the region, away from their families, in order to receive this training or decide against training altogether.

The JTPA program presently works with a variety of clientele; farm/ranch operators, welfare to work, dislocated workers, low income and disabled individuals. Having additional options will translate into more training opportunities for JTPA to recommend. Our office will support the new technology offerings and anticipate continued interest as this industry expands.

Sincerely,

Donald Stokke, Manager
Customer Service Area I - Minot
Job Service North Dakota

DS:khm

North Central Human Service Center
400 22nd Avenue Northwest, Minot, ND 58703
(701) 857-8500 FAX (701) 857-8555
24 hr. Emergency Service (701) 857-8500

Edward T. Schafer, Governor

David A. Snyder, M.A.
Regional Director

January 12, 1999

Kathleen Corak Sund
Minot State University-Bottineau
105 Simrall Boulevard
Bottineau, ND 58318-1198

Dear Dr. Corak Sund:

We are pleased to learn that MiSU-B is considering expanding its programs in Information Technology. Job growth in this industry has been phenomenal and the potential salaries for individuals working in this industry are impressive. At Vocational Rehabilitation we strive to enhance the employment opportunities for individuals with disabilities. Many of these individuals are interested in increasing their employability by improving their technology skills through formal training programs. We often speak with clients who express interest in pursuing careers in the information technology industry. The certificate and degree opportunities proposed by MiSU-B would provide an excellent regional resource for this career training. Vocational Rehabilitation welcomes and supports the addition of training programs which may improve the employability of our disabled clients. Good luck with your development and implementation of this curriculum.

Sincerely,

Dennis Helmers
Regional Administrator

DEPARTMENT OF VETERANS AFFAIRS
Medical and Regional Office Center
2101 Elm St N
Fargo ND 58102-2498

01-11-99

In Reply Refer To:

Minot State University
MSU Bottineau Ed Coordinator
ATTN: Russ Gagnon
500 University W
Minot ND 58107

Dear Russ:

This is to confirm what I had recommended in the past that MSU Bottineau seriously consider offering a Computer Networking Associates degree as we have found that there is a strong job demand for certified computer networkers and little opportunity for Minot ND veterans to develop the expertise to pass the networker certification tests.

In my work as a vocational rehabilitation counselor within the VA Vocational Rehabilitation section of the Veterans Regional Office, Fargo, ND, I have found that some veterans would rather attend a one or two year job oriented course that has good employment potential. The certified computer networker has been found to have excellent job demand at this time and is expected to continue to be in demand in the future. For the Minot ND veteran, I know of no one or two year training opportunity in Minot for developing the skills and educational background to successfully pass the networking certification tests. This has required that the VA Vocational Rehab Chapter 31 veterans residing in Minot and pursuing networking certification, relocate to other parts of the state offering training.

Sincerely,

W J Dickason
CP

28:11:WJD:wjd

WITH THE EXCEPTION OF THE FOLLOWING PAGES TESTIMONY SAME AS PRESENTED TO THE HOUSE

MINOT STATE UNIVERSITY—BOTTINEAU

Senate Appropriation Hearings

Fifty-Sixth Legislative Assembly

March 2, 1999

Budget Number 243

MINOT STATE UNIVERSITY - BOTTINEAU CAMPUS

Requested Budget @ 95% General Fund, Executive Recommendation and Engrossed HB 1003

1999-01 Line Items	Salaries & Wages	Operating	Equipment	Capital Improvement	Local Funds	*TOTAL*	*FTE*
I. REQUESTED BUDGET AT 95%	$ 3,532,366	$ 1,041,352	$ 127,500	$ 74,130	$ 0	$ 4,775,348	42.40
II. EXECUTIVE RECOMMENDATION							
Restoration/Reinvestment	185,246						3.80
Tuition/Restoration	31,040						
Cost to Continue	46,580	42,749	20,000	16,000			
Critical Salary Adjustment	19,928						
Part-time Program Coordinator	33,405						
Compensation Package	185,733						
NDUS 5% Pool	(192,430)						
Fire Alarm Upgrade Project				128,000	0		
Total Adjustments	$ 309,502	$ 42,749	$ 20,000	$ 144,000	$ 0	$ 516,251	3.80
Totals HB 1003	$ 3,841,868	$ 1,084,101	$ 147,500	$ 218,130	$ 0	$ 5,291,599	46.20
III. HOUSE AMENDMENTS							
Additions/ (Reductions)							
Return 5% Pool to Campuses	$ 192,430					192,430	
Transfer Critical Salary to NDUS	(19,928)					(19,928)	
Reduce Compensation Pkg. to 2% + 2%	(46,785)					(46,785)	
Add Health Insurance Increase	14,826					14,826	
Add Information Technology Initiative	107,322	54,963	30,850	35,000		228,135	
Reduce Operating Exp. & IT .5%		(21,066)				(21,066)	
Local Funds Appropriation					2,124,426	2,124,426	
Total Adjustments	$ 247,865	$ 33,897	$ 30,850	$ 35,000	$ 2,124,426	2,472,038	
Totals Engrossed HB 1003	$ 4,089,733	$ 1,117,998	$ 178,350	$ 253,130	$ 2,124,426	$ 7,763,637	46.20

MINOT STATE UNIVERSITY - BOTTINEAU CAMPUS
Budget by Funding Source

FUNDING SOURCE	1997-99	Executive Recommendation 1999-01	House Amendment 1999-01
General Fund	$ 3,891,100	$ 3,872,632	$ 4,192,109
Collections	1,378,499	1,418,967	1,447,102 *
Special Funds	0	0	0
Local Funds	211,100	0	2,124,426
Total	**$ 5,480,699**	**$ 5,291,599**	**$ 7,763,637**

*	Tuition Collections	$ 1,345,249
	Local Match - Fire Alarm Project	60,000
	Miscellaneous Fees	8,803
	State Land Interest	33,050
		$ 1,447,102

Department 240 - Mayville State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	80.47	$8,461,666	$2,878,227	$11,339,893
1997-99 Legislative Appropriations	77.22 *	7,457,823	3,550,468	11,008,291 **
Increase (Decrease)	3.25	$1,003,843	($672,241)	$331,602

* The 1997-99 appropriation is based on 79.29 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 77.22 FTE positions shown above represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

Major Items Affecting Mayville State University 1999-2001 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $7,400,000.)		($727,000)	($727,000)
2. Reductions made to reflect the institution's 95 percent budget request, which included curriculum streamlining, faculty retirements, President's office, student affairs, teacher learning center, business affairs, and physical plant	($509,648)		(509,648)
3. Adds funds for restoration and reinvestment, including funds for restoring services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, or maintenance	372,963		372,963
4. Adds funds for cost to continue including previous year salary increases, utility cost increases, and operating expenses inflationary increases (provides for an annual tuition increase of 4 percent)	80,166	149,418	229,584
5. Adds funds for critical salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	55,440		55,440
6. Increases funding for extraordinary repairs	39,746		39,746
7. Provides capital project funding for boiler replacement and fuel storage project	760,000		760,000
Provides for the following FTE changes:			
Adds:			
0.75 FTE higher education faculty	84,186 *		84,186
1.00 FTE custodian	42,196 *		42,196
0.75 FTE higher education faculty	83,811 *		83,811
1.00 FTE higher education faculty	62,150 *		62,150
0.75 FTE higher education faculty	75,927		75,927
Deletes:			
1.00 FTE higher education other professional	(82,564) **		(82,564)
9. Deducts salary funding transferred to the systemwide salary pool (The House reallocated to the institutions.)	(399,279)		(399,279)

* The funding increases are also included in the restoration and reinvestment amounts shown above.

** The funding decrease is also included in the 95 percent budget reductions shown above.

Major Legislation Affecting Mayville State University

There is no major legislation affecting Mayville State University.

1999-2001 Budget Hearing

House Appropriations
Sub-Committee on Education

January 14, 1999

Overview

Ellen Earle Chaffee
President

Mayville State University

House Appropriations
Sub-Committee on Education
January 14, 1999

Ellen Earle Chaffee
President, Valley City State University and Mayville State University

Mayville State University

Madame chair, members of the committee, I am pleased to present Mayville State University, with my colleagues. Students Aimee Lagerquist and Audrey Friedt, economic development director Rick Forsgren, and vice president for business affairs Steve Bensen will also testify. In addition, Ray Boyer, our director of facilities services is available for questions.

I will briefly cover two of the three points listed on the slide: basic facts and recent developments. Then Aimee, Audrey, and Rick will offer brief testimony. Finally, vice president Bensen will present the budget information.

We provide two slides with basic information about the university and its students, for your reference. Enrollment fluctuates around an average that is higher this decade than last, costs are down, and private giving is up. Most of our students come from North Dakota, and most of them remain here after graduation.

Among the notable events at Mayville State, we are partners with VCSU, two universities in Mexico and one in Canada, as well as institutions of similar size across the border in Minnesota. We are incubating a Web marketing business on the campus and working on bringing the arts back after we lost them to the 1989 tax referral. We offer a "winter semester" of convenient classes for area farmers, and we are known statewide among elementary teachers for our exceptional math specialist program. Just after the last legislative session, Mayville State terminated its spring semester three weeks early in order to serve as a flood relief center for up to 2,000 people. I wish we had time to tell you that remarkable story.

In the last few years, we have won several million dollars worth of grants, primarily to support our Head Start program and faculty development and some equipment for the computer initiative. We have also started a student fee of $950 per year for computers and networking, a major source of revenue for the notebook initiative.

In short, you have a student-centered university that is committed to learning, improvement, and technology-enriched education. The university enjoys strong community support and contributes substantially to the state's work force and civic life.

I am pleased now to introduce students Aimee Lagerquist and Audrey Friedt, followed by Rick Forsgren from economic development.

Mayville State University

House Appropriations

Ellen Chaffee
President

January 14, 1999

1

Mayville State University

- Basic facts
- Recent developments
- Budget

Basic Facts, Students '98-99

Enrollment	740 headcount, 643 FTE
From North Dakota	73%
Age 25+	182 (25%)
Minority	9%
Retention, Y1-Y2	about 60%
Placement in ND	2/3-3/4 of graduates

Basic Facts: MaSU

1997-99 budget	$10.3 million
Employees	About 100
10-yr enrollment trend	Up 12%
Fed/Foundation grants	$1 million/year
Cost per student	Down 20% since 1986
Average class size	20
Private scholarships	Doubled since 1994

MaSU Recent Developments

Notable Events at MaSU

- Universal notebook computer use for learning
- ComMark (incubating business)
- Partner universities: VCSU, Canada, Mexico, Crookston
- Community School of the Arts
- CERA: "smart" community, education focus
- Community services, winter semester
- Grand Forks flood relief center
- Math specialist program--over 100 teachers statewide

Special Funding at MaSU

- Head Start services, grants--4 counties
- Title III grant for $1.4 million
- Student fee ($950/year) for notebook computers and networking

Some University Strengths

- Commitment to and expertise in teaching and learning
- Eagerness for change, improvement, filling a national leadership position
- Expertise in instructional technologies
- Community and alumni loyalty, support
- Grads who stay and work in ND

MaSU Budget

97-99 vs. HB1003

excluding major capital projects

- Salaries and wages, 0.9%
- Operating, 6.8%
- Equipment, 0
- Facility repairs, -37.4%

- General funds, 0.5%
- Income, -3.2%

Reinvestment

- Faculty positions
  - information technology in business, $80,000 (1)*
  - information technology in CIS, $79,641 (2)
- Academic support positions
  - instructional technology specialist, $60,000 (2)
  - individualized instruction, $72,100 (10)
- Music program, $21,000 (2)
- International/diversity, $10,000 (2)
- Targeted critical salaries, $55,512(8)

*Number in parentheses is SBHE priority

New Commitments

- Individualized instruction, including distance delivery
- Faculty for information technology programs
- Music program
- International/diversity programs

3.25 FTE

Uses for 5% SBHE Salary Pool
$399,279

Additional salary funds available: $72,670

- 3 + 3 salary increases ($395,600)
- 3.25 authorized positions (est. $292,000)
- Targeted critical salary adjustments, $55,512

Total cost over funds available: $670,442

Construction, 1995-99

- Science lab renovation (grant & state funds)
- Networking (bonds, student fees)
- Multimedia Classrooms (reallocation, grant)
- Classroom Building roof and facia (state funds)
- Gymnasium roof and tuckpointing (state funds)
- ADA restrooms (state funds)
- Major capital project requests were not funded for MSU in 1995-99
- $131,925 for extraordinary repairs in 1997-99

99-01 MaSU Capital Request,

1. Boiler, pipe/access., fuel oil storage, $760,000
2. Steam distribution tunnels, $1,050,500
3. Exit system, Main Building, $395,600
4. Exit system, West & Science, $96,100
5. Main Building remodel, $1,124,600

99-01 SBHE Capital Request,

- $1.7 million for boiler and steam lines (candidate for funding from State Board's top priority request, a $10 million pool for infrastructure)

99-01 HB1003 Capital Request

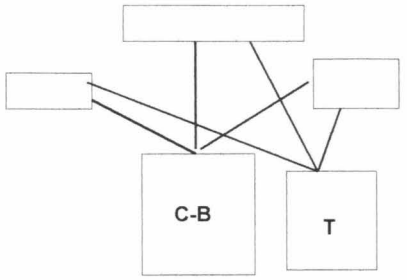
- $760,000 for boiler repair, fuel storage, and steam line replacement

Major Capital Project Equity

1998 NDUS study of state funding for major capital projects, 1985-99:

•MaSU ranked 9th, with smaller/newer UND-W and UND-LR in 10th and 11th

•MaSU was about $1 million behind "average"



MaSU was without back-up heat for 4 days

1/4-7/99 -- Temps from -5 to -25

Net Capital Changes

1997-99	HB1003
Repairs: $274,107 - Base, $131,925 - ADA/small campus, $142,182	Repairs: $171,671 (-37.4%) - Base, $131,925 - Add in $39,746
Major projects, $0	Major projects, $760,000

MaSU Budget

Testimony by

Steven P. Bensen,

Vice President for Business Affairs

House Appropriations Committee
Subcommitee on Education

January 14, 1999

97-99 vs. HB1003

excluding major capital projects

- Salaries and wages, 0.9%
- Operating, 6.8%
- Equipment, 0
- Facility repairs, -37.4%

- General funds, 0.5%
- Income, -3.2%

Excluding major capital projects, MaSU would have a proposed increase of 0.5% in general funds and a 3.2% reduction in income. HB1003 includes increases of 0.9% for salaries and 6.8% for operating (mainly inflation on utilities). No increase is proposed for equipment. During 1997-99, MaSU received special funding for small campus capital projects and ADA projects. No such funds are included in HB1003. Therefore, although there is a proposed increase in capital improvements/repairs, the loss of ADA and small campus funds will mean a net loss of 37.4% for VCSU to repair physical facilities.

Reinvestment

- Faculty positions
  - information technology in business, $80,000 (1)*
  - information technology in CIS, $79,641 (2)
- Academic support positions
  - instructional technology specialist, $60,000 (2)
  - individualized instruction, $72,100 (10)
- Music program, $21,000 (2)
- International/diversity, $10,000 (2)
- Targeted critical salaries, $55,512(8)

*Number in parentheses is SBHE priority

MaSU intends to reallocate salary funds to emphasize faculty positions in information technology. The allocation for instructional technology supports faculty efforts to ensure the success of the notebook computer initiative. Staffing for individualized instruction will support efforts to make any and all MaSU programs available any time, any place.

MaSU intends to use targeted critical salary dollars to support faculty and staff positions in information technology. A severe national shortage of people in this field requires these adjustments in order to attract applicants and retain essential personnel

New Commitments

- Individualized instruction, including distance delivery
- Faculty for information technology programs
- Music program
- International/diversity programs

The focus on individualized instruction is a key strategy to offset declines in the number of North Dakota high school graduates by delivering instruction to area adults and at a distance.

Faculty for information technology programs will allow us to fulfill our partnership with Great Plains Software and prepare individuals for exceptionally important career opportunities.

MaSU lost its music program to the tax referral of 1989. Music is essential for teacher preparation, as well as ensuring a well-rounded experience for all students.

MaSU has two universities in Mexico as partners, and students are already attending the university from there. To ensure the success of this program, we need a modest amount of staff time.

Uses for 5% SBHE Salary Pool

$399,279

Additional salary funds available: $72,670

- 3 + 3 salary increases ($395,600)
- 3.25 authorized positions (est. $292,000)
- Targeted critical salary adjustments, $55,512

Total cost over funds available: $670,442

HB1003 shifts $399,279 from MaSU's salary line to a pool in the University System office. The total increase in VCSU's salary line is $72,670.

It would take $395,600 to fund the proposed 3+3 percent salary increase. The budget plan calls for a net of 3.25 additional positions, for an estimated cost of $292,000. These two items, plus the $55,512 budgeted for targeted critical salary increases add up to $670,442 more than the proposed MaSU salary line. This is $271,163 more than was pooled in the University System office budget. The university would have to engage in considerably more internal reallocation in order to fund the proposed new positions, even if it receives the funds shifted to the University System office budget.

Construction, 1995-99

- Science lab renovation (grant & state funds)
- Networking (bonds, student fees)
- Multimedia Classrooms (reallocation, grant)
- Classroom Building roof and facia (state funds)
- Gymnasium roof and tuckpointing (state funds)
- ADA restrooms (state funds)
- Major capital project requests were not funded for MSU in 1995-99
- $131,925 for extraordinary repairs in 1997-99

We have been exceedingly fortunate to have funds for a number of construction projects in the last four years:

- We have renovated two science labs with grant and state funds.

- The entire campus is networked, including each residence hall room, using bonding and student fees.

- Through a grant and reallocation, we have renovated nearly all classrooms to permit network/electrical connections at every seat and a multimedia teaching station.

- The classroom building and field house have new roofs.

MaSU received no funds for major capital projects in the last four years.

99-01 MaSU Capital Request,

1. Boiler, pipe/access., fuel oil storage, $760,000
2. Steam distribution tunnels, $1,050,500
3. Exit system, Main Building, $395,600
4. Exit system, West & Science, $96,100
5. Main Building remodel, $1,124,600

This list shows what MaSU requested of the State Board of Higher Education.All are very basic items, most relating to life safety concerns. The remodeling of Main Building focuses primarily on a second-floor theater that state risk management personnel have expressed serious concerns about, and the need for an ADA elevator.

99-01 SBHE Capital Request,

- $1.7 million for boiler and steam lines (candidate for funding from State Board's top priority request, a $10 million pool for infrastructure)

The State Board of Higher Education approved MaSU's top priority request, although it would have had to compete against other infrastructure projects in a pool that would have been administered by the Board.

99-01 HB1003 Capital Request

- $760,000 for boiler repair, fuel storage, and steam line replacement

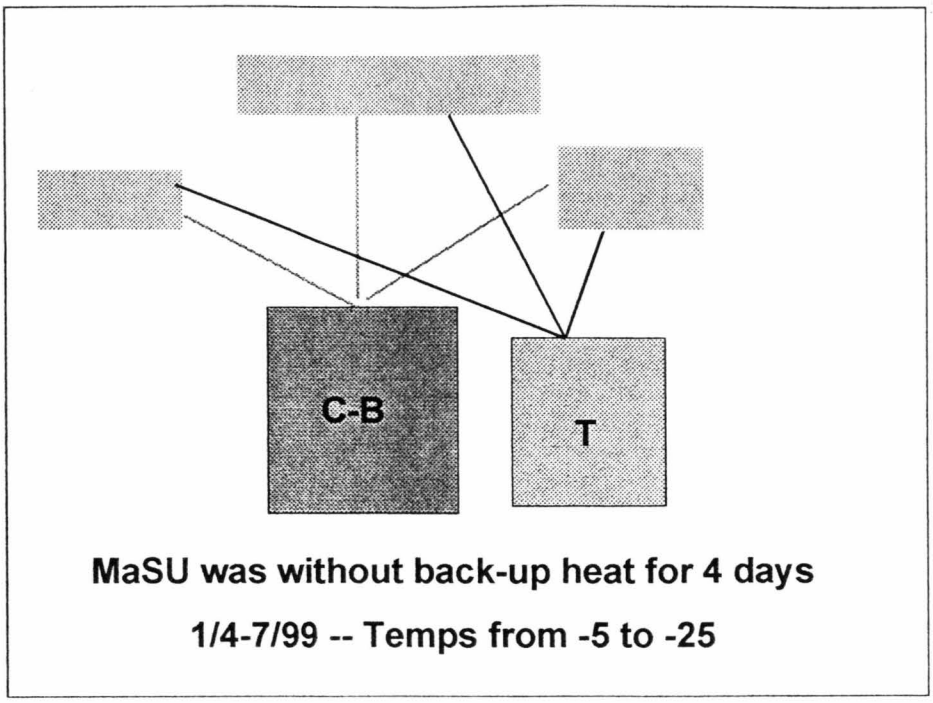
In the end, HB1003 included MaSU's top priority item. Instead of a new boiler, however, OMB believes that repairs to the existing boilers will generate additional useful life. Further testing is required to assess the repair/purchase alternatives, but testing requires shutting down the boilers for at least a week. It is not feasible to do this until spring or summer.

Major Capital Project Equity

1998 NDUS study of state funding for major capital projects, 1985-99:

- MaSU ranked 9th, with smaller/newer UND-W and UND-LR in 10th and 11th
- MaSU was about $1 million behind "average"

The University System conducted a study in 1998 of equity in state funding for major capital projects over a 14-year period. Relative to plant value, MaSU ranked 9th in the study. The two campuses below MaSU are less than 40 years old. As of the current biennium, it would take approximately $1 million to place MaSU at the System average.



MaSU has two boilers, both over 30 years old. Early in the morning on January 4, 1999, the smaller boiler, which was on stand-by, experienced a ruptured tube and shut down. It took until nearly midnight on January 7 to repair the boiler. During that time, temperatures were well below zero. If the larger boiler had also failed, the campus would have been without heat.

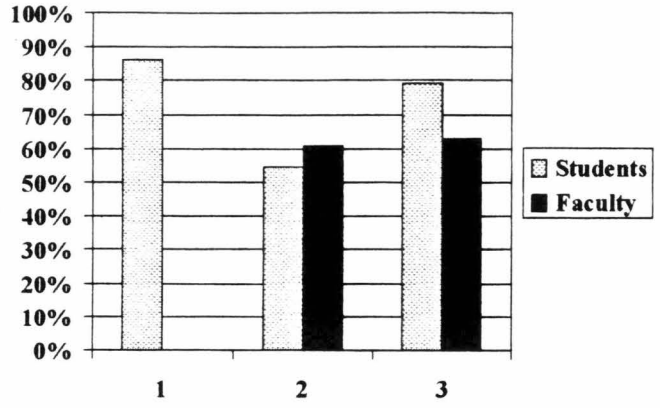
Net Capital Changes

1997-99	HB1003
Repairs: $274,107 - Base, $131,925 - ADA/small campus, $142,182	Repairs: $171,671 (-37.4%) - Base, $131,925 - Add in $39,746
Major projects, $0	Major projects, $760,000

MaSU would have 37.4 percent less for major repairs on campus next biennium that it had last biennium. As noted earlier, the decrease reflects the fact that ADA and small campus pools are not included in this budget.

MaSU would also have $760,000 in state general funds to repair or replace a boiler, possibly with some improvements in the condition of the steam lines.

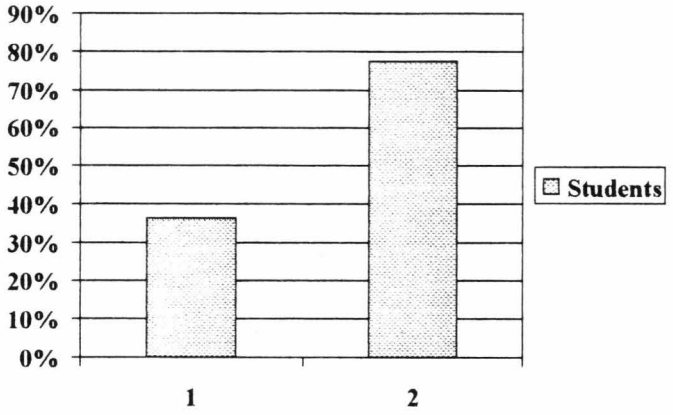
Notebook Computers at Mayville State, 1998



Percent **satisfied** or **very satisfied** with:

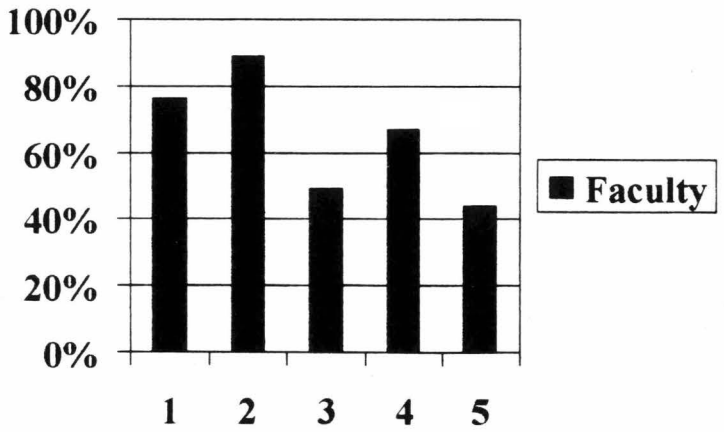
1. Feeling about using the notebook computer*
2. Use of computer during class
3. The notebook initiative at MSU

*Question not asked of faculty.



Percent saying the **often** or **very often:**

1. Use computer during class
2. Use computer outside of class for coursework



1. **Somewhat** or **very confident** about using a computer.
2. Computer has **somewhat or very much increased** my communication with others.
3. Computers make it **somewhat or very much easier** to work in groups or collaborate with teams.
4. **Somewhat or very much prefer** Internet or CD-ROM resources for information rather than traditional library materials.
5. Notebook computers have **mostly or definitely enhanced learning** at MSU.

Sources: surveys of all full-time faculty and all students taken in winter/spring 1998.

1999-2001 Budget Hearing

House Appropriations
Sub-Committee on Education

January 14, 1999

Testimony

Aimee Lagerquist

Audrey Friedt

Richard Forsgren

Mayville State University

House Appropriations
Sub-Committee on Education
January 14, 1999

Aimee Lagerquist, student
Mayville State University

Madame chair, members of the committee, my name is Aimee Lagerquist. I am currently the resident of a small rural community in Montana, but I was born in North Dakota and spent the first 13 years of my life here. I am a sophomore pursuing a major in elementary education with a minor in psychology at Mayville State University. I'm excited about having the honor of being here to represent this fine University. I will be talking with you about the increase in enrollment at Mayville State University.

I believe that Mayville State's enrollment increase is due to a variety of reasons. One major reason is the personal touch that students receive at Mayville State University. I spoke with a large group of students, and each one of them felt that the student to professor ratio is excellent. I feel that I am gaining a better education because of the ratio of students to professors. Mayville State University offers a small setting, therefore potentially increasing the knowledge of its students. Students tend to ask more questions and respond better when they are in a smaller setting.

Another major cause for the enrollment increase is the use of notebook computers. Mayville State University issues a notebook computer to each student. I believe this extends an equal opportunity to all students. The unlimited access to the Internet gives students the ability to research many different subjects locally as well as internationally. Using the skills learned at MaSU, students have an advantage in the job market. For example, technology is always changing, and many businesses and schools would prefer to hire an employee who is familiar with current technology. Mayville State students have an edge because they have been using some of the most up-to-date software and hardware available. They are comfortable with learning new methods associated with technological developments.

Other reasons that contribute to the rise in enrollment of Mayville State University vary from the excellent athletic program, to the small town setting, to the wonderful education that is provided. If you talked to students across campus, they would agree that everyone who attends MaSU receives a quality education and terrific college experience.

Mayville State offers many benefits that are attractive to students. Many have chosen to take advantage of these benefits, and the result has been an increase in Mayville State's enrollment.

Thank you for your time.

Mayville State University

House Appropriations
Sub-Committee on Education
January 14, 1999

Audrey Friedt, student
Mayville State University

Madame chair, members of the committee, my name is Audrey Friedt. I am a sophomore majoring in elementary education at Mayville State University. I am from Mott, North Dakota. I am here today to tell you why I believe students choose to attend Mayville State University.

Because Mayville State is a leader in instructional technology, its students are afforded many opportunities and advantages. As you may already know, each student is issued a notebook computer when he or she enrolls at Mayville State University. These computers are available for use 24 hours a day. Students do not have to be concerned about going to a computer lab where a computer may not be available when needed. The software programs Mayville State University students work with are used in businesses and educational institutions all over the world. In addition, students are able to connect their notebook computers to the Internet hookups provided in dorm rooms and across the campus, opening up a world of information and resources. Communication between students and professors is also extremely convenient because of the use of e-mail.

Mayville State University's athletic programs are top-notch. Our men's baseball and men's basketball teams have each made numerous appearances at national tournaments. The student body is very supportive of its athletes.

The quality of education that Mayville State University offers is a major reason that students choose to attend. The University offers nationally accredited programs to its students and the job placement rate for graduates is currently 99 percent. The fine reputation of Mayville State graduates sends a positive message. While I was deciding where I was going to attend college, I asked several individuals involved in education for their opinion on Mayville State University. These individuals had only positive comments about the University and the education it provides to its students.

As you can see, I am a firm believer in Mayville State University. I am enjoying my time at Mayville, and am certain that the education I am receiving is the best I can get.

Thank you for your time.

Mayville State University

House Appropriations
Sub-Committee on Education
January 14, 1999

Richard Forsgren, Executive Director
Traill County Economic Development Commission
Mayville, ND

Madame chair, members of the committee, my name is Rick Forsgren. I am currently the Executive Director of the Traill County Economic Development Commission (TCEDC). I am a graduate of North Dakota State University (NDSU) and have been a businessman in Traill County for 32 years.

The reason I am here today is to relate to you how important higher education is to me personally, and to the county I represent.

Due to economic conditions, last spring I found it necessary to close my business. Having graduated from NDSU 30 plus years earlier, I felt somewhat less than prepared for today's job market. It seemed that everything in the business and or accounting fields required computer training. I was fortunate to be able to enter into the computer training available at Mayville State University (MaSU) and become proficient in the use of laptop computers. I had been on the board of the TCEDC for nine years, and was the chairman when our executive director announced that he had accepted a new job in Montana. This job required the type of experience that I had acquired working with the EDC over the past nine years, but it also required computer proficiency, for which I had just been trained.

I tell you this story, not so much to explain how fortunate I was to get the training I needed at the time I needed it, but to emphasize the immediate value of the training and education our institutions provide to their students. There will be a greater need to retrain other (older than average) North Dakota residents in the near future if we are to allow them to remain in the state with good jobs. In addition, we need to train our youth in jobs for the 21st century.

In working with economic development over the past years, I see how much hard work and money are expended chasing business, and how hard-fought each victory is. Sometimes we fail to see the value of what we have in place and what could be accomplished by expanding on it, and really helping it work better at what it does.

I feel that this is the case with our university system, and small schools like Mayville State in particular. We feel that we spend a lot of time and money just fighting for our lives on the state level. While we have been doing that, we have also been asked to change more than any other institution in the system, which we have done. Not only has it been done, but done in the right way, at the right time, and at no additional cost to the state.

MaSU has collaborated and joined forces with Valley City State, instituted the laptop computer program, and worked on their curriculum to be more "student" sensitive. MaSU and Valley City State can provide the training that our youth and our older than average students are going to need in the future.

In addition to attending to their role in higher education, Mayville State University houses the offices of a successful start up computer technology business, ComMark. They also house the offices of The Traill County Economic Development Commission, The Traill/Steele ARCH Board, and the Head Start program. Employees of the University are involved in volunteer positions as members and officers of local economic development commissions, and also the Traill County EDC. Their participation in these organizations is vital. Mayville State University is much more that just a university in the community, it is a university for the community and surrounding area.

Looking at the economic future of Traill County, I can see that one of our best chances for success is the collaboration between Mayville State and the business community, taking advantage of the need for training the workforce of the future, and finding work for them. Our focus is on keeping some of that workforce in Traill County and in North Dakota once it is trained, fostering growth in our community and state.

The people of North Dakota have made it clear that they want the legislature to fund the colleges we have. I would ask you to take that a step further, and look at our university system as the engine that will get our state's economy back in line with the growth that is happening in the rest of the country. Let us not think of the universities as an expense we cannot afford, but as an investment in the future of our state that we must adequately fund for them to provide the desired effect.

At a recent Greater North Dakota Association conference, Frank Feather stated that our future is not in the ground we are standing on, but between our ears. Please fund our universities to a level that will allow them to attract the quality teachers and students that will put our state in a position to participate in that growth. They cannot, and will not, be able to do this if their buildings are falling down around them, their heating systems don't work, and they are forced to fight for their lives every two years. They are doing their part. Now you must do your part.

Masu Testimony Information

Respectfully submitted by Pam McGee, Corporate Education Specialist/ Great Plains Inc.

My View of Mayville State University

Mayville State University has made it their mission to provide a learning environment that fosters individual growth, supports a collaborative learning environment, offers high teacher/student interaction, focuses on professional development and skill development, and most importantly, integrates technology into the students everyday academic life. During my employment at Mayville State University, we had the fine pleasure of beginning the partnership with Great Plains. We both share some of the same core values: a relaxed culture, a focus on ND economic development, a desire to impact and create great learning and work environments for the individual, high integrity, and an open desire for continuous improvements and innovation.

Some of the highlights of MaSU regarding the relationship with Great Plains:

- MaSU developed and delivered a Project Management Curriculum offered to Great Plains Team members on-site.
- MaSU has developed a special Project Management curriculum that will develop the much needed Project Management skills for today's IT world. To quote Tom Peters, "Routinely working across functional barriers will be seen as the way business is done. Careers will become a series of projects."
- MaSU is a Great Plains Dynamics authorized university.
- MaSU has taken the lead on developing an IT curriculum that will assist in developing a workforce for our Great Plains ND Corporate Headquarters, other IT companies in ND, and other companies wishing to relocate to ND because of our developed IT workforce.
- MaSU actively participates with Great Plains in our internship program. We are successfully sending 14 VSCU/MaSU students through a 6-month internship at Great Plains this spring because of our high technology business partnership. The number will only grow as Great Plains and Mayville State focus jointly on educating our High School graduates on the career possibilities in their own backyard.
- MaSU offers a Professional Development class that focuses on preparing the student for the work environment. It begins to develop Impression Management Skill like dining etiquette, communication protocol, social interaction, etc. The class also focuses on preparing the student for their job search, the interview process, and the resume creation. The end result is a better-prepared and well-equipped professional for the workforce 2000 environment.
- 100% student, faculty and staff notebook computer policy. (#1 university in the Midwest)

There is tremendous prejudice against higher education for being inflexible and unresponsive to the needs of society. MaSU has proven that they are willing to flex their class offerings, focus on distance learning, work with special curriculum models designed with business and academic insights, and develop class models that support our agricultural community.

Great Plains offers many unique employment opportunities for a variety of individuals. Positions range from marketing, sales, development, support, education, to just name a few. The IT curriculum that MaSU has created supports both a Business Administration IT professional and a Computer Science IT profession. The shortage of qualified employees for the year 2000 can seem overwhelming and threatening. John Graham, an acclaimed thought leader in economic growth, states very clearly that knowledge is service and service is the key to successful customer relationships and economic growth. Mayville State University definitely embraces knowledge and service. They treat students as customers, businesses as opportunities for growth, and employees as valuable resources. Both Great Plains and Mayville State University are trying to foster and develop rich and rewarding experiences that will entice and solicit individuals to our fine ND State. Our human resources are as precious as our rich soil. The strategies delivered by Mayville State and Great Plains are concurrent in thought process to our Build ND program and our Leadership ND program.

My closing thought has to do with the Power of Expectations. Often we create low expectations for our small ND institutions. It becomes very had for the small institution to impress the press, the community, and the officials. The powers of perceptions overrule the reality of the successes. #4 in the nation to implement notebooks campus-wide is impressive. How can we credit and support our small institutions for that innovation and "out of the box thinking?"

WITH THE EXCEPTION OF THE FOLLOWING
PAGES THE TESTIMONY IN THE SENATE
WAS IDENTICAL TO THAT GIVEN IN THE HOUSE

1999-2001 Budget Hearing

Senate Appropriations Committee

March 1, 1999

Overview

Ellen Earle Chaffee
President

97-99 vs. HB1003

excluding major capital projects

- Salaries and wages, 4.3%
- Operating, 4.8%
- Equipment, 0
- Facility repairs, -37.4%

- General funds, 3.9%
- Income, -3.2%

Excluding major capital projects, MaSU would have a proposed increase of 3.9% in general funds and a 3.2% reduction in income. HB1003 includes increases of 4.3% for salaries (primarily 2 + 2 compensation package) and 4.8% for operating (mainly inflation on utilities). No increase is proposed for equipment. During 1997-99, MaSU received special funding for small campus capital projects and ADA projects. No such funds are included in HB1003. Therefore, although there is a proposed increase in capital improvements/repairs, the loss of ADA and small campus funds will mean a net loss of 37.4% for MaSU to repair physical facilities.

HB1003 includes the following reductions from the Executive Recommendation :

Compensation package (1+ 1)	$105,036
Operating (.5%)	43,644

Reinvestment

- Faculty positions
  - information technology in business, $80,000 (1)*
  - information technology in CIS, $79,641 (2)
- Academic support positions
  - instructional technology specialist, $60,000 (2)
  - individualized instruction, $72,100 (10)
- Music program, $21,000 (2)
- International/diversity, $10,000 (2)

*Number in parentheses is SBHE priority

MaSU intends to reallocate salary funds to emphasize faculty positions in information technology. The allocation for instructional technology supports faculty efforts to ensure the success of the notebook computer initiative. Staffing for individualized instruction will support efforts to make any and all MaSU programs available any time, any place.

SBHE Critical Salary Pool

- Targeted critical salary adjustments, $2,635,851

The critical salary dollars have are included in a SBHE pool. MaSU intends to use any portion it would receive from this pool to support faculty and staff positions in information technology. A severe national shortage of people in this field requires these adjustments in order to attract applicants and retain essential personnel

Mayville State University
HB1003 Reductions from the Executive Recommendation

Salaries - $105,036

Faculty and staff leave MaSU for many reasons including salaries below market. Reinstatement of the additional 1% increases in compensation will have a positive influence on faculty and staff morale. The additional 1% increases will demonstrate a further commitment by the State toward the salary problem. This commitment, when considered with other positives relating to working and living in North Dakota, will influence a number of people to stay.

Operating - $43,644

The total proposed increase in operating is $100,533, which includes $90,177, anticipated increase in utility costs, and an additional $10,356 (.8%) to offset inflation /growth in other areas. The $43,644 reduction would allow an additional 3.4% toward the inflation /growth in operating expenses other than utilities over the biennium. Without the increased finding, resources will be reduced in areas such as repairs, professional materials for the library and faculty, and equipment that cost less than $750. The end results are fewer resources for faculty and student learning, and an environment that is not as safe and effective.

Mayville State University

Senate Appropriations
March 1, 1999

Richard Forsgren, Executive Director
Traill County Economic Development Commission
Mayville, ND

Madame chair, members of the committee, my name is Rick Forsgren. I am currently the Executive Director of the Traill County Economic Development Commission (TCEDC). I am a graduate of North Dakota State University (NDSU) and have been a businessman in Traill County for 32 years.

The reason I am here today is to relate to you how important higher education is to me personally, and to the county I represent.

Due to economic conditions, last spring I found it necessary to close my business. Having graduated from NDSU 30 plus years earlier, I felt somewhat less than prepared for today's job market. It seemed that everything in the business and or accounting fields required computer training. I was fortunate to be able to enter into the computer training available at Mayville State University (MaSU) and become proficient in the use of laptop computers. I had been on the board of the TCEDC for nine years, and was the chairman when our executive director announced that he had accepted a new job in Montana. This job required the type of experience that I had acquired working with the EDC over the past nine years, but it also required computer proficiency, for which I had just been trained.

I tell you this story, not so much to explain how fortunate I was to get the training I needed at the time I needed it, but to emphasize the immediate value of the training and education our institutions provide to their students. There will be a greater need to retrain other (older than average) North Dakota residents in the near future if we are to allow them to remain in the state with good jobs. In addition, we need to train our youth in jobs for the 21st century.

In working with economic development over the past years, I see how much hard work and money are expended chasing business, and how hard-fought each victory is. Sometimes we fail to see the value of what we have in place and what could be accomplished by expanding on it, and really helping it work better at what it does.

I feel that this is the case with our university system, and small schools like Mayville State in particular. We feel that we spend a lot of time and money just fighting for our lives on the state level. While we have been doing that, we have also been asked to change more than any other institution in the system, which we have done. Not only has it been done, but done in the right way, at the right time, and at no additional cost to the state.

In 1998, Governor Schafer and his partner, Science Applications International Corporation (SAIC) invited MaSU and schools in its region to demonstrate that information technology can provide increased school age and lifelong learning opportunities in remote rural homes and towns. The project is part of the Centers for Excellence in Rural America (CERA) project. Watford City, ND, a project in Grand Forks, and two communities in Wyoming are also participating in the CERA project.

CERA officials designated the Mayville region as leaders in the education area. Other project areas are earning a living, family commerce, citizen participation, wellness, and recreation. The CERA project will require the cooperation of MaSU and Traill County EDC and will also require an adequate level of funding for technology personnel at the college. Now that MaSU is in the lead in this field, please allow them the resources necessary to stay in the lead and improve on it.

MaSU has collaborated and joined forces with Valley City State, instituted the laptop computer program, and worked on their curriculum to be more "student" sensitive. MaSU and Valley City State can provide the training that our youth and our older than average students are going to need in the future.

In addition to attending to their role in higher education, Mayville State University houses the offices of a successful start up computer technology business, ComMark. They also house the offices of The Traill County Economic Development Commission, The Traill/Steele ARCH Board, and the Head Start program. Employees of the University are involved in volunteer positions as members and officers of local economic development commissions, and also the Traill County EDC. Their participation in these organizations is vital. Mayville State University is much more that just a university in the community, it is a university for the community and surrounding area.

Looking at the economic future of Traill County, I can see that one of our best chances for success is the collaboration between Mayville State and the business community, taking advantage of the need for training the workforce of the future, and finding work for them. Our focus is on keeping some of that workforce in Traill County and in North Dakota once it is trained, fostering growth in our community and state.

The people of North Dakota have made it clear that they want the legislature to fund the colleges we have. I would ask you to take that a step further, and look at our university system as the engine that will get our state's economy back in line with the growth that is happening in the rest of the country. Let us not think of the universities as an expense we cannot afford, but as an investment in the future of our state that we must adequately fund for them to provide the desired effect.

At a recent Greater North Dakota Association conference, Frank Feather stated that our future is not in the ground we are standing on, but between our ears. Please fund our universities to a level that will allow them to attract the quality teachers and students that will put our state in a position to participate in that growth. They cannot, and will not, be able to do this if their buildings are falling down around them, their heating systems don't work, and they are forced to fight for their lives every two years. They are doing their part. Now you must do your part.

Department 242 - Valley City State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	111.35	$11,371,567	$3,866,587	$15,238,154
1997-99 Legislative Appropriations	110.18 *	10,749,864	5,259,027	16,008,891 **
Increase (Decrease)	1.17	$621,703	($1,392,440)	($770,737)

* The 1997-99 appropriation is based on 103.68 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 110.18 FTE positions shown above represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

Major Items Affecting Valley City State University 1999-2001 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $8,820,000.)		($1,620,865)	($1,620,865)
2. Reductions made to reflect the institution's 95 percent budget request, which included reductions for curriculum streamlining, early retirements, summer school, library acquisitions, student affairs, business affairs, alumni support, the Information Technology Center, the Kathryn Center, and the Center for Instruction Innovation	($919,419)		(919,419)
3. Adds funds for restoration and reinvestment, including funds for restoring services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, or maintenance	539,296		539,296
4. Adds funds for cost to continue including previous year salary increases, utility cost increases, and operating expenses inflationary increases (provides for an annual tuition increase of 4 percent)	104,136	202,935	307,071
5. Adds funds for critical salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	66,000		66,000
6. Adds funds for increased extraordinary repairs	40,334		40,334
7. Removes 1997-99 capital project funding for McFarland Hall renovations	(540,000)		(540,000)
8. Provides capital project funding for sprinkler system and exit system upgrades	547,000		547,000
9. Provides for the following FTE changes:			
Adds:			
0.75 FTE higher education faculty	105,095 *		105,095
0.75 FTE higher education faculty	51,835 *		51,835
0.75 FTE higher education faculty	103,262 *		103,262
1.00 FTE higher education faculty	55,949		55,949
Deletes:			
1.00 FTE training officer I	(64,851) **		(64,851)
0.50 FTE administrative assistant I	(33,435) **		(33,435)
0.58 FTE administrative assistant II	(38,234) **		(38,234)
10. Deducts salary funding transferred to the systemwide salary pool (The House reallocated to the institutions.)	(540,061)		(540,061)
11. Adds funding for the Center for Instruction Innovation (The House reduced the Center for Instruction Innovation funding by $50,000.)	40,000		40,000

* The funding increases are also included in the restoration and reinvestment amounts shown above.

** The funding decreases are also included in the 95 percent budget reductions shown above.

Major Legislation Affecting Valley City State University

There is no major legislation affecting Valley City State University.

House Appropriations
Sub-Committee on Education
January 14, 1999

Ellen Earle Chaffee
President, Valley City State University and Mayville State University

Valley City State University

Madame chair, members of the committee, I am pleased to present Valley City State University, with my colleagues, Student Senate president Maggie Clemens, economic development director Jennifer Feist, and vice president for business affairs Steve Bensen. In addition, Ray Boyer, our director of facilities services is available for questions. Before I begin, I would like to introduce a special guest of VCSU. Eva Fernandez arrived 12 days ago from Oaxaca, Mexico as our first student through a new international university exchange agreement. She has been working in economic development for the state of Oaxaca, and we hope to build not only academic exchanges, but business relations as well.

I will briefly cover two of the three points listed on the slide: basic facts and recent developments. Then Ms. Clemens and Ms. Feist will offer brief testimony. Finally, vice president Bensen will present the budget information.

We provide two slides with basic information about the university and its students, for your reference. Enrollment is steady, costs are down, and private giving is up. Most of our students come from North Dakota, and most of them remain here after graduation.

Time does not permit a complete review of the notable events at VCSU. We partner not only with Mayville State, but also with two universities in Mexico and one in Canada, as well as institutions of similar size across the border in Minnesota. We teach classes in Jamestown and on the NDSU campus in Fargo. We have a very active school of the arts for students and community folks of all ages. The Kathryn Center for Lifelong Learning serves most of North Dakota's most outstanding businesses and organizations with experience-based training in practical personal and interpersonal skills that adults need.

In the last few years, we have won several million dollars worth of grants, primarily to support faculty development and some equipment for the computer initiative. We have also started a student fee of $950 per year for computers and networking, a major source of revenue for the notebook initiative.

In short, you have a student-centered university that is committed to learning, improvement, and technology-enriched education. The university enjoys strong community support and contributes substantially to the state's work force and civic life.

I am pleased now to introduce Maggie Clemens, Student Senate president, followed by Jennifer Feist from economic development.

VCSU
VALLEY CITY STATE UNIVERSITY

House Appropriations

Ellen Chaffee
President

January 14, 1999

Valley City State University

- Basic facts
- Recent developments
- Budget

Basic Facts: VCSU

• 1997-99 budget	$14.2 million
• Employees	About 126
• 10 yr. Enrollment trend	Steady
• Cost per student	Down 14% since '87-9
• Average class size	17
• Private scholarships	$245,000 in 1997-98

Basic Facts: VCSU Students

• Enrollment	1081 HC, 821 FTE
• From North Dakota	80%
• Over age 21	43%; 21% over age 24
• Minority	5%
• Placement in ND	2/3-3/4 of graduates

VCSU Recent Developments

Notable Events at VCSU

- Universal notebook computer use for learning
- Partner universities: MaSU, Canada, Mexico, Crookston
- Outreach in Jamestown
- Elementary education on NDSU campus
- Community School of the Arts
- Kathryn Center for Lifelong Learning
- Center for Innovation in Instruction

Special Funding at VCSU

- 1995-2000 Title III grant for $1.4 million with MaSU
- 1998-2003 Title III grant to VCSU for $1.7 million
- Bush Foundation faculty development grant
- Student fee ($950/year) for notebook computers and networking

VCSU Strengths

- Commitment to and expertise in teaching and learning
- Eagerness for change, improvement, filling a national leadership position
- Expertise in instructional technologies
- Community and alumni loyalty, support
- Grads who stay and work in ND

VCSU Budget

97-99 vs. HB1003

excluding major capital projects and CII fund transfer

- Salaries and wages, 3.3%
- Operating, 6.1%
- Equipment, 0
- Facility repairs, -27.3%

- General funds, 1.1%
- Income, 4.2%

Reinvestment

- **New faculty positions**
  - information technology in business, $98,247 (1)*
  - technology education, $100,000 (1)
  - instructional technology, $50,002 (10)
  - customized learning, $53,996 (1)
- **Targeted critical salary adjustments, $66,000 (8)**

*Number in parentheses is SBHE priority

Summary of New Commitments

- Instructional technology
- Technology education
- Information technology
- Customized learning

3.25 FTE

Uses for 5% SBHE Salary Pool

$540,061

Additional salary funds available, $345,517

- 3 + 3 salary increases ($519,576)
- 3.25 authorized new positions (est. $302,245)
- Targeted critical salaries, $66,000

Total cost over funds available: $542,304

Construction, 1995-99

- New track (state, school, & private funds)
- Fieldhouse sign (private funds)
- Fieldhouse floor (state and private funds)
- Roofs: McFarland, Foss, Kolstoe
- Networking
- Multimedia Classrooms
- ADA restrooms
- Continue McFarland Hall restoration:
  - East main floor offices
  - ADA elevator and vestibule
  - ADA rest rooms
  - Windows, entries

– $225,000 for extraordinary repairs in 1997-99

99-01 VCSU Capital Request

1. Boiler, pipe/access., fuel oil storage, $740,000
2. Sprinklers, exit upgrades, 454,300
3. Steam distribution tunnels, $1,312,300
4. Fire alarms, $184,000
5. Vangstad remodel, $270,000

99-01 SBHE Capital Request

- $740,000 for boiler (candidate for funding from State Board's top priority request, a $10 million pool for infrastructure).
- $454,300 for sprinklers, exit upgrades (Board priority 3).

99-01 HB1003 Capital Request

$547,000

Sprinkler and exit upgrades for McFarland Hall, Vangstad Auditorium and McCarthy Hall

Net Capital Changes

1997-99	HB1003
Repairs: $364,933	Repairs: $265,334 (-27.3%)
- Base, $225,000	- Base, $225,000
- ADA/small campus, $139,933	- Add in $40,334
Major projects, $540,000	Major projects, $547,000

VCSU Budget

Testimony by

Steven P. Bensen,

Vice President for Business Affairs

House Appropriations Committee
Subcommitee on Education

January 14, 1999

97-99 vs. HB1003

excluding major capital projects and CII fund transfer

- Salaries and wages, 3.3%
- Operating, 6.1%
- Equipment, 0
- Facility repairs, -27.3%

- General funds, 1.1%
- Income, 4.2%

The budget for VCSU has two special situations that make comparability with other campuses difficult: the fact that a major capital project is proposed with state general funds, and moving funds for the Center for Innovation in Instruction from the Department of Public Instruction and the ND University System to a special line item in the VCSU budget.

Removing these two special situations leaves VCSU with a proposed increase of 1.1% in general funds and a 4.2% increase in income. HB1003 includes increases of 3.3% for salaries and 6.1% for operating (mainly inflation on utilities). No increase is proposed for equipment. During 1997-99, VCSU received special funding for small campus capital projects and ADA projects. No such funds are included in HB1003. Therefore, although there is a proposed increase in capital improvements/repairs, the loss of ADA and small campus funds will mean a net loss of 27.3% for VCSU to repair physical facilities.

Reinvestment

- **New faculty positions**
  - **information technology in business, $98,247 (1)***
  - **technology education, $100,000 (1)**
  - **instructional technology, $50,002 (10)**
  - **customized learning, $53,996 (1)**
- **Targeted critical salary adjustments, $66,000 (8)**

***Number in parentheses is SBHE priority**

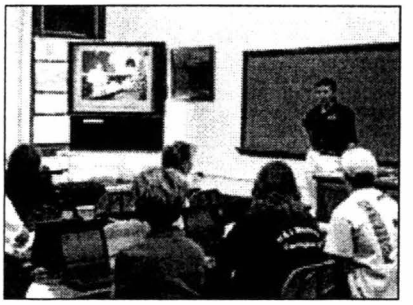
VCSU intends to reallocate and expend salary funds to emphasize faculty positions in information and instructional technology.Positions in technology education and customized learning complement a five-year $1.7 million grant that VCSU received in 1998. The purpose of the grant is to provide a much-needed, state-of-the-art program to prepare technology teachers, and to use that program as a pilot project through which any and all VCSU programs can be delivered any time, any place.

VCSU intends to use targeted critical salary dollars to support faculty and staff positions in information technology. A severe national shortage of people in this field requires these adjustments in order to attract applicants and retain essential personnel.

Summary of New Commitments

- Instructional technology
- Technology education
- Information technology
- Customized learning

3.25 FTE



Uses for 5% SBHE Salary Pool

$540,061

Additional salary funds available, $345,517

- 3 + 3 salary increases ($519,576)
- 3.25 authorized new positions (est. $302,245)
- Targeted critical salaries, $66,000

Total cost over funds available: $542,304

HB1003 shifts $540,061 from VCSU's salary line to a pool in the University System office. The total increase in VCSU's salary line is $345,517.

It would take $519,576 to fund the proposed 3+3 percent salary increase. The budget plan calls for a net of 3.25 additional positions, for an estimated cost of $302,245. These two items, plus the $66,000 budgeted for targeted critical salary increases add up to $542,304 more than the proposed VCSU salary line. This is approximately the same amount as was pooled in the University System office budget.

Construction, 1995-99

- New track (state, school, & private funds)
- Fieldhouse sign (private funds)
- Fieldhouse floor (state and private funds)
- Roofs: McFarland, Foss, Kolstoe
- Networking
- Multimedia Classrooms
- ADA restrooms
- Continue McFarland Hall restoration:
  - East main floor offices
  - ADA elevator and vestibule
  - ADA rest rooms
  - Windows, entries

  – $225,000 for extraordinary repairs in 1997-99

6

We have been exceedingly fortunate to have funds for a number of construction projects in the last four years:

-Our new track was co-funded with K-12 and private dollars.

-McFarland, Foss, and Kolstoe have new roofs.

-Academic buildings and residence halls are networked.

-Every academic building has multi-media classrooms, to help us capitalize on the notebook initiative.

-The Student Center and Mythaler have new steps.

-The Kathryn Center has a new office suite.

-The computer center has a Help Desk.

-The library has an elevator and new south entrance.

- The East end of McFarland hall has newly renovated student services offices, with an ADA-required elevator.

99-01 VCSU Capital Request

1. Boiler, pipe/access., fuel oil storage, $740,000
2. Sprinklers, exit upgrades, 454,300
3. Steam distribution tunnels, $1,312,300
4. Fire alarms, $184,000
5. Vangstad remodel, $270,000

This list shows what VCSU requested of the State Board of Higher Education.All are very basic items, most relating to life safety concerns. The remodeling of Vangstad Auditorium addresses concerns about the balcony's integrity and dangerously ancient electrical systems.

99-01 SBHE Capital Request

- $740,000 for boiler (candidate for funding from State Board's top priority request, a $10 million pool for infrastructure).
- $454,300 for sprinklers, exit upgrades (Board priority 3).

The State Board of Higher Education approved VCSU's top two requests, although VCSU's priority #1 would have had to compete against other infrastructure projects in a pool that would have been administered by the Board.

99-01 HB1003 Capital Request

$547,000

Sprinkler and exit upgrades for McFarland Hall, Vangstad Auditorium and McCarthy Hall

In the end, HB1003 included VCSU's priority #2 item. The increased cost over our initial request reflects an assessment by the facilities manager for the Office of Management and Budget, who noted that serious sprinkler and exit issues existed in Vangstad, as well as McFarland and McCarthy.

Net Capital Changes

1997-99	HB1003
Repairs: $364,933 - Base, $225,000 - ADA/small campus, $139,933	Repairs: $265,334 (-27.3%) - Base, $225,000 - Add in $40,334
Major projects, $540,000	Major projects, $547,000

VCSU would have 27.3 percent less for major repairs on campus next biennium that it had last biennium. As noted earlier, the decrease reflects the fact that ADA and small campus pools are not included in this budget.

VCSU would also have $547,000 in state general funds to address life safety issues in three of the most heavily-used buildings on campus.

House Appropriations Committee
Sub Committee on Education
January 14, 1999
Maggie Clemens
President, Valley City State University Student Senate

Madame Chair, members of the committee, my name is Maggie Clemens. I am President of the Valley City State University Student Senate. I'm a sophomore double majoring in English Education and Business Education and today I would like to share with you some of the advantages of attending Valley City State University.

As a senior at Divide County High School in 1997, I had chosen to bravely go where no man (or woman) had gone before. I was going to Valley City State University. Many of my classmates chose schools closer to home and since I was the only one of the 51 graduates choosing this path, many people asked me why are you going to Valley City State University? At the time I wasn't really sure why I was going to VCSU. I did have one reason, I had toured Valley City and it felt like home. As a junior and senior in high school, I looked at many colleges and universities both public and private and both in state and out-of-state. And VCSU was the only one that felt like home. I remember walking across campus on a November afternoon and thinking, "Yup. This is it. I can go to school here and be happy."

Now at the half way mark of my second year the reasons seem so much more obvious. VCSU has an atmosphere that is difficult to describe in words. It can much easier be explained with a wave or a smile. I love being able to walk to my classes and being able to say hello and call each person by name. The cliché is true—at VCSU you are a person not just a number. In the year and a half I have been at VCSU I have had just two classes with a little over fifty students and one as small as seven. Most of my classes average around 20 students. It's hard to explain what it means to have a professor call you by name and ask how your weekend was. Although it is a little embarrassing, it even helps when the professor can read the look of confusion on your face and backs up the lesson just for you. Recently a friend shared with me a story about a time when she was sick. She had an awful cold and had decided to go home early Friday morning. She e-mailed her professors and explained the situation. That afternoon when she was at home asleep, one of her professors called her home and spoke with her mom to make sure she was doing okay. VCSU faculty members definitely go above the call of duty and make college life one step easier.

The same can be said about the staff at VCSU. I have two little stories that give examples of this. Last year in October I got my hair cut and styled differently. The next day as I walked through the cafeteria line, one of the cooks complimented me on my hair. And this year just before finals week, I was walking through the Student Center feeling a little stressed out. Wayne, the janitor, stopped me and asked if everything was okay. I assured Wayne that it was only the stress of finals and I would be more cheerful after I got my English paper written. It is great knowing that the people really notice you and care about you.

VCSU not only has an excellent learning environment; the same can be said about the living environment in the dorms. Last year I was fortunate enough to be a resident in a dorm run by four great resident assistants. They made me feel at home from the first night I spent in the dorm. I knew that I could go to anyone of the RA's with any problem that I might have whether it be with school, my family, or my friends. Their doors were always open. Thanks in part to their encouragement I am now an RA, and I hope that I am following their example. Being an RA is one of the most rewarding positions I have ever held. Sometimes I have to remind myself of that when I get a 3 a.m. phone call from someone who is locked out of her room. I look back to the day in August when these girls moved into the dorm. Most of them were scared to death. You could see it in their eyes and hear it in their voice. If you could see them now you would be able to see how much they have grown. It is a wonderful thing to watch and in a way I feel like their mom. And at times I sound like their mom, "Make sure you put your hood up. Take some cough syrup and go to bed. You wash that sweater in cold water." At VCSU I feel that I give my girls the personal attention that they would not receive in a dorm at a larger school. I am able to name most of the girls in my building while RA's at larger schools can perhaps only name the girls on their floor or wing. It all comes back to being able to call the girls by name, asking how their day was, and actually caring about the answer they gave.

Being an RA is just one of the opportunities I have had at VCSU. Last spring I was elected Student Body President. Not only am I the first female president in many years, I am also the first true

sophomore to hold the office along with three other true sophomore females that hold the offices of vice-president, secretary, and treasurer. I guess our unofficial motto is "Girl Power!" When I arrived at VCSU for my freshman year I had it set in my mind that I was going to take it easy. As I high school student I participated in almost every activity available and I was ready for a break. Well after one week I was bored! I needed something to do. The current president of student senate talked to me one day at lunch and encouraged me to file for a freshmen senator position. I did and I was elected. In February I was elected to fill the office of Vice-President that had been vacated, and then in April I was elected president. And ever since that day I haven't complained of being bored. I enjoy my work and the best part is helping out at the campus level.

My campus involvement does not end with Student Senate and being an RA. I am also a member of the Inter-Residence Hall Council, Newman Club, Phi Beta Lambda, Speech League, Viking Ambassadors, Newspaper Staff, and I play every intramural sport. I know that if I were going to a larger school I would not be this involved. Chances are I would be in one or two clubs and spend the majority of my time being with my friends from my hometown. With its small enrollment VCSU offers students opportunities that they normally do not receive at larger schools. By participating in these activities, I am learning skills such as communication, leadership and time organization. These skills will help me be one step ahead of the rest of the candidates when I enter the job field.

Valley City State University's learning environment, living environment, and the opportunities it gives the students are all reasons that I am proud to call myself a Viking. Down the road when I am out in the "real world" I know I will look back on my college days with fond memories, and I will never resent taking the road less traveled.

House of Representatives
Education Sub-Committee of the Appropriations Committee
January 14, 1999
Jennifer Feist
Director of Development, Valley City – Barnes County Dev. Corp.

Madame Chair, members of the committee, my name is Jennifer Feist. I am the Director of Development for Valley City – Barnes County, a position that I have held for the past 12 years. I am here today to discuss with you the importance of Valley City State University to our community, Barnes County, the region and State of North Dakota.

The Development Corporation has enjoyed several successes in the last few years including AgAir Manufacturing, Sure-Way Systems, ACI Telecentrics and the expansion of Case Corporation and several others in our community. As the Development Corporation refocused their efforts, discussions about job creation and industrial development efforts boiled down to one basic question: "What is it that separates us from the rest?" Our answer...Valley City State University. VCSU is a basic industry in our region. It is a large part of our infrastructure and a critical player to our industrial development efforts. Why? As we know, workforce training and workforce development are the hot buttons today. Communities need to demonstrate and document that a readily available workforce exists; that the skills of the workforce match the company's needs; and finally, that resources are available to provide training on a continual basis. Some of the new initiatives at Valley City State University include:

1. *Notebook Initiative:* VCSU is the first in ND and second in the nation to provide 24 hour, universal student and faculty access to notebook computers. Our students live with technology every day.
2. *Kathryn Center for Lifelong Learning:* Corporate training including adventure learning (a ropes course) is available through the Kathryn Center for Lifelong Learning. A customized training program is designed to meet the specific needs of a company (ie. People or "soft" skills, computer skills) complete with monitoring and follow up training which ensures success.
3. *Private Sector Partnership:* VCSU enjoys a strong partnership with Great Plains Software and has implemented their entry level skill expectations as a specific track within the curriculum. Through an intensive, classroom and internship program, students become uniquely qualified to succeed in any information technology business.
4. *Regional Technology Center:* When the Development Corporation sits around the table with a client, we consistently hear of three (3) factors of which they are concerned:
    A. Community Infrastructure;
    B. Labor Force; and
    C. Support Services

    The Development Corporation is the lead organization in the establishment and construction of a Regional Technology Center...A One Stop Information Technology Knowledge Center...where these three critical elements will come together. The Center's focus is to deliver on the needs of business and industry, individuals, students, and the public sector within the region. The Regional Technology Center is a partnership between the Development Corporation and VCSU to provide workforce training and development, customized learning *(any time, any place, open entry, open exit, meeting customers' needs, on their terms)*, support services and physical space to new companies. The Center will house the Center for Innovation in Instruction and Technology Education. At least 50 percent of the 20,000 sq.ft. facility will be dedicated to business incubator space. Two companies have provided letters of intent to locate in the Technology Center creating 12 to 15 jobs initially and 50 in three (3) years. A third company has expressed serious interest in expanding to Valley City and locating in the Center. The City of Valley City and the Barnes County Commission support the Technology Center and have approved $500,000 total for the construction of the facility and operating funds for the first five (5) years. A plan is also in place to implement the necessary community infrastructure that will allow access to the latest telecommunications technology. The overall system will be expandable at an affordable investment and will truly be a means of rural development.

All of these initiatives underscore the importance of VCSU and its commitment to this region and to North Dakota.

1. **Risk taking is not foreign to us.** The notebook initiative required quick response to seize an opportunity that will significantly impact our future.
2. **We are meeting the needs of business.** Our list of satisfied customers has grown every month, every year. Some of them include: Great Plains Software, Phoenix International, Lucas Aerospace, American Crystal Sugar, Meritcare, Marvin Windows, AgAir Manufacturing, Rosenbluth International, State Board of Higher Education, Cass County Electric and about 150 partners of Great Plains Software. We are appreciative and grateful for the opportunity and being selected to work with these businesses especially when other universities, technical colleges and private service providers are available.
3. **We are already doing what others are talking about doing.** Customized training and customized learning focuses on the needs of the customer. The Technology Center and Technology Education Program are examples of keeping pace with the latest in technology and the latest in educational needs, especially the needs of non-traditional learners, in a rapidly changing environment.
4. **We are innovative and flexible.** The partnership with Great Plains Software is an example of a four year institution being responsive and effectively implementing a program within its curriculum to assist with workforce training and development.
5. **Valley City State University is our investment partner.** VCSU has opened the door for long term growth. The information technology companies we are targeting will create jobs that demand higher wages and assist with retention of our population especially younger people who want to stay in the area. They also provide an alternative for off-farm income to those who wish to pursue opportunities. Representatives from VCSU participate in visitations with companies that are interested in locating in our community at the ground floor. Companies prefer to locate in regions where a two or four year institution exists because they realize the benefits and services they can access. Missed opportunities would be great without the courage and innovation evident at VCSU.

We believe Valley City State University is on the cutting edge...the cutting edge of "K" through Retirement learning...the cutting edge of workforce training...the cutting edge of technology...the cutting edge of the *use* of technology in education...the cutting edge of partnerships with other institutions, private businesses and individuals.

On behalf of the Valley City – Barnes County Development Corporation and our community we urge you to support the budget request for Valley City State University, the Kathryn Center for Lifelong Learning and the Center for Innovation in Instruction. Thank you.

Life at a Notebook University
(written for the REC Magazine)

Emily J. Iverson
405 2nd St. NE Apt. 2
Valley City, ND 58072
701-845-1938

Senior at VCSU
English Major, Business Software Applications Minor

Late one Sunday evening, I was writing a paper on my laptop computer while sitting comfortably on my couch at my apartment. My friend from another university called and I told her that I had a paper due Monday morning. She exclaimed, "Oh, no! Is there a lab open this late where you can type it?" I merely laughed, for I was typing it as we were speaking in the comfort of my own home.

Beginning in Fall 1996, every full-time student at Valley City State University (VCSU) is issued a notebook computer. At first, many students were apprehensive about using the laptops. Freshman Lisa Jacobson said, "I didn't want to mess anything up. ... I was nervous about what to do if it broke or something crashed."

But that fear fades fast as students may use these computers in class, at home, or nearly anywhere to complete their coursework. Since the laptop initiative, VCSU has transformed into a technologically advanced university that gives students the cutting edge advantage to help them prepare for their future.

I was a freshman the year before we received the laptops. I remember racing to the lab to snatch a computer before someone else snagged it first. I was constantly checking schedules to see if the computer labs were open during the times I was available to use them. During midterms and finals week, papers were a nightmare, for it was nearly impossible to find an open computer during the regular building hours.

A fellow senior, Michelle Ellingson agrees, "Life was difficult before [the laptops] because you had to go to the lab to do your papers and it was only open during certain hours. "

Term paper convenience isn't the only advantage to the laptops. They also provide forms of communication. VCSU students have access to the World Wide Web and e-mail right at their fingertips.

The Internet allows students to access vast amounts of information that were not readily available before. It is no longer necessary for students off-campus to make trips back to the library, as they can dial-up and logon to the Internet from any phone line. Once students are logged in to the network, they can access the library catalog and databases, as well as tap online data from government resources and organization web sites.

E-mail plays a big part on this campus as well. Since every student is issued an account, the faculty and staff use e-mail to make important announcements about classes, special events, and other information useful to the students.

Likewise, students can e-mail their instructors to ask questions or hand in their assignments. I even took an entire class via e-mail one summer. Students can also send other students questions about their classes or news about the next dance. Group work can be easily done without the hassle of arranging a meeting time.

Byron Engberg, a junior, elaborates, "I appreciate computers for the fact that connection to the college can be accomplished anywhere. You can keep up with your homework even if you miss classes. Communication is the key with these computers that opens up a whole new world for students."

Since e-mail is faster than writing and cheaper than using a telephone, this useful communication tool provides students with the ability to communicate with people off campus as well. I can keep in touch with my friend in Washington, my former classmate stationed in Korea, and my family back home.

The laptops have changed instruction at VCSU as well. Instead of writing lecture notes on a chalkboard, most professors create interesting presentations that project from their laptop to big screen TV's. They can then post the presentations on their web sites or e-mail them to the students. Some of my professors post all of their assignments on their web pages, so even if we miss a class, we can download and complete the assignment to be prepared for the next period. Instructors assign new technological group projects such as creating web pages, CD-ROMs, and PowerPoint presentations.

The notebook computers also introduce programs to students that they might not otherwise get a chance to utilize. Besides learning how to maneuver in Windows or Office 97, students get a chance to use special software related to their classes. Education classes learn how programs such as "Hyperstudio" can be effective learning tools in the classroom. Art majors create whole new dimensions of creative works with PhotoShop. English majors can learn about Shakespeare on a CD-ROM

Ellingson, a student athletic trainer, says, " I use it [notebook computer] to write all of my papers for classes, log my athletic training hours, create athlete information cards, make web pages for my campus job, take notes, and well...to do all of my homework!"

Of course, all of these programs could be used without laptops, but the students would be forced to use class- or lab-time to learn the programs if they were limited to use a desktop computer. Here, students are able to take their projects to their dorm room, to Grandma's for the weekend, to Cancun for Spring Break, or wherever they wish to go.

Increased computer skills have great potential to help students land internships and jobs after graduation. Last year, I was the editor for *The Viking News Online*, which is an on-line publication of our school newspaper. Because I learned how to create web pages for the newspaper, I was able to accept a web design internship in Minneapolis. After spending the summer there, I came back to VCSU and I am still working for the same company via e-mail. I now know that I would like to create web pages as a career. Ellingson sums it up well in saying that the notebook computers are a "good investment" because when we get out in the work force "we are going to be ahead of everyone technologically."

Granted, life with notebook computers isn't always full of warm fuzzies; some minor problems tag along with the laptops. There are the occasional students that do not finish their homework because they were playing computer games or "talking" in an on-line chat room until all hours of the morning. Sometimes the network crashes and students cannot print or e-mail their assignments; however, usually the professors, who experience their own technical difficulties, understand and make alternative arrangements.

Despite the few negatives, overall the laptops are a blessing to the instructors and students of VCSU. The convenience of the laptops creates time that we can spend working or having fun. For example, it's 2 A.M. and I can't sleep. Instead of staring at the ceiling and stewing over when I can get to the computer lab, I can work on this essay. When tomorrow comes, I can nap without guilt or take a longer lunch with my friends.

The notebook computer has enabled VCSU to interact with the world. We are not merely a little campus in North Dakota; we are a part of the global village, communicating with people who share our interests, wherever they may be.

#2

WITH THE EXCEPTION OF THE FOLLOWING PAGES THE SENATE TESTIMONY IS THE SAME AS PRESENTED IN THE HOUSE.

1999-2001 Budget Hearing
Senate Appropriations Committee

March 1, 1999

VCSU
VALLEY CITY STATE UNIVERSITY

97-99 vs. HB1003

excluding major capital projects and CII fund transfer

- Salaries and wages, 6.7%
- Operating, 3.9%
- Equipment, 0
- Facility repairs, -27.3%

- General funds, 3.6%
- Income, 4.2%

The budget for VCSU has two special situations that make comparability with other campuses difficult: the fact that a major capital project is proposed with state general funds, and moving funds for the Center for Innovation in Instruction from the Department of Public Instruction and the ND University System to a special line item in the VCSU budget.

Removing these two special situations leaves VCSU with a proposed increase of 3.6% in general funds and a 4.2% increase in income. HB1003 includes increases of 6.7% for salaries (primarily 2 + 2 compensation package) and 6.1% for operating (mainly inflation on utilities). No increase is proposed for equipment. During 1997-99, VCSU received special funding for small campus capital projects and ADA projects. No such funds are included in HB1003. Therefore, although there is a proposed increase in capital improvements/repairs, the loss of ADA and small campus funds will mean a net loss of 27.3% for VCSU to repair physical facilities.

HB1003 includes the following reductions from the Executive Recommendation :

Compensation package (1+ 1)	$141,147
Operating (.5%)	58,462
CII	50,000

Reinvestment

- **New faculty positions**
  - **information technology in business, $98,247 (1)***
  - **technology education, $100,000 (1)**
  - **instructional technology, $50,002 (10)**
  - **customized learning, $53,996 (1)**

***Number in parentheses is SBHE priority**

VCSU intends to reallocate and expend salary funds to emphasize faculty positions in information and instructional technology.Positions in technology education and customized learning complement a five-year $1.7 million grant that VCSU received in 1998. The purpose of the grant is to provide a much-needed, state-of-the-art program to prepare technology teachers, and to use that program as a pilot project through which any and all VCSU programs can be delivered any time, any place.

VCSU intends to use targeted critical salary dollars to support faculty and staff positions in information technology. A severe national shortage of people in this field requires these adjustments in order to attract applicants and retain essential personnel.

SBHE Critical Salary Pool

- Targeted critical salary adjustments, $2,635,851

The critical salary dollars have are included in a SBHE pool. VCSU intends to use any portion it would receive from this pool to support faculty and staff positions in information technology. A severe national shortage of people in this field requires these adjustments in order to attract applicants and retain essential personnel

Valley City State University
HB1003 Reductions from the Executive Recommendation

Salaries - $141,147

Faculty and staff leave VCSU for many reasons including salaries below market. Reinstatement of the additional 1% increases in compensation will have a positive influence on faculty and staff morale. The additional 1% increases will demonstrate a further commitment by the State toward the salary problem. This commitment, when considered with other positives relating to working and living in North Dakota, will influence a number of people to stay.

Operating - $58,462

The total proposed increase in operating is $107,590, which includes $90,341, anticipated increase in utility costs, and an additional $17,249 (.9%) to offset inflation /growth in other areas. The $58,462 reduction would allow an additional 3.2% toward the inflation /growth in operating expenses other than utilities over the biennium. Without the increased finding, resources will be reduced in areas such as repairs, professional materials for the library and faculty, and equipment that cost less than $750. The end results are fewer resources for faculty and student learning, and an environment that is not as safe and effective.

CII - $50,000 shift to Special Funding

The Center for Innovation in Instruction (CII) was established in 1993 as a learning technologies education and service center to North Dakota K-12 education. CII operates on a biennial budget of approximately $800,000. Funding sources are 40% fee, 10% grant, and 50% GF support. CII employees eight people, many of which travel throughout the state providing training at school district locations. The budget includes salaries 78%, travel 8%, equipment 4%, and other expenses 10%.

The $50,000 shift in GF support to fees could result in a 15% to 20% increase in fees charged school districts, or it could require a .5 FTE reduction in staffing with reduced travel to districts. The reduction in GF support addressed above is in addition to an internal reallocation of funds to address other institutional priorities of approximately $40,000. The internal reallocation of funds will affect fees or services similarly to the impact predicted with the shift from GF support. The combined impact of these reductions is substantial to CII's operations.

Senate Appropriations Committee
March 1, 1999
Jennifer Feist
Director of Development, Valley City – Barnes County Dev. Corp.

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The Partnership

Mayville State University
and
Valley City State University

Fall 1998

THE PARTNERSHIP

MAYVILLE STATE UNIVERSITY
AND
VALLEY CITY STATE UNIVERSITY

Mayville State and Valley City State Universities are autonomous institutions with similar missions, located 75 miles apart. They have separate accreditations and budgets. Both prepare people as teachers, for business careers, and for professional and graduate studies. To improve quality and efficiency, they share an executive team and a growing number of cross-campus ventures, while each maintains its unique identity.

Partnership Vision: Redefining the Future

Mayville State and Valley City State Universities dedicate themselves to a dynamic nationally recognized partnership committed to:

maximizing learning for a lifetime,
sharing and developing resources,
providing organizational efficiencies, and
documenting results.

Promise to North Dakota

This unique partnership and each of its member universities will be increasingly productive and satisfying forces for personal, community, and regional development. The two universities will document and publish their progress every year.

⚹ ⚹ PARTNERSHIP HISTORY ⚹ ⚹

On September 24, 1992, the Chancellor recommended to the State Board of Higher Education that: Mayville State and Valley City State Universities "would be served by one administrative team and would collaborate on academic offerings, programs, and services which through joint ventures would strengthen opportunities for students and faculty." The emphasis would be on innovative teaching and learning at VCSU and developmental and mathematics education at MaSU.

In September-November, 1992, MaSU and VCSU leaders developed planning options for institutional collaboration in joint academic program development, program sharing, and administrative partnerships.

In November 1992, the Board held open hearings on both campuses to listen to local ideas and issues about the proposed collaboration.

On December 22, 1992, assistant attorney general Pat Seaworth wrote to the Board that: "The Board has the power to adopt a plan to reorganize VCSU or MaSU so long as those institutions maintain their status as state normal schools and teachers colleges."

On December 17, 1992, the Board voted that: "In the interest of Mayville State University and Valley City State University, . . . MaSU and VCSU [will] be served by one administrative team and collaborate on academic offerings, programs and services which, through joint ventures, would strengthen opportunities for students and faculty. Continued excellence in the preparation of teachers in public schools will be the [illegible] emphasis with the understanding that the System Center for Innovation and Undergraduate Teaching and Learning at Valley City State University and the developmental studies and mathematics education programs at Mayville State University be key components in the collaboration. Further, that the students be very actively involved as this sets the framework for the development of this new model."

On July 16, 1993, the Board appointed Dr. Ellen E. Chaffee as the first shared president for the two universities.

Mayville State University and Valley City State University will sub[illegible]gress reports to the State Board of Higher Education on the following campus strategies which support North Dakota University System Planning Goals outlined in the NDUS Strategic Plan:

NDUS Goal 1 - Education Excellence
MaSU/VCSU will:
1. Ensure that all students will graduate with electronic portfolios documenting their best work in college and their fulfillment of the competencies expected of graduates.
2. Provide that all students will develop advanced skills in using information technologies through universal use of notebook computers both in and out of class.
3. Provide that all students will have increased opportunities and expectations for learning experiences that are based in real-life projects and include an international dimension.

NDUS Goal 2 -- Technology and Access
MaSU/VCSU will:
1. Establish a customized approach to learning that enables each person or organization to have effective, convenient, and efficient access to an educational process that supports independent progress toward their goals.
2. Adopt systems that support individualized, one-to-one contact and marketing, with a customer-driven point of contact for service management.
3. Increase number of programs that students may complete in less than four years if they wish.

NDUS Goal 3 -- Relevant Programs
MaSU/VCSU will:
1. Form more partnerships with business and other organizations to provide both credit and non-credit learning experiences customized to their needs.
2. Increase opportunities and expectations for all students for learning experiences that are based in real-life projects and include an international dimension.

NDUS Goal 4 -- Leadership in Research
MaSU/VCSU will:
1. Conduct and encourage others to conduct applied research on the impact of the notebook initiative on student learning.
2. Partner with area communities and others to support economic development, especially as it applies to information technologies.

NDUS Goal 5 -- Learning Environment
MaSU/VCSU will:
1. Complete the infrastructure necessary to support universal student and faculty use of notebook computers.
2. Increase substantially the ability to access, analyze, and make decisions based on data.
3. Streamline governance procedures.

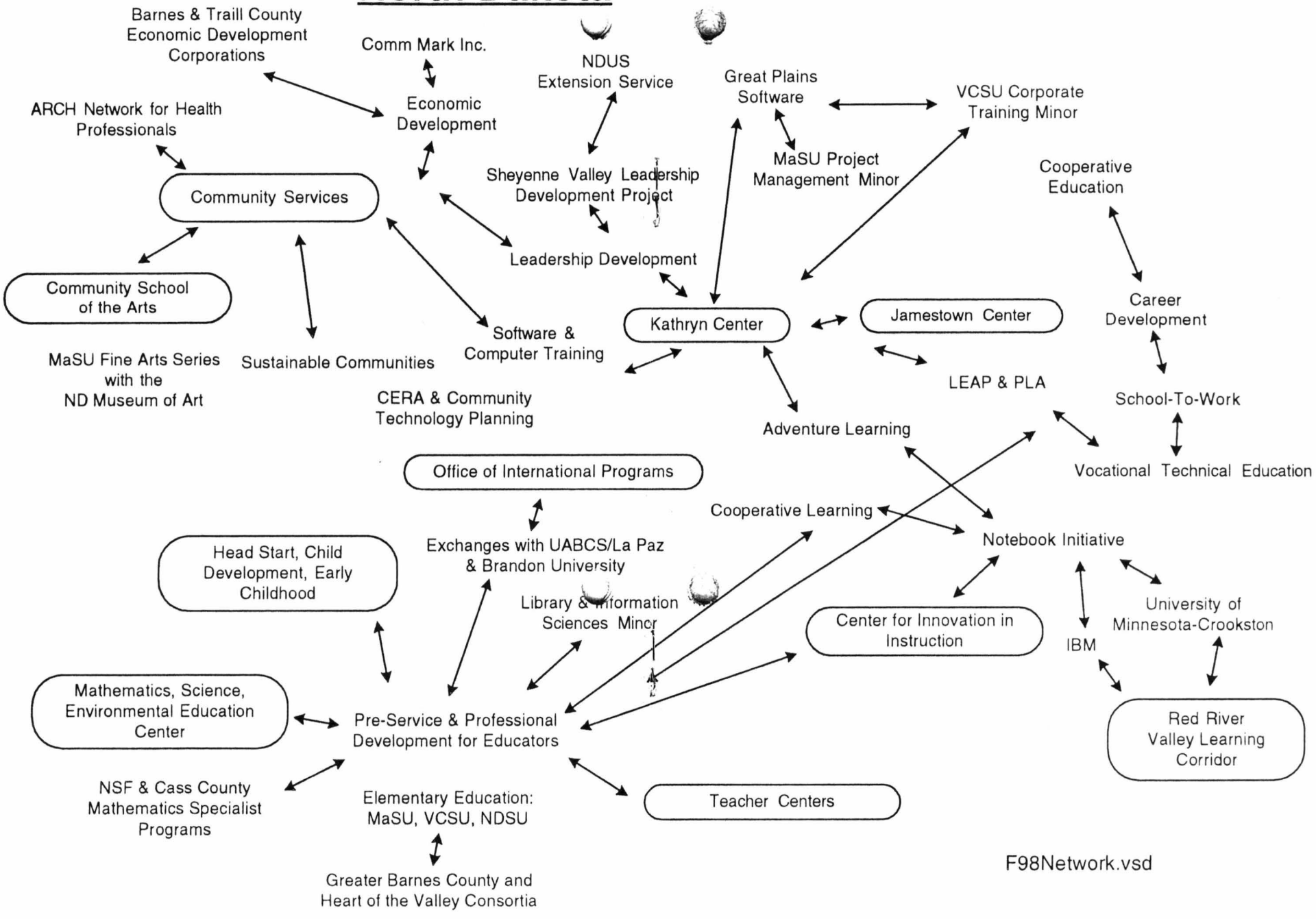
NDUS Goal 6 -- Documented Performance
MaSU/VCSU will:
1. Continue to produce and distribute the annual Report to Investors, showing trend lines on key data that are of interest to the public and legislators.
2. Report progress on measures associated with the University System Six-Year Plan.

NDUS Goal 7 -- Collaboration

MaSU/VCSU will:
1. Pursue opportunities to collaborate with area schools and teachers, including the Barnes County Consortium and the Professional Development Academy.
2. Partner with area communities and others to support economic development, especially as it applies to information technologies.

Source: NDUS Strategic Plan 1998-2004

MaSU & VCSU: Networking for North Dakota



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ville State University & Valley City State University

FACING COMMON PROBLEMS

PROBLEM	MaSU/VCSU RESPONSE
Stable-to-declining state appropriations in real $'s	a. reallocate $'s from administration to instruction b. increase efficiency c. provide environment where people will contribute greater effort d. reduce program options or services e. increase grant writing f. increase emphasis on fundraising
Declining population in traditional service region	a. enhance image to attract students from a broader geographic region b. reduce programmatic options c. emphasize service to students and improve retention
Threats of Closure	a. establish partnership b. enhance images within the NDUS and the state c. increase interdependence with other state agencies
Teacher Education during a period of public school consolidation	a. enhance marketability of teacher education graduates b. build programs for other audiences that use similar competencies c. diversify in business and other programs
Traditional geographic monopoly threatened	a. receive & use alternative courses/programs b. build capability to expand beyond traditional base c. focus on quality of programs and delivery of services
Increasing pace of societal change	a. focus on critical tasks b. enhance technology and skills for faculty and staff c. focus on "everyone is a learner" & changing roles for learners/teachers d. build networks with community to improve communication e. change from lecture/memorization to more active learning and emphasis on learning process & student skill/responsibility for learning
Increasing resource needs to support technology	a. partner with other agencies to meet common needs b. provide more responsibility to students c. provide notebook computers to bring students/parents in as partners in the process -- increase both value & cost d. write grants to support specific needs
Curricular change required to meet needs of society and employers	a. focus on "learner centered education," increased responsibility for learning, b. increase communication with public schools and business firms

Partnership Timeline

MaSU/VCSU recognized as model insitutions of higher education with the focus on student learning, continuous improvement, & self-renewal

Fall 1995 Math/Science Center

Summer 1996 Memorandum of Agreement with Brandon University & UABCS

Spring 1994 Memorandum of Agreement with Universidad de Baja California Sur

Fall 1995 Title III Learning Outcomes, Portfolios, Multimedia

Spring 1994 Kathryn Center identified as a staff development and corp. training center

Fall 1995 Creation of technology intensive campuses with notebook computers

MaSU & VCSU Partnership

1992-96 NSF K-8 Mathematics Specialists Program

July 1993 Dr. Chaffee named first MaSU/VCSU President

July 1993 Center for Innovation in Instruction

1992-95 Bush Foundation Cooperative Learning Grant

December 1992 SBHE authorizes partnership of MaSU & VCSU with unified administrative structure

1992 SBHE 7-year Plan identifies VCSU as a model for instructional innovation

1992 Headstart Program

February 1990 VCSU receives mission designation from SBHE for application of instructional technology

1990 Research-based Teaching Methods

MaSU **VCSU**

UNIVERSITY MISSION STATEMENTS

as approved by the
State Board of Higher Education
February 20, 1998

Mayville State University Mission

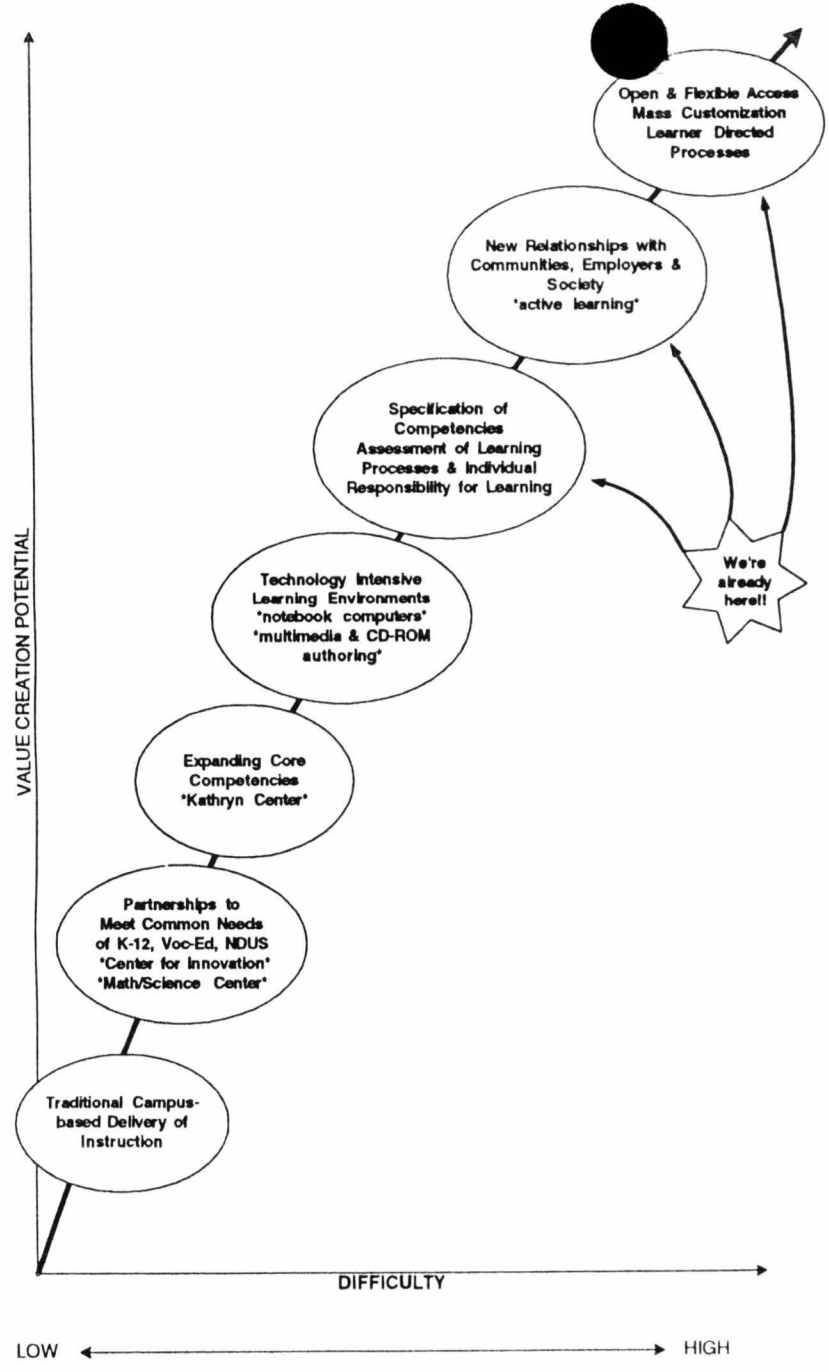
The mission of Mayville State University is to educate and guide students, as individuals, so that they may realize their full career potential and enhance their lives. We do this in an environment that reflects our tradition of personal service, commitment to innovative technology-enriched education, and dynamic learning relationships with community, employers, and society.

As a member of the North Dakota University System, Mayville State University offers undergraduate degrees.

Valley City State University Mission

Valley City State University is a learner centered community dedicated to continuing improvement in meeting student needs. Preparing individuals to serve in a changing world, the institution provides a quality educational experience in an innovative culture and a technologically enhanced environment.

A leader in the effective use of instructional technologies, Valley City State University is a member of the North Dakota University System and offers baccalaureate degrees in education, business, and the liberal arts.



MaSU & VCSU...*focused on the future*

House Appropriations
Sub-Committee on Education
January 14, 1999

Ellen Earle Chaffee
President, Valley City State University and Mayville State University

Overview of Valley City State University and Mayville State University

Madame chair, members of the committee, I am Ellen Chaffee, president of Valley City State University and Mayville State University. Thank you for providing this opportunity for us to tell you about the universities and their budget proposals.

With your permission, we will spend the first half hour reviewing some key themes that are common to both universities, followed by an hour for each separately. We will be glad to take a break whenever the chair wishes. During the overview period, I will be joined by Pam McGee and Gary Schafer in the presentation. Pam and Gary are employees of Great Plains Software. Pam is a former faculty member at Mayville State. Gary is a VCSU alumnus and a member of the advisory board for VCSU's Kathryn Center for Lifelong Learning. During the VCSU hour, Student Senate president Maggie Clemens, economic development director Jennifer Feist, and VCSU vice president for business affairs Steve Bensen will join me. During the MaSU hour, students Aimee Lagerquist and Audrey Friedt, economic development director Rick Forsgren, and vice president Bensen will also make presentations.

For the overview section, I will cover four main topics: innovation, enrollment, reallocation and efficiency, and accountability.

Both campuses have undertaken several major innovations in recent years. They provide universal student and faculty access to notebook computers with extensive classroom use. They are partnering with Great Plains Software to prepare information technology workers, and the two universities currently share six administrative officers. VCSU began the computer initiative in 1996 and was second in the nation to provide technology-enriched learning throughout the curriculum. MaSU began in 1997, fourth in the nation. Since that time, dozens of other universities have launched similar strategies, but North Dakota remains one of only two states, the other being Georgia, that has two fully functioning notebook campuses. Student comments are extremely favorable, and so are both faculty and student survey results. The proportion who are satisfied or very satisfied with the initiative overall ranges from 62 percent to 82 percent.

A second major innovation is the partnership each university has with Great Plains Software. Great Plains told us the knowledge and skills they expect from entry-level employees. We designed courses to fit and Great Plains designed a 7-month internship for pay and credit. This is the "IT track," which fits in either a business or computer information systems major. Here to give you their views on the program are Pam McGee and Gary Schafer.

--testimony by Pam McGee and Gary Schafer

I would like to add a comment here about our emphasis on information technology. We are state and national leaders in this area, and we are both tremendously excited about that and increasingly concerned. You'll get a sense of the excitement if you offer to take away the computer from any of our students or faculty. It's like taking away your telephone and your car. This is an entirely new way of learning and doing business to which we are absolutely committed. The Board has approved campus mission statements that are only three sentences long. At Mayville State, we emphasize, "commitment to innovative technology-enriched education." At VCSU, we focus on "a technologically enhanced environment" and state that we are "a leader in the effective use of instructional technologies." Reducing our commitments would require changing the very mission of each institution.

On the other hand, we are learning that as the cost of electronics drops like a stone from month to month, the cost of being a high tech university is rising almost as fast. The primary reason for that is the extreme national shortage of information technology experts. We cannot offer the IT track if we cannot find or afford people who are competent to teach it. Our administrative team is giving serious consideration to major changes in base salaries for IT faculty and staff, and to some entirely innovative ways of delivering instruction, including industry partnerships and purchasing courses from other institutions.

While the possible salary increase is large, it is enough only to get us to the lowest end of the market—a market with an estimated half million vacant jobs nationwide. The financial challenge is complemented by an interpersonal challenge. The new base for IT would place newly hired individuals at or above people with doctoral degrees and decades of exceptional service to our universities. In addition to personnel costs, we have never-ending training costs. Faculty need to learn to use the technology. They need time to renovate their courses and develop technology-based instruction. To stay reasonably current with the pace of change in IT, faculty and staff in that area should be devoting about one-fourth of their time, every year, to learning. Finally, as the cost of computers is going down, the cost of and need for peripherals and software are going up. We used to get by with one scanner—now we must have one in every department. It's an academic necessity, not a luxury, because we use multimedia extensively in class, and VCSU now requires every graduate to produce an electronic portfolio of their best work in college.

I emphasize these points because you need to know more about the impact of technology on state entities. While others may not be as involved with technology as we are, all are affected by these dynamics to some degree. If we roll out a new IT salary structure, we are going to have some very unhappy people on the campuses, people who are not in IT—and their unhappiness will be largely justified. They are the ones who knocked themselves out to get us to this point. They are pioneers. They deserve much better, for what they have achieved. At the moment, we are in that stage where the enormity of the issues is dawning on us and the solutions are by no means clear. I find myself wondering whether we would have embarked on this course if we had known then what we know now. We couldn't NOT do it—it is too right. But whether we can continue to pull it off depends largely on decisions that you, your colleagues, and the University System make. Our track record testifies to the fact that we have done and will continue to do all we can for ourselves.

The last innovation I will mention is our two-campus administrative structure. Six people now serve both campuses. In our 1997 hearing, we documented that the arrangement saves hundreds of thousands of dollars per year and that the savings have gone almost entirely into instruction. We won a national award for administrative leadership from the American Association of University Administrators in 1996.

My second overview topic is enrollment. I am delighted to report that both campuses showed increases this fall. Since enrollment had been down in 1997 due to the flood and the economy, we were pleased with the turnaround. Most notable, however, is the increase both campuses experienced in their numbers of new freshmen—22 and 25 percent. We take this to be further endorsement of the computer initiative, especially since the computer fee increased student cost by 50 percent.

We are well aware that the number of young people in North Dakota is in decline. For several years, we have been taking steps to appeal to a broader market, including adults and out of state students. In order to do that, we are working to make real a vision of college-level learning that is convenient, effective, and efficient. Flexible scheduling, restructured courses, and distance delivery are part of the strategy.

It is essential that legislators understand the extent to which we have already undertaken huge reallocations and efficiency measures. The notebook initiative has cost about $4 million per campus, and we have done it without a penny of additional state funding. It is all from fees, grants, and reallocation. In addition, during 1993-97, we gave 16 percent salary increases in a period when the state funded only 6 percent. Our primary source of funds was the shared administrative structure. You will see further reallocation in the budget proposals for the coming biennium. In fact, half of VCSU's enhancements and all of Mayville State's enhancements are from reallocation.

Finally in this overview, we take great pride in presenting you with our third annual accountability report. We chose the data in this book from common national indicators, such as those used by campus rating systems in national magazines, and from the questions you and the public most often ask us when you want to know if we're doing a good job. You know it's an honest effort because not all the lines go in the direction we'd like them to go. We look forward to participating in a statewide accountability project, now underway by the University System.

Madame chair, members of the committee, this concludes our overview presentation for both universities. I'd be happy to respond to any questions.

House Appropriations

Ellen Chaffee
President

January 14, 1999

VCSU
VALLEY CITY STATE UNIVERSITY

Mayville State University

Schedule

9:30 VCSU and MaSU overview
Gary Schafer, Pam McGee-Great Plains

10:00 VCSU
Maggie Clemens, Student President
Jennifer Feist, Development Corp.
Steve Bensen, VP Business Affairs

11:00 MaSU
Aimee Lagerquist, Audrey Friedt, students
Rick Forsgren, Econ.Development Council
Steve Bensen, VP Business Affairs

VCSU and MaSU Overview

- Innovation
- Enrollment
- Reallocation and efficiency
- Accountability

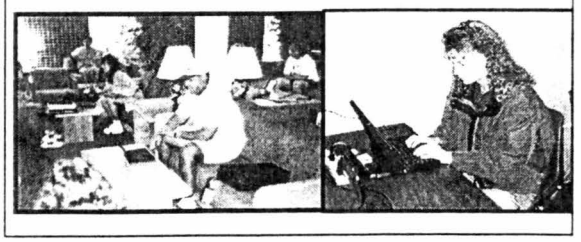
Innovation

- Computers for all, learning with technology
- Great Plains Software partnership
- Shared administrators: President, VPBA, Comptroller, Dir. Financial Aid, Grants Officer, Dir. Facilities Services

All Students with Computers

24 hours/7 days; In class or anywhere

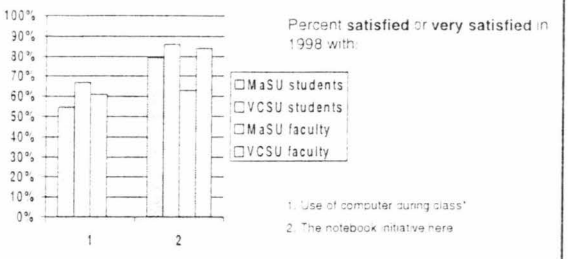
VCSU #2 in U.S., 1996 MaSU #4 in U.S., 1997



Student Comments

- ..has raised the level of my academic performance. *Wendy Birhanzel*
- ...much quicker and easier to complete homework...and keep in contact with professors and other students....A wealth of information. *Andrew Larson*
- I really had doubts...but it has become essential to my learning process....Has given me an advantage in the job market. *Jessica Wagner*

Impact



Percent **satisfied** or **very satisfied** in 1998 with:

1. Use of computer during class*
2. The notebook initiative here

*Question not asked of VCSU faculty.

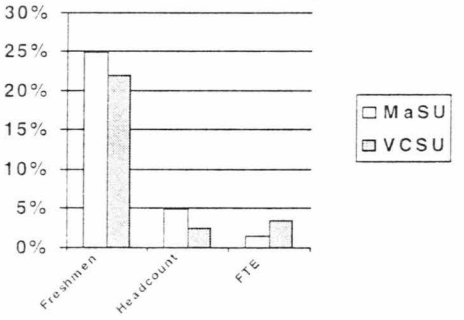
Information Technology Track

- Partnership with Great Plains Software
- Severe national shortage of IT workers
- Major in business or computer information systems
- Senior year: paid internship

Administrative Leadership Award

American Association of University Administrators, 1996

Enrollment is UP



Markets of the Future

- Traditional age
- Adults (U.S.: 40% in 1995, up from 32% in 1991)
  - work-related
  - seniors
- Out of state
  - capacity balancing
  - distance learning

Vision

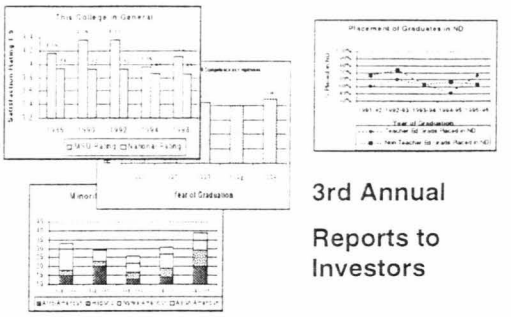
Learning that is:

- Convenient: any place, any time, any age, self-paced
- Effective: multiple methods and delivery systems
- Efficient: targeted to learner's goals and abilities

Reallocation and Efficiency

- The notebook initiative has cost about **$4 million per campus**. No new state funds for this initiative.
- From 1993-1997, we gave **16%** salary increases with **6%** state funds.
- 50% (VCSU) to 100% (MaSU) of 99-01 enhancements are by **reallocation**.

Accountability



3rd Annual

Reports to Investors

House Appropriations
Sub-Committee on Education
January 14, 1999

Gary P. Schafer
General Manager, Great Plains Software, Inc.

Madam chair, members of the committee, I am Gary P. Schafer, General Manager, Great Plains Software, Inc.

My view of Valley City State University: Valley City State (VCSU) has made it their mission to integrate with the education, business and high technology industries in order to provide the most useful education possible to its students and the state of ND. From where I sit, VCSU has continued to modify and improve their curriculum and university policies to enable this mission.

Some of the highlights at VCSU regarding the relationship with Great Plains:

- Kathryn Center for Lifelong Learning (ropes course)
- Great Plains Dexterity and Dynamics authorized university
- VCSU/MaSU and Great Plains technical degree partnership
- VCSU actively participates with Great Plains in our internship program
- Business improvement classes (better facilitation, computer training) offered state-wide
- 100% student, faculty & staff notebook computer policy (1st university in the Midwest)

Great Plains faces many challenging issues in the world of high technology. By far our most threatening risk includes hiring qualified, high technology people that understand the accounting industry. Our greatest asset is the minds of the people we hire and we cannot afford to lose this asset.

Up to this point most of the employees in our Fargo offices have come from the North Dakota University System. I do not want to see this trend change and with the efforts of VCSU I am seeing positive steps to ensure North Dakota graduates work at North Dakota high technology companies. We are sending 14 VCSU/MaSU students through a 6-month internship at Great Plains this spring because of our high technology business degree partnership.

VCSU has been very innovative in working with Great Plains to ensure its students are ready to work in the high technology field upon graduation. I do not think twice about a VCSU graduate's computer savvy (regardless of their degree) nor do I hesitate to provide feedback as to what additional skills would be helpful for a student to work at Great Plains. Just the virtue of each student using a computer every day saves me money when I hire a VCSU graduate because it eliminates some of the training that I need to administer.

Valley City State continues to increase its value to Great Plains by maintaining the Kathryn Center and other mission critical training courses and facilities. I would estimate that Great Plains saves thousands of dollars a year by being able to use a local training provider rather than sending employees to out of state locations.

Innovation thinking is a great gift and a difficult skill to teach. VCSU has been able to capture this skill in its planning teams and continues to deliver North Dakota friendly, business friendly and technology friendly solutions to their constituency. We have an amazing culture that leads to high production in North Dakota; VCSU is a major contributor to this culture.

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April 16, 1998

Campuses Are Turning to Laptops for Students

By TINA KELLEY

Is this the great socioeconomic equalizer, the latest toy to hit academia, the small colleges' ticket to the universe or one more expense in the financial aid package? Flip it open, boot it up: the laptop computer.

In Valley City and Mayville, N.D., Valley City State University, which has 1,000 students, and Mayville State University, with 700, started leasing Thinkpads for their students in 1996 and 1997, respectively. Valley City and Mayville are the only colleges out of 11 in the North Dakota university system that provide laptops for all students.

After two or three years of buying no computer equipment except what was needed for the switch, the two North Dakota schools adopted the laptop program without costing the state anything, said Ellen Chaffee, president of both colleges. The schools lease the laptops, and students pay a fee for using the computers, software and support services. By the time they graduate, the students are required to put together electronic résumés on their own CD-ROM's.

"Students can learn anytime, anywhere," Chaffee said. "They can gain access to the Library of Congress with a click, and they can send messages to faculty, students and experts throughout the world, informally. It puts us together with the world, from our small rural community on the prairie." At Harvard Business School, a laptop is virtually required. Without a computer, in fact, the students are not able to find classroom locations and assignments for their first day of school.

Laptops are also required for graduate business students at Carnegie Mellon University in Pittsburgh. Fallaw Sowell, director of the business school program there, said laptops were standard business tools now. The university went to laptops, he said, because it found that it was difficult for students to leave their computer access behind when they graduated.

National Leadership

Mayville State University and Valley City State University

Mayville State University and Valley City State University won the 1996 John L. Blackburn Award as the exemplary model of administrative leadership. The American Association of University Administrators sponsors the award.

Mayville State University and Valley City State University were selected for two national studies:
Technology in the Learning Environment (1996-97), 2 of 10 universities
Wise Moves in Hard Times (1996), 2 of 13 universities

Valley City State University was second in the nation (1996) and Mayville State University was fourth in the nation (1997) to provide all faculty and students with full-time use of notebook computers, with extensive classroom renovations and campus-wide networking to allow full use of technology for instruction. They accomplished this with no additional state funding and the lowest student fee in the nation.

Valley City State University

The Center for Innovation and Instruction at Valley City State University won the 1997 award for best practices in professional development from CAUSE, a national technology organization.

Valley City State University was named one of the top regional public liberal arts colleges in the nation by *U.S. News and World Report* in 1998.

Mayville State University

The teaching strategy that is best documented by research as effective is cooperative learning. As far as we know, Mayville State is the only university in the nation to have made a campus-wide commitment to cooperative learning. The faculty have been using cooperative learning extensively throughout the 1990s.

1999-2001 Capital Projects Request
Valley City State University

	Priority A		Priority B		
Priority 1	Power Plant Improve.:		Steam Distribution:		
Infrastructure	Boiler	500,000	Tunnels	1,312,300	
	Pipe/access.	180,000	or		
	Fuel oil storage	60,000	Direct buried		662,500
	TOTAL	740,000	1A+1B	2,052,300	1,402,500
Priority 2					
Life Safety	Sprinklers	136,400	Fire alarms	184,000	184,000
	Exit systems	317,900			
	TOTAL	454,300	2A+2B	638,300	638,300
	Subtotal 1A+2A	1,194,300	Subtotal A+ B	2,690,600	2,040,800
Priority 3					
Building Remodel/Repair	Vangstad remodel	270,000	No request	-	-
	TOTAL	270,000	3A+3B	270,000	270,000
	Total A Priorities	1,464,300	Total A+B Priorities	2,960,600	2,310,800

1999-2001 Capital Projects Request

Mayville State University

	Priority A		Priority B		
Priority 1	Power Plant Improve.:		Steam Distribution:		
Infrastructure	Boiler	500,000	Tunnels	1,050,500	
	Pipe/access.	180,000	or		
	Fuel oil storage	80,000	Direct buried		424,500
	TOTAL	760,000	1A+1B	1,810,500	1,184,500
Priority 2					
Life Safety	Exit system -		Exit system -		
	Main Bldg.	395,600	West & Science Bldg.	96,100	96,100
	TOTAL	395,600	2A+2B	491,700	491,700
	Subtotal 1A+2A	1,155,600	Subtotal A+B	2,302,200	1,676,200
Priority 3					
Buidling Remodel/Repair	Main Bldg. remodel	1,124,600	No request	-	-
	TOTAL	1,124,600	3A+3B	1,124,600	1,124,600
	Total A Priorities	2,280,200	Total A+B Priorities	3,426,800	2,800,800

The Mayville State University
Valley City State University
Partnership

1999-2001 Budget Hearing
Senate Appropriations Committee

March 1, 1999

#1

Senate Appropriations Committee
March 1, 1999

Ellen Earle Chaffee
President, Valley City State University and Mayville State University

Overview of Valley City State University and Mayville State University

Mister chairman, members of the committee, I am Ellen Chaffee, president of Valley City State University and Mayville State University. Thank you for providing this opportunity for us to tell you about the universities and their budget proposals.

With your permission, we will spend approximately 20 minutes reviewing some key themes that are common to both universities, followed by 35 minutes for each separately. During the overview period, I will be joined by Pam McGee in the presentation. Pam is an employee of Great Plains Software and a former faculty member at Mayville State. During the VCSU half hour, Student Senate president Maggie Clemens, economic development director Jennifer Feist, and VCSU vice president for business affairs Steve Bensen will join me. During the MaSU half hour, students Aimee Lagerquist and Audrey Friedt, economic development director Rick Forsgren, and vice president Bensen will also make presentations.

For the overview section, I will cover four main topics: innovation, enrollment, reallocation and efficiency, and accountability.

Both campuses have undertaken several major innovations in recent years. They provide universal student and faculty access to notebook computers with extensive classroom use. They are partnering with Great Plains Software to prepare information technology workers, and the two universities currently share six administrative officers. VCSU began the computer initiative in 1996 and was second in the nation to provide technology-enriched learning throughout the curriculum. MaSU began in 1997, fourth in the nation. Since that time, dozens of other universities have launched similar strategies, but North Dakota remains one of only two states, the other being Georgia, that has two fully functioning notebook campuses. Student comments are extremely favorable, and so are both faculty and student survey results. The proportion who are satisfied or very satisfied with the initiative overall ranges from 62 percent to 82 percent.

A second major innovation is the partnership each university has with Great Plains Software. Great Plains told us the knowledge and skills they expect from entry-level employees. We designed courses to fit and Great Plains designed a 7-month internship for pay and credit. This is the "IT track," which fits in either a business or computer information systems major. Here to give you her views on the program isPam McGee.

--testimony by Pam McGee

I would like to add a comment here about our emphasis on information technology. We are state and national leaders in this area, and we are both tremendously excited about that and increasingly concerned. You'll get a sense of the excitement if you offer to take away the computer from any of our students or faculty. It's like taking away your telephone and your car. This is an entirely new way of learning and doing business. On the other hand, we are learning that as the cost of electronics drops like a stone from month to month, the cost of being a high tech university is rising almost as fast. The primary reason for that is the extreme national shortage of information technology experts. We cannot offer the IT track if we cannot find or afford people who are competent to teach it. Our administrative team is giving serious consideration to a 50 percent increase in the base faculty salary for people in IT and a major jump, yet to be determined, for our IT staff. While the increase is huge, it is enough only to get us to the lowest end of the market—a market with an estimated half million vacant jobs nationwide. The financial challenge is complemented by an interpersonal challenge. The new base for IT will place newly hired individuals at or above people with doctoral degrees and decades of exceptional service to our universities. In addition to personnel costs, we have never-ending training costs. Faculty need to learn to use the technology. They need time to renovate their courses and develop technology-based instruction. To stay reasonably current with the pace of change in IT, faculty and staff in that area should be devoting about one-fourth of their

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Mister chairman, members of the committee, this concludes our overview presentation for both universities. I'd be happy to respond to any questions.

Department 239 - Dickinson State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	129.63	$13,039,293	$9,840,726	$22,880,019
1997-99 Legislative Appropriations	131.13 *	12,347,908	7,077,688	19,425,596 **
Increase (Decrease)	(1.50)	$691,385	$2,763,038	$3,454,423

* The 1997-99 appropriation is based on 134.97 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 131.13 FTE positions shown above represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

Major Items Affecting Dickinson State University 1999-2001 Budget

			General Fund	Other Funds	Total
1.	Removes the appropriation of local funds (The House included the appropriation of local funds of $8,221,397.)			($1,430,000)	($1,430,000)
2.	Reduces funding to reflect the institution's 95 percent budget request		($1,321,784)	(45,628)	(1,367,412)
	Restores funding for critical programs cut in the 95 percent budget request		617,395	46,962	664,357
	Net reductions include:		($704,389)	$1,334	($703,055)
	Eliminating the truck driver training program, including a .75 FTE position	($164,200)			
	Eliminating the German minor program, including a .75 FTE position	(111,263)			
	Reducing faculty development funds	(66,320)			
	Reducing overtime, facility operating funds, athletic funding, and operating funds	(316,463)			
	Reducing facility maintenance, including 1 FTE position	(44,809)			
	Total	($703,055)			
3.	Adds funding for cost to continue, including restoring 1 FTE facility maintenance position removed in No. 2 above, and provides for an annual tuition increase of 4 percent		$85,659	$346,978	$432,637
4.	Adds funding for critical area salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)		84,480		84,480
5.	Increases funding for capital improvements		82,859		82,859
6.	Adds one-time funding for infrastructure improvements		300,000		300,000
7.	Adds one-time funding for paying tenured faculty in programs being eliminated		30,360		30,360
8.	Adds funding for the dual-course credit program (The House reduced by $53,500.)		105,600		105,600
9.	Deducts salary funding transferred to the systemwide salary pool (The House reallocated back to the institutions.)		(697,602)		(697,602)
10.	Adds funding for renovating and constructing an addition to the student center from the following sources:			3,700,000	3,700,000
	Revenue bonds	$1,500,000 (SB 2065)			
	Existing auxiliary reserves	1,200,000			
	Oil production royalties	500,000			
	Asbestos litigation funds	331,000			
	Philanthropic funds	169,000			
	Total	$3,700,000			

Major Legislation Affecting Dickinson State University

Senate Bill No. 2065 authorizes the State Board of Higher Education to issue $1.5 million of revenue bonds for renovating and expanding the student union at Dickinson State University. The bill appropriates the $1.5 million of revenue bond proceeds and $2,200,000 of other available funds to Dickinson State University for the renovation and expansion project. The total project cost is limited to $3,700,000.

HB 1003

Dickinson State University

Richard D. Brauhn, Interim President

House Appropriations Hearing

January 12, 1999

Foreword

With the new millennium on the horizon, the time is right to forge a renewed commitment toward meeting the higher education needs of the people of North Dakota. We face new opportunities and challenges in our endeavors to prepare today's students for productive employment and responsible citizenship in tomorrow's world.

Dickinson State's mission, as a regional comprehensive university, is to address a broad range of educational needs in West River North Dakota. As part of the North Dakota University System which prides itself in providing the education necessary to be professionally and personally successful, Dickinson State has proudly served the area with strong programs in liberal arts, teacher education, and business and applied sciences since 1918.

Dickinson State University remains dedicated to the highest standards of performance while reaffirming our traditions of access and excellence. In partnership with agencies from both the private and public sector, Dickinson State will do its share to achieve the expectations and goals associated with this dedication. However, in the face of declining resources, it has become increasingly difficult to remain true to our commitment to quality and access. Dickinson State's student enrollment has increased significantly in recent years, creating a critical need for additional funding for employing faculty and staff and maintaining sound operations. Keeping up with the demands of increasingly sophisticated technology in all areas of higher education also strain the University's resources.

Dickinson State Appreciates the support which it receives from the Legislature in fulfilling its important mission. Thank you for your attention to our particular challenges as we do our part in keeping the North Dakota University System strong and fruitful, thereby helping the state grow into the new millennium as a model for the rest of the nation.

Dr. Richard D. Brauhn
Interim President

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University Overview

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DICKINSON STATE UNIVERSITY

University Overview

Historical Sketch

Dickinson Normal School was created in 1916 by a constitutional amendment approved by North Dakota voters. Classes began in 1918 with a two-year program designed to train elementary and secondary teachers. In 1931, four-year degrees were offered for the first-time under the school's new name, Dickinson State Teachers College. In recognition of the institution's broadened curriculum, Dickinson State Teachers College became Dickinson State College in 1963. University status was granted in 1987 as the progression of education in the West River region was recognized by the State Board of Higher Education.

Mission

Dickinson State University is a regional four-year 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 of the citizens of the State of North Dakota.

Programs and Activities

The University long ago outgrew its original teachers' college status and has since adopted a broader mission. The present programs include not only teacher education and the liberal arts, but also specialized programs in business, nursing, agriculture, and computer science. There is opportunity for pre-professional study and vocational training in selected areas as well. Recognizing the individuality of each student, the faculty strives not only to train students for future occupations but to stimulate students' curiosity and challenge their ability in many areas. Dickinson State University believes that its curriculum offers students a healthy combination of intellectual challenge, professional training, and practical experience.

Accreditation's and Memberships

Dickinson State University is accredited by the North Central Association of Colleges and Schools (NCA), the National League of Nursing (NLN), and the National Council for Accreditation of Teacher Education (NCATE).

Dickinson State University also believes that education is a lifelong activity. The University recognizes a commitment to offer extension and outreach programs, workshops and symposiums for the general public and continuing education opportunities for specific professional groups. These activities provide economic and cultural enrichment for the citizens of the region. Dickinson State University offers a wide range of academic programs which contribute to the cultural and economic vitality of North Dakota. Academic programs in professional fields such as business, nursing and education, coupled with outstanding liberal arts disciplines, have accounted for significant growth at Dickinson State University.

Academic objectives are directly tied to disciplines including majors and minors. Dickinson State University's growth has impacted academic programs, administrative support services and student support services.

Dickinson State University believes its first task is to develop in students the abilities, curiosity and motivation which will enable them to increasingly assume responsibility for their own education. In meeting the challenge of a rapidly changing technological society, the University recognizes a dual purpose:

> to provide a liberal education designed to produce enlightened, flexible citizens and dynamic leaders, and,
>
> to provide specialized education to equip the student for the profession of his/her choice.

Academic Programs and Structure

Two Colleges with 5 Departments Each

College of Arts and Sciences

- *Department of Fine Arts*
- *Department of Mathematics and Computer Science*
- *Department of Natural Sciences*
- *Department of Social Sciences*

College of Education, Business and Applied Sciences

- *Department of Agriculture and Technical Studies*
- *Department of Business and Management*
- *Department of Health and Physical Education*
- *Department of Nursing*
- *Department of Teacher Education*

Through departments within these colleges, Dickinson State University awards the following degrees:

Four-year Degree Programs:

- *Bachelor of Arts*
- *Bachelor of Science*
- *Bachelor of Science in Education*
- *Bachelor of Science in Nursing*
- *Bachelor of University Studies*

Two-year Associate Degree Programs:

- *Associate of Arts*
- *Associate of Science in Office Administration*
- *Associate of Science in Practical Nursing*
- *Associate of Applied Science in:*
  Agriculture Sales and Service
  Farm and Ranch Management

In addition, Dickinson State University offers the following pre-professional and non-degree programs:

- *Pre-Chiropractic*
- *Pre-Dental Hygiene*
- *Pre-Dentistry*
- *Pre-Dietetics*
- *Pre-Engineering*
- *Pre-Medical Technology*
- *Pre-Medicine*
- *Pre-Mortuary Science*
- *Pre-Occupational Therapy*
- *Pre-Optometry*
- *Pre-Pharmacy*
- *Pre-Physical Therapy*
- *Pre-Veterinary Medicine*
- *Pre-Wildlife Studies*
- *Pre-Law*
- *Pre-Seminary Curricula*

Technical and Vocational Programs:

- *Highway Transportation Specialist*

Credit and non-credit workshops, extension courses, and graduate level courses in cooperation with the University of North Dakota, North Dakota State University, and Minot State University are also offered on an ongoing basis.

Trends of the Institution

The institution is vitally concerned with meeting the educational needs of West River North Dakota. More emphasis will be placed on nontraditional delivery systems such as telecommunications. The institution is providing more evening classes, specialized regional studies classes, and developing student service programs to address the needs of nontraditional aged students.

Programs at Dickinson State University

TITLE	MAJOR	MINOR	2 YEARS OR LESS
Accounting	X	X	
Agriculture			
Ag Sales and Service			X
Farm and Ranch Management			X
*Art	X	X	
*Biology	X	X	
Business Administration Concentrations:			
Accounting	X		
Agri-business	X		
Banking and Finance	X		
Business Management	X		
Computer Science	X		
Management Information Systems	X		
*Business Education	X	X	
*Chemistry	X	X	
*Coaching		X	
*Computer Science	X	X	
*Earth Science		X	
*Elementary Education	X		
*English	X	X	
*Geography		X	
*German		X	
*History	X	X	
*Journalism		X	
*Kindergarten (Elementary Education Endorsement)			
*Mathematics	X	X	
*Music Composite	X		
*Music	X	X	
Nursing	X	X	
Office Administration Concentrations:			
Accounting			X
Agri-business			X
Computer			X
Legal			X
Management			X
Medical			X
*Physical Education	X	X	
*Political Science	X	X	
*Psychology		X	
*Reading (Elementary Education Endorsement)			
*Science Composite	X		
*Secondary Education			
*Social Science Composite	X		
*Social Science (Elementary Education)		X	
*Sociology		X	
Social Work (UND linkage)	X		
*Spanish	X	X	
*Speech and Theatre	X	X	
Truck Driver Training			X
University Studies	X	X	
Writing	X		

*education degree option

1999 - 2000 Academic Affairs Organizational Chart

Dr. Richard Brauhn, Interim President

Dr. Richard Brauhn
Vice President for Academic Affairs

Office of Library Services
Bernnett Reinke, Director

Extended Campus
Terry Hupp, Director

College of Arts and Sciences
Dr. Richard Brauhn, Dean

Department of Fine Arts
Dr. Kenneth Haught
Discipline Faculty:
Art
Music
Speech
Theatre

Department of Language and Literature
Dr. David Solheim, Chair
Discipline Faculty:
English
German
Journalism
Philosophy
Religion
Spanish
Writing

Department of Mathematics and Computer Science
Dr. Fred Werremeyer, Chair
Discipline Faculty:
Computer Science
Mathematics

Department of Natural Sciences
Dr. Paula Martin, Chair
Discipline Faculty:
Biology
Chemistry
Earth Science
Physics
Physical Science

Department of Social Sciences
Dr. Keith Fernsler, Chair
Discipline Faculty:
Anthropology/Geography
History
Political Science
Sociology

College of Education, Business, and Applied Sciences
Dr. Doug LaPlante, Dean

Department of Agriculture and Technical Studies
Dr. Gary A. White, Chair
Discipline Faculty:
Agriculture
Farm and Ranch Management
Highway Transportation

Department of Business and Management
Mr. Roger Kilwein, Interim Chair
Discipline Faculty:
Accounting
Business Administration
Business Education
Center for Management and Leadership

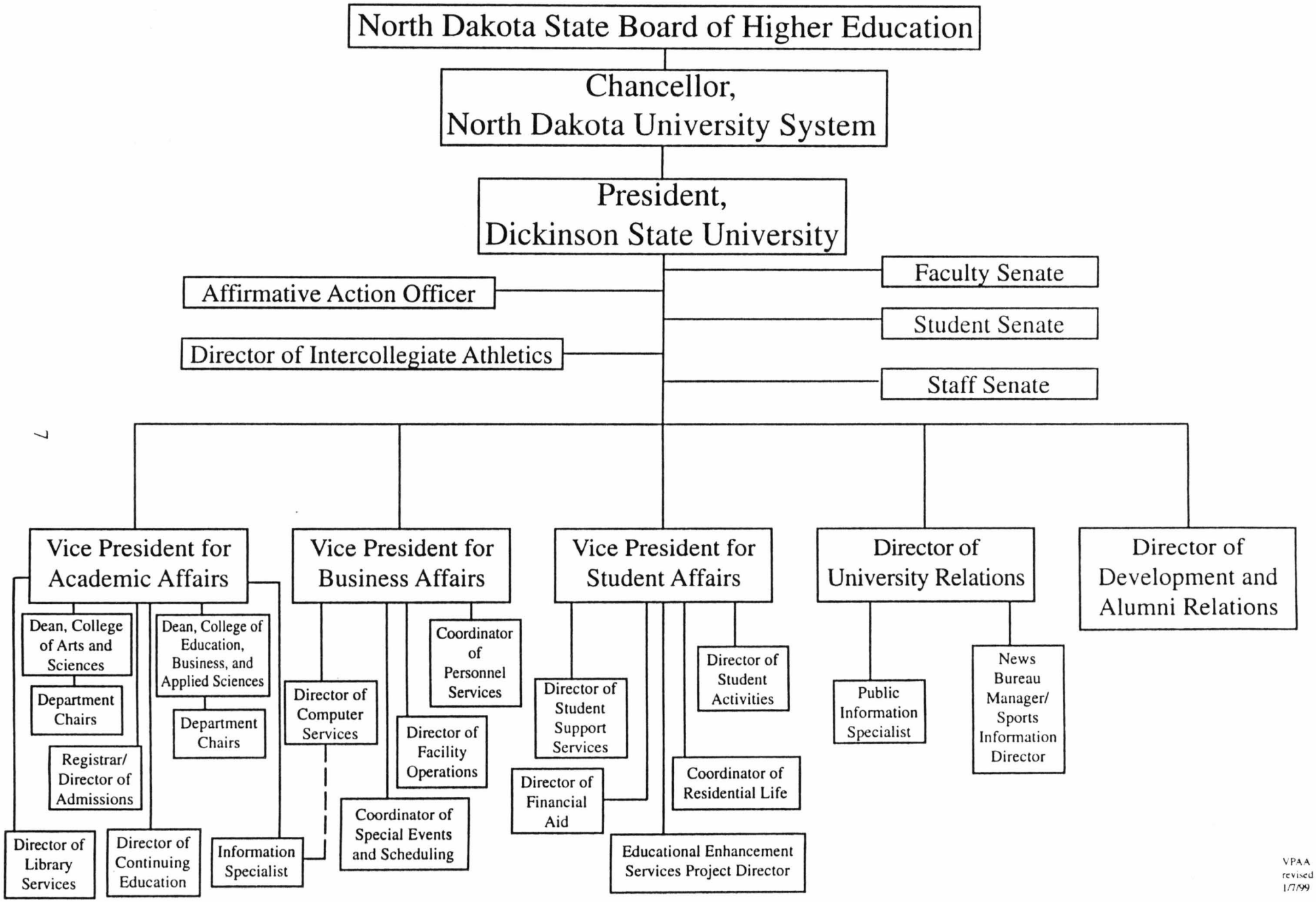
Department of Health and Physical Education
Dr. Scott Burket
Discipline Faculty:
Physical Education

Department of Nursing
Dr. Eileen Hubsky, Interim Chair
Discipline Faculty:
B.S. Nursing
Associate Practical Nursing

Department of Teacher Education
Dr. Gary Jacobsen, Chair
Discipline Faculty:
Elementary Education
Secondary Education
Psychology

Office of Admissions and Academic Records
Marshall Melbye, Registrar

1/7/98



VPAA
revised
1/7/99

N E W S R E L E A S E

Dickinson
STATE UNIVERSITY

Office of University Relations 701-227-2787 Fax 701-227-2025 Dickinson, ND 58601-4896

FOR RELEASE: SEPTEMBER 16, 1998
CONTACT: RYAN McGAUGHEY, NEWS BUREAU MANAGER, 701/227-2542

Dickinson State University attains record enrollment for third straight year

For the third straight year, the number of students enrolled at Dickinson State University has risen to a record level.

After establishing all-time high enrollments in the fall of 1996 and fall of 1997, Dickinson State has grown in numbers once again. The fall 1998 enrollment total of exactly 1,800 students, a 3.7 percent increase from last year's enrollment of 1,736, proves that Dickinson State University continues to build on its already solid foundation, says interim president Dr. Richard Brauhn.

"It seems that Dickinson State University is being recognized by potential students across the state and region as a quality institution with sound academic programs on an attractive campus in an ideal community setting, something we here at Dickinson State University have known all along," Dr. Brauhn says.

Enrollment data indicate the current increase is partly the result of a larger number of students attending Dickinson State from North Dakota. The retention of students from the last academic year also contributed to the record-setting enrollment.

"Our Admissions and University Relations staffs have done a super job at telling our story," Dr. Brauhn adds. "But the best publicity that a University can have is the word-of-mouth endorsement from satisfied students who find our faculty knowledgeable and accessible, recognize the value of our academic programs, enjoy the student life on campus, and, in general, view their academic careers and experience at Dickinson State in a very positive manner. These are the students who want to return to Dickinson State University and encourage others to do so also."

Of the record 1,800 students, 1,417 are enrolled full-time at Dickinson State and 383 are enrolled part-time.

Additionally, the number of students who call states other than North Dakota home has gone up, from 421 in 1997 to 433 this year. While Montana student enrollment at Dickinson State has been continually strong, the University has seen an increase in its number of students coming from

-more-

other states. Examples of these out-of-state increases include more students from South Dakota and Wyoming.

Transfer students have also played a role in the latest enrollment increase at Dickinson State University. The number of students transferring to Dickinson State University from other colleges and universities has increased this year from 144 to 151, Dr. Brauhn notes.

Other significant statistics demonstrate an important shift in the ages of Dickinson State's student population. The total number of students under 25 enrolling at the University has climbed from 1,110 to 1,493, an increase of 383 students, since 1993. Meanwhile, the number of students in the 25-50 year-old demographic has decreased from 503 to a 1998 total of 304 over the same period.

Dr. Brauhn credits increased enrollment to higher visibility and an understanding of the University's outstanding academic offerings and faculty, as well as the enhanced and energized quality of student life on campus.

"Dickinson State provides an excellent educational opportunity at the baccalaureate level at a relatively low cost," Dr. Brauhn says. "I think the combination of a quality education at an affordable cost is especially attractive to many students in the area."

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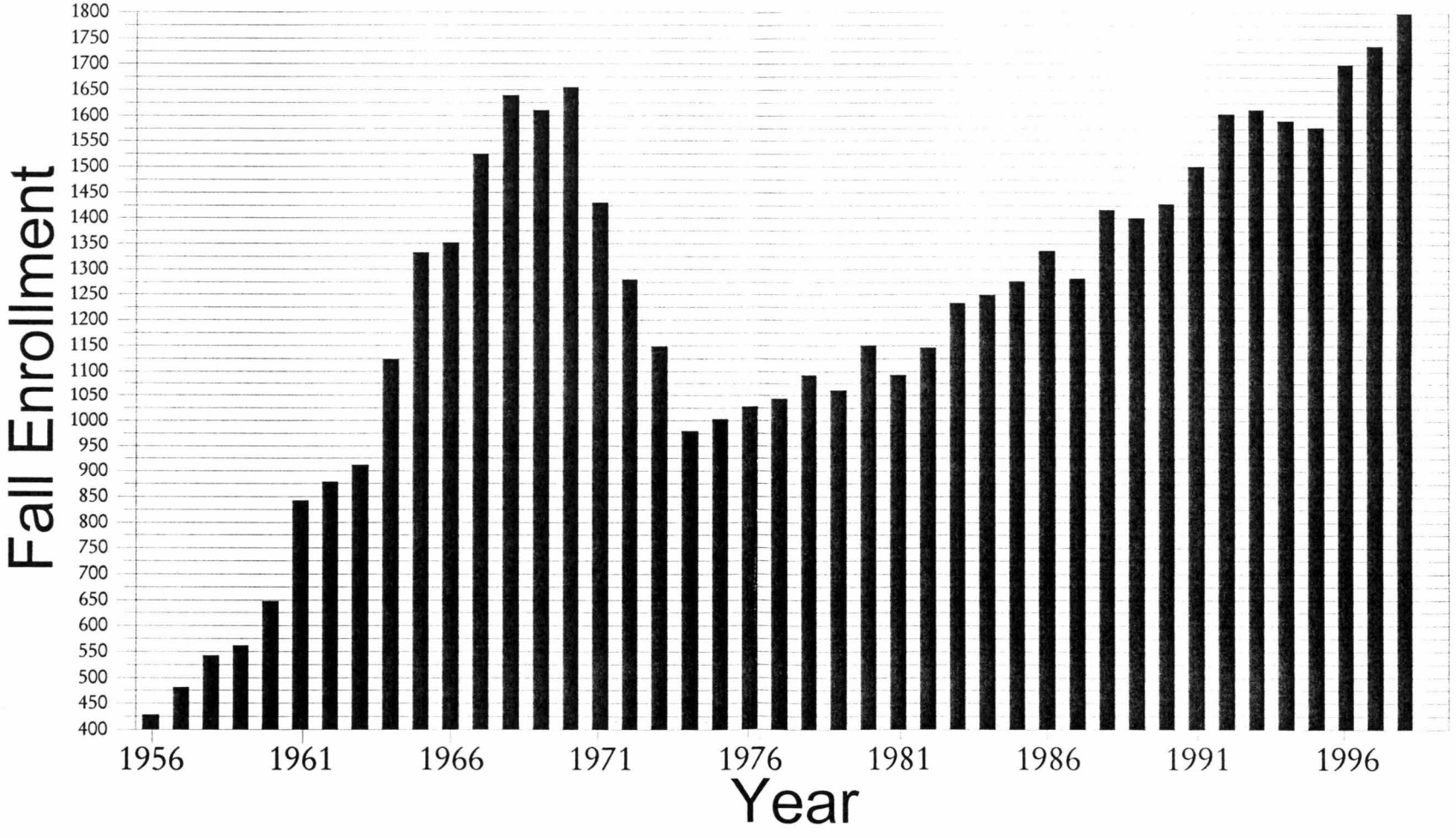
Dickinson State University

Historical Fall Enrollments



Dickinson State University

Enrollment Data For Years 1918-Present
Official Fall Quarter/Semester Enrollment

Year	Enrollment	Year	Enrollment	Year	Enrollment
1918	71	1947	265	1976	1,029
1919	122	1948	271	1977	1,044
1920	83	1949	276	1978	1,093
1921	157	1950	257	1979	1,062
1922	221	1951	207	1980	1,151
1923	218	1952	226	1981	1,093
1924	223	1953	258	1982	1,146
1925	233	1954	353	1983	1,234
1926	256	1955	409	1984	1,249
1927	159	1956	429	1985	1,277
1928	182	1957	481	1986	1,337
1929	196	1958	543	1987	1,283
1930	207	1959	562	1988	1,417
1931	275	1960	647	1989	1,402
1932	308	1961	843	1990	1,429
1933	378	1962	879	1991	1,503
1934	353	1963	912	1992	1,605
1935	297	1964	1,123	1993	1,613
1936	297	1965	1,333	1994	1,591
1937	322	1966	1,353	1995	1,578
1938	390	1967	1,525	1996	1,701
1939	441	1968	1,639	1997	1,736
1949	370	1969	1,610	1998	1,800
1941	275	1970	1,655		
1942	119	1971	1,430		
1943	241	1972	1,280		
1944	121	1973	1,149		
1945	64	1974	980		
1946	207	1975	1,003		

A Banner Year: 1997-98

During the 1997-98 school year, Dickinson State University experienced achievements that most institutions of higher education can only dream of accomplishing. From a prestigious ranking in *U.S. News & World Report* to a second straight year of record enrollment, from a new pavilion on front campus to a record year in philanthropic giving to the Dickinson State University Foundation...these are just a few examples that indicate Dickinson State continues to move itself toward the challenges of the next century. These success stories helped make 1997-98 "A Banner Year."

Special University Honors

- ★ Dickinson State University ranked as one of the top two regional public liberal arts colleges in the Midwest in *U.S. News & World Report.* Dickinson State is the only school in North Dakota named to the list of the Midwest's top regional public liberal arts colleges.
- ★ Dickinson State experiences its second straight year of record enrollment. The University is the only four-year public institution in the state to experience an enrollment gain from the previous year.
- ★ A $720,000 federal TRIO grant makes possible a new Educational Enhancement Services program, designed to ensure academic success, increase student retention, and complement an existing Student Support Services program.
- ★ Dickinson State is presented with an outstanding employer award for the State of North Dakota by representatives of the Governor's Committee on Employment of People with Disabilities and the Dickinson Mayor's Committee on People with Disabilities.

Campus Developments

- ★ Renovated and expanded Klinefelter Hall and new Beck Auditorium celebrate grand opening during Homecoming 1997 festivities. Hundreds of alumni and friends celebrate the weekend's activities.
- ★ Student Center expansion and renovation plans are underway. Construction will continue through the 1998-99 academic year.
- ★ King Pavilion, home to various special campus events and student activities, is completed on front campus. The pavilion's construction is made possible thanks to the philanthropic support of Ed and Toni King of Dickinson.
- ★ Alumnus Pierre Salinger, the former press secretary to U.S. Presidents John F. Kennedy and Lyndon B. Johnson, is the featured speaker at commencement.
- ★ National League for Nursing Accreditation Program awards eight-year reaccreditation to Dickinson State's Bachelor of Science in Nursing program.
- ★ Expanded and re-designed World Wide Web site introduced.

Student Activities

- ★ Student Ambassadors travel to Emporia, Kansas, for Student Alumni Association/Student Foundation District VI Convention.
- ★ MENC members attend six-day national conference in Phoenix, Arizona.
- ★ Members of Lutheran Campus Ministries travel to Memphis, Tennessee, to help renovate a church.
- ★ Forensics team is the only squad from North Dakota colleges and universities to compete at the National Novice Tournament at Bethel College, St. Paul, Minnesota.
- ★ Science Club travels to South Dakota's Black Hills for science-related learning activities.
- ★ Business Club and Art Club each travel to Minneapolis for four-day field trips.
- ★ Spirit squads capture three awards at Universal Cheerleading Association's Collegiate Cheer and Dance Camp at the University of Minnesota-Twin Cities.

Alumni and Development Activities

- ★ The Dickinson State University Foundation reached all-time record for annual giving, with more than $1 million raised.
- ★ First Yuletyme dinner and auction raised $11,000.

Dickinson STATE UNIVERSITY

(MORE ON OTHER SIDE)

- Alumni gatherings are held in Minneapolis-St. Paul; Phoenix; Portland, Oregon; Newport Beach, California; and Rapid City, South Dakota.
- Todd Syverson '82 and Ron Steiner '72 win 1997 Milken Family Foundation National Education Awards.
- A total of 656 scholarships totaling $282,000 is awarded to Dickinson State students.

Athletic Achievements

- Men's rodeo team captured the national reserve championship and the women placed eighth at the College National Finals Rodeo (CNFR). Both repeat as champions in the six-state Great Plains Region.
- Junior Jeremy Crane wins his second saddle bronc title at the CNFR.
- Volleyball team captures NDCAC and Great Plains Region championships and competes in the NAIA National Volleyball Tournament for the first time. Two players earn All-America honors and four receive All-Region recognition.
- Jason Long earns All-American status in track and field for fourth straight year.
- Five football players earn All-American status; football team finishes 6-3 and over .500 for the 20th consecutive year. The Blue Hawks are ranked 22nd in the final NAIA football poll.
- Four wrestlers earn All-American status at the NAIA Wrestling Tournament as the Blue Hawks finish 10th in the nation.

Student Recognition

- Jennifer Jung is one of 22 undergraduates nationwide to receive a $2,000 scholarship from the Phi Eta Sigma National Honor Society.
- Heather Wall is one of 100 students nationwide named as a Tandy Technology Scholar.
- Three Dickinson State students are accepted into internships with the U.S. Natural Resource Conservation Service. Only six students in the state were accepted into the program.
- Three Postsecondary Agriculture students win titles at the national PAS convention.
- Jackie Olson is one of two students nationwide to be awarded prestigious $1,000 RAWHIDE scholarship at CNFR. Jennifer Plummer is one of eight U.S. students to win a $1,000 NIRA Scholarship.
- Troy Nies wins North Dakota Music Teachers National Association composition contest.
- Willy Maxwell appointed president of the North Dakota Student Association.
- Four *Western Concept* staff members earn a total of 12 awards at the North Dakota Professional Communicators' College Communications Contest.

New Educational Opportunities

- Dual credit program, pioneered at Dickinson State, continues to grow in number of participating students and high schools.
- New bachelor of arts and bachelor of science degrees to be offered in writing, the first such major in the state.
- Dickinson State, in an ongoing partnership with Bismarck State College, offers three courses to BSC students over the Interactive Video Network.

Special Events

- Bismarck-Mandan Symphony Orchestra performs on campus for the third consecutive year. It's the only concert the group plays outside Bismarck each year.
- Ukrainian National Army Song and Dance Company gives special performance.
- Inaugural Opera Gala performed, featuring students, faculty, and community members.
- National recording stars "The Grass Roots" held a sold-out fall concert on Family Day.
- The musical *Grease* packs Dorothy Stickney Auditorium; more than 3,000 people attended.
- A record number of Dickinson State on Tour recruiting receptions are held for alumni and prospective students in Beulah, Bismarck, and Bowman, North Dakota; Glendive, Billings, and Sidney, Montana; Gillette and Powell, Wyoming; and Lemmon, South Dakota.
- Preview Day gives high school students a sneak peak of Dickinson State University and its programs.
- More than 40 businesses take part in Job Fair '98 on campus.

Summer Activities

- Student Orientation, Advisement, and Registration continues to welcome high numbers of students.
- Business Challenge drew more than 200 students and educators to campus.
- Badlands Musical Theatre Camp gave students the opportunity to learn musical theatre and perform in a "pre-show" at the Medora Musical.
- Physical Geography students took trips to South Dakota and Wyoming as part of course curriculum.

Academic Programs and Issues

Dual Credit at Dickinson State University

Cooperative Effort with Bismarck State College to Deliver Baccalaureate Programs to the Bismarck/Mandan Area

N E W S R E L E A S E

Dickinson
STATE UNIVERSITY

Office of University Relations 701-227-2787 Fax 701-227-2025 Dickinson, ND 58601-4896

FOR RELEASE IN PROGRESS EDITION
CONTACT: RYAN McGAUGHEY; NEWS BUREAU MANAGER, 701/227-2787

Dickinson State University proud innovator of "dual-credit" program

Last fall, 16 students attending Hettinger, Bowman and Reeder-Scranton high schools enrolled in a Advanced Composition course. These students got more than just credit toward high school graduation; they got a head start on their college education.

Dickinson State University, in cooperation with the three high schools, has created a dual-credit program where high school students can simultaneously earn credit toward their secondary diploma and collegiate degree. A bill formally allowing dual credit classes has already been unanimously approved by the North Dakota Senate, with passage expected in the House of Representatives.

Dr. Philip W. Conn, Dickinson State University President and major advocate of the program, says the legislation allowing dual-credit classes will allow colleges and universities across the state to emulate Dickinson State's program.

"What's exciting is that the whole concept of dual credit in North Dakota has been pioneered at Dickinson State University," Conn says. "This is an innovation that Dickinson State, in cooperation with the Hettinger, Bowman and Scranton school systems, has designed, and it's a model that will be studied and applied throughout North Dakota. We anticipate that all higher education institutions eventually will develop programs that are patterned after this pilot program."

Under the pilot program, which Dickinson State hopes to expand through the addition of several schools and courses, exceptional junior and senior students earned high school credit as well as three semester credit hours in freshman English Composition 101. High school students who enroll in a course where dual credit is offered have the choice of opting only for credit for high school or for both. Those who wish to earn dual credit pay the standard tuition to Dickinson State University.

Dickinson State University had originally arranged with the Hettinger, Bowman and Scranton school districts to begin the program last spring, but suffered a setback at the hands of the

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state Department of Public Instruction. A dual credit course in Advanced Composition had been arranged and approved, and an instructor chosen.

In the summer, the University, behind the support of Michael Hillman, the new Vice Chancellor for Academic Affairs for the University System, was able to reinstate its dual-credit class plans.

"He said there's nothing that says you can do it, but also nothing that says you can't," says Dr. Richard Brauhn, Dean of Dickinson State University's College of Arts and Sciences, of Hillman's interpretation of state law. "With his support, we were able to get the program set up again."

One primary advantage of establishing the pilot dual-credit program in the three school districts chosen was their linkage through the Yellowstone Trail Consortium, an interactive video network that transmits classes from Hettinger to Bowman and Reeder-Scranton. Another reason for the choice of schools was a Hettinger English teacher, Bonnie M. Smith, who is an alumna of Dickinson State. Smith, who has over 20 years of education experience, is the 1994 North Dakota Teacher of the Year and is completing her masters at North Dakota State University.

"The choosing of where to start wasn't just a shot in the dark," Brauhn says. "We had an excellent teacher, a great school and approval from the superintendent. We wanted a high percentage situation."

Dr. David Solheim, chair of the Department of Language and Literature and professor of English at Dickinson State, met with Smith and reviewed the syllabus and textbooks for the pilot program. Solheim also reviewed Smith's credentials and spoke with Hettinger and Scranton guidance counselors before granting his approval as department chair.

For the initial dual-credit offering, Dickinson State University hired Smith as an adjunct professor. The University plans to continue this practice with the program's expansion, which is expected to continue this fall with added participating schools in the southwest region of the state.

High school students have long been able to earn college credit at Dickinson State, but never before have they been eligible to earn secondary and postsecondary credit through the same course. Students living outside of Dickinson have also been limited in the past by not having the chance to attend high school and college simaltaneously, as a long commute or external commitments outside school hours often interfere.

"Options are something everyone needs, but particularly so for those of us in remote areas," Smith says. "If we expect... our students to be on an equal basis, or a close to equal basis, with students who live near institutions of higher learning, then we need to do everything in our power to provide them with opportunities like this that will insure that they can remain competitive."

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Steven H. Rassier, Superintendent at Hettinger Public School, says the dual-credit program with Dickinson State University costs the school district nothing and is available for any interested student.

"The grade earned is reported on a DSU transcript and can be used there or transferred to any institution the student chooses to attend," Rassier says. "How can this not be a good program for an upper level student who is willing to put in the time, effort, and money for a start on their college education? We are here for the students, all of them."

Conn is particularly proud that due to Dickinson State University's innovation, all students across the state will have new opportunities.

"To have institutions across the state emulating us is very pleasing," Conn says. "It speaks of our inventiveness and our boldness in serving educational needs across our region."

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NEWS RELEASE

Dickinson
STATE UNIVERSITY

Office of University Relations 701-227-2787 Fax 701-227-2025 Dickinson, ND 58601-4896

FOR RELEASE: SEPTEMBER 30, 1997
CONTACT: RYAN McGAUGHEY, NEWS BUREAU MANAGER, 701//227-2542

Dual credit program expanding at Dickinson State University

Course offerings and enrollment in Dickinson State University's dual-credit program are both up this fall and continued growth is expected for the future.

Dr. Richard Brauhn, vice president for academic affairs at Dickinson State, says the University has 55 students enrolled in one or more dual-credit courses, more than doubling the total of 16 in the Spring 1997 semester. Dual-credit courses allow high school students to earn both college and high school credit for a single college course which is taught at the high school.

Four courses are available for dual credit in area high schools this semester, up from one dual-credit last fall.

"We went to various schools and talked with several principals and superintendents about the possibility of offering dual-credit courses," Dr. Brauhn says. "The courses we're offering this semester are the ones that worked out the best for the high schools and were approved by the respective University departments they are each part of. In all cases, the dual-credit courses are part of Dickinson State University's general education core requirements and similar requirements in all of the North Dakota universities."

Bonnie Smith, an English instructor at Hettinger High School, is teaching Freshman Composition (English 101) at Hettinger and over the Interactive Video Network to students at Scranton and Bowman high schools.

Among the new dual-credit offerings are two sections of pre-calculus (Math 205). One is taught at Dickinson Trinity High School by Greg Grinsteinner, a Dickinson State graduate, and the other at Bowman High School by Gary Nagel.

Also at Trinity High School, Janelle Schiff is teaching Fundamentals of Speech Communication (Speech 110), while Deborah Medlar is the instructor of Introduction to Psychology (Psychology 101). Medlar and Schiff, as well as all other dual-credit instructors, are considered to be adjunct members of the Dickinson State University faculty.

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Dr. Brauhn notes Dickinson State was instrumental in making dual-credit classes available to students not only in West River North Dakota, but across the state as well. Legislative action this past winter formally allowing dual credit was unanimously approved by the state Senate and House of Representatives.

The successful dual-credit program most often cited during the Legislative session was the Dickinson State University course in English composition taught in the Fall 1996 semester by Hettinger's Smith, a Dickinson State alumna and the 1994 North Dakota Teacher of the Year.

"The Dickinson State program is the leader in North Dakota in enrolling students," Dr. Brauhn says. "We intend to keep expanding dual-credit offerings as opportunity provides. It's part of our service obligation to meet the higher education needs of the area's students, especially those in rural communities who want to get a head start on college."

Besides earning college credit without leaving the secondary school classroom, high school students may also earn dual credit by taking courses on the Dickinson State University campus. Several students from South Heart High School and Dickinson Trinity High School are currently commuting to Dickinson State for dual-credit classes, Dr. Brauhn adds.

The benefits of an expanded dual-credit program are plentiful, Dr. Brauhn says.

"All the students enrolled in dual-credit courses last spring went to college somewhere and these credits transferred," he explains. "These students already had a college transcript with a grade when they enrolled in college full-time in the fall. Dual-credit courses allow students to complete general education requirements earlier and also help relieve some of the pressure of getting a full schedule as a full-time student in the fall of their freshman year."

Dr. Brauhn notes that high schools in Beach and Watford City are "on the horizon" for dual-credit offerings, while discussions are also being held with Dickinson and Richardton-Taylor high schools.

"This has been a major success story for the University, and the opportunity for dual-credit courses has been received enthusiastically by both parents and students in the communities where we have implemented the program," Dr. Brauhn concludes. "It's a win-win program and we only expect things to grow."

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NEWS RELEASE

Dickinson
STATE UNIVERSITY

Office of University Relations 701-227-2787 Fax 701-227-2025 Dickinson, ND 58601-4896

FOR RELEASE IN PROGRESS EDITION
CONTACT: RYAN McGAUGHEY, NEWS BUREAU MANAGER, 701/227-2542

Dickinson State dual credit program continues to grow

Dickinson State University continues to expand course offerings in its dual-credit program, and more area high schools are expected to offer dual-credit courses in the near future.

Dr. Richard Brauhn, vice president for academic affairs at Dickinson State, says the University added three new dual-credit courses for the Spring 1998 semester. Dual-credit courses allow high school students to earn both college and high school credit for a single college course which is taught at the high school.

Five courses are available for dual credit in area high schools this semester, up one from last fall. Dr. Brauhn believes the number could increase significantly this coming fall.

"We've talked to Beach High School this spring, and there's a strong possibility that they will do some dual-credit with us in the fall 1998 semester," Dr. Brauhn says. "South Heart, Killdeer and Hazen have expressed definite interest in having dual credit. We're talking right now to these schools to see what courses with them are compatible."

Among the new dual-credit offerings in the current spring semester are Introduction to Speech, taught by Sheila Hlibichuk at Belfield High School. Hlibichuk is a former honor student at Dickinson State who majored in English and speech.

Also being offered for the first time are a pre-calculus at Dickinson High School, taught by Jack Carlson, and a welding class at Dickinson High, taught by Rudy Privratsky. This is the first semester Dickinson High has participated in the program.

Among the other dual-credit offerings this semester are Introduction to Psychology, taught by Deborah Medlar of Dickinson Trinity High School for the second consecutive semester, and a section of pre-calculus by Greg Grinsteinner of Dickinson Trinity High School. The pre-calculus course at Dickinson Trinity is a year-round course which students began last fall.

Other dual-credit courses offered in past semesters include Freshman Composition at Hettinger High School, taught by Bonnie Smith and available over interactive television

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to students at Scranton and Bowman High schools, and Fundamentals of Speech Communication, taught by Janelle Schiff at Dickinson Trinity High School. A section of pre-calculus has also been available at Bowman High School, where it has been taught by Gary Nagel. All dual-credit instructors are adjunct members of the Dickinson State University faculty, Dr. Brauhn says.

Dr. Brauhn notes Dickinson State was instrumental in making dual-credit classes available to students not only in West River North Dakota, but across the state as well. Legislative action this past winter formally allowing dual credit was unanimously approved by the state Senate and House of Representatives.

The successful dual-credit program most often cited during the Legislative session was the Dickinson State University course in English composition taught in the Fall 1996 semester by Hettinger's Smith, a Dickinson State alumna and the 1994 North Dakota Teacher of the Year.

"The Dickinson State program is the leader in North Dakota in enrolling students," Dr. Brauhn says. "We intend to keep expanding dual-credit offerings as opportunity provides. It's part of our service obligation to meet the higher education needs of the area's students, especially those in rural communities who want to get a head start on college."

Indeed, four high schools outside of southwest North Dakota contacted Dr. Brauhn about using the Dickinson State University dual-credit model: Granville, Velva, Drake, and LaMoure-Dickey.

Dual-credit programs, particularly Dickinson State's, got a boost in a December 4 editorial in the *Bismarck Tribune*. The column, which cites dual-credit as a strategy for the survival of rural communities, notes the arrangement for Smith's dual-credit course offered in Hettinger, Bowman, and Scranton.

"Students in the three schools have the opportunity to stay on a par with bigger-city students who already have access to more advanced high school or even college courses," the editorial states. "Dual credit gives them a sample of college-weight work in the comfort of their own homes and hometowns. For the college-bound, this is better than taking some of the softer 'electives,' as seniors everywhere are sometimes tempted to do."

Besides earning college credit without leaving the secondary school classroom, high school students may also earn dual credit by taking courses on the Dickinson State University campus. Several students from South Heart High School and Dickinson Trinity High School are currently commuting to Dickinson State for dual-credit classes, Dr. Brauhn adds.

The benefits of an expanded dual-credit program are plentiful, Dr. Brauhn says.

"All the students enrolled in dual-credit courses last spring went to college somewhere and these credits transferred," he explains. "These students already had a college transcript with a grade when they enrolled in college full-time in the fall. Dual-credit courses allow students to

-more-

complete general education requirements earlier and also help relieve some of the pressure of getting a full schedule as a full-time student in the fall of their freshman year."

Dr. Brauhn notes that high schools in Golden Valley/Dodge and Watford City are "on the horizon" for dual-credit offerings, while discussions are also being held with Richardton-Taylor High School.

"This has been a major success story for the University, and the opportunity for dual-credit courses has been received enthusiastically by both parents and students in the communities where we have implemented the program," Dr. Brauhn concludes. "It's a win-win program and we only expect things to grow."

###

Fall 1998 Dual Credit
Courses Offered at DSU
(by high school)

Name	Course #	Course Title	Name of School
Cudney, James	Soc 200	Introduction to Sociology	Beach High School
Heth, Roberta	Psyc 101-4	General Psychology	Belfield High School
Oihus, Janice	Soc 200-2	Intro to Sociology	Beulah High School
Steiner, Tracy	Engl 101	English Composition	Beulah High School
Nagel, Gary	Math 107-4	Pre-Calculus	Bowman/Hettinger/Scranton High School
Carlson, Jack	Math 107-3	Pre-Calculus	Dickinson High School
Joelle Fruh	Span 201	Second Year Spanish I	Dickinson High School
Hebert, Bob	Psyc 101-3	General Psychology	Dickinson High School
Privratsky, Rudy	ASM 155	Agricultural Welding	Dickinson High School
Flaget, Shelly	Spch 110	Fundamentals of Speech	Halliday High School
Wallach, Jerolyn	Chem 131	General Chemistry	Halliday High School
Wallach, Jerolyn	Chem 141	General Chemistry I-Lab	Halliday High School
Smith, Bonnie	Engl 101-2	English Composition	Hettinger/Bowman/Scranton High School
Fischer, Fayleen	Spch 110-3	Fundamentals of Speech	Killdeer High School
Hanson, Cynthia	Psyc 101-2	General Psychology	Killdeer High School
Miller, James	Math 103-3	College Algebra	Killdeer High School
Holinka, Holly	Spch 110-2	Fundamentals of Speech	South Heart High School
Pfau, Mike	Math 103-2	College Algebra	South Heart High School
Pfau, Mike	Math 107-2	Pre-Calculus	South Heart High School
Champa, Judy	Span 201	Intermediate Spanish I	Trinity High School
Grinsteinner, Greg	Math 103	College Algebra	Trinity High School
Grinsteinner, Greg	Math 107	Pre-Calculus	Trinity High School
Medlar, Deborah	Psyc 101	General Psychology	Trinity High School
Schiff, Janelle	Spch 110	Fundamentals of Speech	Trinity High School
Holen, Michael	Math 165	Calculus I	Watford High School

THE DELIVERY OF DUAL-CREDIT COLLEGE COURSES BY DICKINSON STATE UNIVERSITY

Preface: Dual-credit college courses which can receive both high school and college credit are authorized according to the provisions of North Dakota Century Code 28-32-01, Subdivision q of Subsection 1 as amended and re-enacted by the 1997 Legislative Assembly (see attachment).

I. MODEL A (College Course Taught By An Adjunct Instructor Within A High School)

The first model (Model A) consists of a **DSU course** being taught by an adjunct instructor directly in a high school. The course will carry both high school and college credit, the amount of high school credit for the course to be determined by the district superintendent.

A. Permission:

1. Before enrolling in a dual-credit college course, high school students **must obtain** permission from the school district superintendent who will sign the North Dakota University System Dual Credit Application form in Part II-Course Information (see attachment).

2. The superintendent shall determine the corresponding high school course and number of high school credits the student will be eligible to receive credit for by taking the dual-credit college course and indicate this number in Part II of the application form.

B. Enrollment Application:

Students wishing to take such a DSU college-level course, documented through an official DSU grade transcript, will complete the North Dakota University System Dual Credit Enrollment Application form (see attachment) and send it directly to the DSU Office of Admissions and Records. Dual-credit students will not be charged an application fee.

1. The application form contains a student information section which must be completed and signed by the student **and** the student's parent/guardian.

2. According to University regulations and the North Dakota Century Code regarding dual-credit courses, high school juniors and seniors **may enroll in one (1) college course per semester**. Dickinson State policy allows high school students to receive a maximum of 12 semester hours of college credit through dual-credit courses taken while enrolled in high school.

3. If the college semester course is taught at the high school for the entire academic year, **registration for the course will occur at the beginning of the University's fall semester.**

4. Students enrolled in dual-credit college courses which are taught in a high school format that extends beyond the sixteen-week college semester will have an **x recorded at the end of the fall semester denoting "work in progress", the final course grade being submitted when the course is finished per standard DSU procedure.**

Student Issues

Financial Aid Concerns
Benchmarks of Vital Student Life

HB 1003

Dickinson State University

Richard D. Brauhn, Interim President

House Appropriations Hearing

January 12, 1999

5. Enrollment applications for dual credit must be submitted to DSU within the **first ten (10) days of the beginning of the DSU semester** in which the dual credit course is offered. The calendar in the DSU catalog will have the starting dates of each semester (both fall and spring) for two years. The Office of Admissions and Records can be contacted if there is a question regarding this deadline.

C. Tuition/Fee Payment:

1. Students will **pay the current tuition rate per credit hour along with pro-rated fees.** The tuition/fee amount may change in the future per legislative and State Board of Higher Education actions. Counselors at participating high schools will be informed annually of the current/tuition fee amounts. Further questions should be directed to the DSU Office of Business Affairs.

2. Tuition/fee payment must be made at the time of application with a check payable to DSU attached to the application/enrollment form returned to the Registrar's Office.

3. **Refund of tuition because of withdrawal from the course will be pro-rated according to University policy as outlined in the Catalog.**

D. Course Section Approval:

The DSU course section is approved for dual-credit by 1) the DSU academic Department Chair and corresponding College Dean and, 2) the high school Principal and district Superintendent.

1. The college course section taught in the high school must meet the content and academic standards of the DSU course sections taught on campus. In most cases, the parallel sections will be freshman/sophomore survey courses used for general education requirements that are being offered on the DSU main campus when the dual-credit course is being offered in the high school.

   a. To ensure that DSU course standards are adhered to, the DSU course syllabus will be provided to the instructor and be used as the criteria and model for all such dual-credit college courses taught in the high school. In most cases, this will mean the use of the same (or equivalent) text materials **and** similar evaluation criteria to include DSU Departmental exams if need be.

   b. The teaching of the course in the high school will be monitored by the DSU academic Department Chair (in concert with the Departmental Faculty) responsible for the course e.g. English Composition I will be monitored by the Chair of the Department of Language and Literature. The monitoring of the dual-credit course will include using the DSU student evaluation document and process in order to solicit student feed-back.

2. The DSU course will be offered in the high school schedule as primarily either **advanced placement or honors sections** within the high school curriculum. Students enrolled in such courses have typically been among the best students in the high school who are college bound and who take such courses during their junior and senior years. All students enrolled in a dual-credit college course taught within a high school will be expected to meet the academic requirements of the course irrespective of whether the student enrolls for college credit or not.

3. Once approved, the course will be entered into the appropriate DSU semester schedule and be assigned a course and section call number by the Registrar's office thus being handled in the same manner as college course sections offered on the main campus.

4. The course syllabus will be submitted to the DSU Office of Academic Affairs and distributed to the appropriate College Dean and Department Chair; the syllabus being kept on file in these offices per the standard University procedure.

E. Instructor Approval:

As is the case with all adjunct instructors employed by the University, the instructor offering the course must be approved by the DSU academic Department Chair (in concert with the Departmental Faculty) and the College Dean who recommend the employment of adjunct instructors to the Vice President for Academic Affairs and President for implementation. If the adjunct instructor is a **high school teacher**, the high school Principal and district Superintendent must first give their written approval for their instructor to teach on behalf of DSU.

1. The adjunct instructor teaching the dual- credit college course will be considered to be a DSU adjunct instructor and will be dealt with in similar fashion as all other adjuncts. This includes being scrutinized for the ability to provide college-level content and learning experiences within a dual-credit course.

2. Preference for teachers holding an MA degree in the content area will be only one criterion considered in the employment of adjunct instructors to teach dual-credit college courses.

3. Unless otherwise arranged, DSU will directly pay the adjunct instructor teaching a dual-credit course in the high school for instructional services rendered to the University in accordance with the DSU adjunct faculty employment/payment procedures.

   a. A contract for the semester will be issued to the adjunct instructor who will be paid according to the current adjunct rate per credit hour pro-rated on the number of students enrolled.

   b. **In order to receive full pay for the course, eight (8) students must be enrolled as dual-credit students. Below this number, the instructor will be paid on a pro-rated basis. A dual-credit course can have only one (1) student in the class enrolled for dual credit; the instructor will then receive 1/8 of the salary amount.**

   c. If the adjunct instructor is a high school teacher, payment for teaching a dual-credit course can be made directly to the school district or high school (upon request) rather than to the individual instructor and disbursed accordingly.

4. Adjunct instructors (including a person already teaching in high school or college) who teach dual-credit college courses for DSU must submit a resume, personal data sheet and **official transcripts** to the DSU President's Office per the standard University personnel procedure regarding adjunct instructors.

5. Adjunct instructors (including a person already teaching in high school or college) who teach dual-credit college courses for DSU must fill out appropriate employment forms in the DSU Business Office per the standard University employment procedures.

6. Adjunct instructors (including a person already teaching in high school or college) who teach dual-credit college courses **must** keep appropriate records and submit grade reports to the DSU Registrar's Office at the end of the University's semester in accordance with University procedures.

II. MODEL B (College Course Taught on the DSU Main Campus in Which High School Students are Enrolled)

Model B of the dual-credit mode involves the high school student physically attending a college course offered **on the DSU main campus** as part of the regularly scheduled term offerings at the University. The "dual enrollment" aspect of this option has been available to North Dakota high school students on a limited basis since 1982. With the new "dual credit" provision passed by the 1997 Legislative Assembly, high school students can receive both college credit and high school credit for a single college course.

A. Permission:

High school students will need written permission from the high school principal to leave the school building on released time on order to attend the DSU class.

The "release form" would be filed with the DSU Registrar's Office and placed in the student's enrollment folder. Once on DSU's campus, University insurance will cover the high school student regarding potential harm or injury. However, the University will not assume "in loco parentis" supervision of the high school student. High school students enrolled in University courses on campus will be subject to the same rules and regulations as the rest of the student body.

B. Enrollment Application:

Enrollment application procedures for college credit would be the same as in Model A with the student tendering the North Dakota University System Dual-Credit Enrollment Application form directly to the DSU Admissions and Records Office (see page 1, I.B).

C. Tuition/Fee Payment:

The tuition/fee charge would be the same as listed in Model A with the same payment procedure and refund policy (see page 1, I.C.1 and 2).

D. Course Credit:

In this model, the regularly offered DSU course would automatically carry college credit. In accordance with the North Dakota Century Code dealing with dual-credit, high school students enrolled in a three-semester hour college course will be eligible to receive one (1) high school credit for a full semester course. The student's district superintendent will make the determination for the dual-high school credit to be awarded the student.

III. MODEL C (Dual-Credit College Courses Taught in the High School by Full-Time DSU Faculty Members)

This model will have a full-time DSU faculty member teach a college course section directly in the high school for which dual-credit (both high school and college) could be received. This course could be delivered by the college professor directly within the high school or, via interactive television if there is a link to the high school.

A. Certification:

In accordance with the provisions of the North Dakota Century Code, dual-credit courses are considered as post-secondary courses and are **exempt** from any statutory or regulatory provisions otherwise applicable to high school courses and to the persons by whom high school courses are taught. Therefore, college faculty may teach college courses in a high school for which high school credit is granted (per the district superintendent's approval) without having state secondary certification.

B. Instructor Approval:

1. The DSU full-time faculty member teaching such a course section would be assigned the dual-credit class as part of his/her regular semester academic work load.

   a. The assignment of a dual-credit course section will be determined by the Department Chair in conjunction with the College Dean and built into the term schedule in the same manner that other college course sections are determined for scheduling. The Department Chair will discuss the teaching assignment with the appropriate faculty person before inclusion of the course section into the schedule as is the case with all "in-load" teaching assignments.

   b. The high school administration will be apprised of such a potential assignment and approval will be requested from the district superintendent (or other appropriate administrator) for the DSU faculty member to teach the section on the high school campus.

2. In the case where a full-time faculty person can not be found to teach the dual-credit course, the Department Chair and the Dean may seek a qualified adjunct instructor to teach the course according to the procedure outlined in Model A.

C. Course Section/Credit Approval:

The course section should be appropriate for dual-credit purposes i.e. freshman/sophomore general education level. The offering would be a course that has been already approved as part of the University curriculum. However, the course would need formal approval by the school district superintendent (or appropriate administrator) for receiving high school credit; approval being made on the Dual Credit Enrollment Application form.

D. Enrollment Application:

The North Dakota University System Dual Credit Enrollment Application form is completed and sent to the DSU Office of Admissions and Records.

E. Tuition/Fee Payment:

The tuition fees and amounts are the same as the other models with fee payment tendered along with the enrollment application.

IV. DSU STUDENTS ENROLLED IN DUAL-CREDIT COURSES

In Model A where the dual-credit college course section is taught within the high school, **DSU students will be prohibited from enrolling in that section. However**, regular DSU students will be enrolled in regular course sections offered on the main DSU campus that might carry dual-credit and have high school students in attendance.

V. USE OF UNIVERSITY RESOURCES

High school students enrolled in dual-credit college courses and seeking DSU college credit regardless of class location will be able to use University resources i.e. computer labs, library, etc. as any part-time student would. A temporary identification card for the semester of enrollment will be issued to dual-credit students from the Registrar's Office upon completion of the course enrollment procedures that designates their special status. This temporary identification card for dual-credit students does not allow access to University benefits and events funded through special University fees.

VI. FURTHER INFORMATION:

For further information regarding dual-credit opportunities at Dickinson State University, the interested party should contact the following individuals:

The local high school counselor or principal.

The Office of Academic Affairs of Dickinson State University:
Vice President for Academic Affairs, Dr. Rich Brauhn at 227-2330.

The Office of Admission and Academic Records of Dickinson State University:
Registrar, Mr. Marshall Melbye at 227-2331.

The Office of Business Affairs at Dickinson State University:
The Vice President for Business Affairs, Mr.Binstock at 227-2328.

Dual Credit Enrollment Application

North Dakota University System
SFN 51295 (07-97)

Part I - Student Information

To be completed by student before course begins.

Last	First	Middle	Social Security Number
			- -

Street Address	Birth Date	Year in School *(circle one)*
	- -	11 12

City	State	Zip Code	Gender *(circle one)*
			M F

Parent/Guardian Name	Last	First	Middle

Street Address	Student signature	Date

City	State	Zip Code	Parent/Guardian signature	Date

Part II - Course Information

To be completed by student and signed by district superintendent and college/university registrar before course begins.

Name and Number of Dual Credit Course

High School Course Title	College Course Title

Course Code No.	Credit *(circle one)* ¼ ½ 1 Other ___	Course Number	Credit *(circle one)* 1 2 3 4 Other ___

School of Attendance	High School County District No.	Name of College/University Where Course is to be Credited

Street Address	Street Address

City	State	Zip Code	City	State	Zip Code

Semester *(circle one)* Fall Spring Summer School Year _____ *(Ex. 97-98)*	Dual Credit Course Instructor's Name *(if known)*

Location of Class *(circle one)* High School College Distance Learning	**See Information on Reverse Side for Disposition of Copies**

Superintendent or designee signature	Date	College/University Registrar or designee signature	Date

Part III - Registrar Information

To be completed by college/university registrar at end of course.

Grade Earned

- ☐ A
- ☐ B
- ☐ C
- ☐ D
- ☐ S (Satisfactory)
- ☐ U (Unsatisfactory)
- ☐ P (Pass)
- ☐ F (Fail)
- ☐ Incomplete
- ☐ Other _____

See Information on Reverse Side for Disposition of Copies

College/University Registrar or designee signature Date

Fifty-fifth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Monday, the sixth day of January, one thousand nine hundred and ninety-seven

SENATE BILL NO. 2033
(Legislative Council)
(Education Services Committee)

AN ACT to provide for a postsecondary enrollment options program; and to amend and reenact subdivision q of subsection 1 of section 28-32-01 of the North Dakota Century Code, relating to the rulemaking authority of the superintendent of public instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Postsecondary enrollment options program. Any North Dakota student enrolled in grade eleven or twelve in a public high school is eligible to receive high school and postsecondary credit for the successful completion of an academic course offered by any postsecondary institution accredited by a regional accrediting organization or a vocational course offered by a postsecondary institution in a program accredited by a national or regional accrediting organization recognized by the United States department of education.

SECTION 2. Permission to enroll - Notification - Credits. Before enrolling in a course for credit under section 1 of this Act, the student must obtain written permission from the student's school district superintendent. The student's school district superintendent shall determine the number of credits for which the student is eligible and shall include the number on the permission document granting permission required by this section. For purposes of determining credit, a three-semester hour course offered by a postsecondary institution is equivalent to a full semester high school course. Upon the student's successful completion of the course, the postsecondary institution shall notify the student's school district superintendent of that fact.

SECTION 3. Costs of attendance - Responsibility of student. The student and the student's parent or legal guardian are responsible for all costs of attendance at a postsecondary institution under sections 1 through 6 of this Act. For purposes of this section, "costs" include tuition, fees, textbooks, materials, equipment, and other necessary charges related to the course in which the student has enrolled.

SECTION 4. Transportation - Responsibility of student. The student and the student's parent or legal guardian are responsible for transportation arrangements and all costs of transportation associated with a student's attendance at a postsecondary institution under sections 1 through 6 of this Act.

SECTION 5. Foundation aid - Extracurricular activities. A student attending a postsecondary institution under sections 1 through 6 of this Act is deemed to be in attendance at the student's school district of residence for purposes of calculating foundation aid and for purposes relating to the student's eligibility to participate in high school extracurricular activities.

SECTION 6. Courses - Statutory and regulatory exemption. The courses for which dual high school and postsecondary credit are available under sections 1 through 6 of this Act are postsecondary courses and are exempt from any statutory or regulatory provisions otherwise applicable to high school courses and to the persons by whom high school courses are taught.

SECTION 7. AMENDMENT. Subdivision q of subsection 1 of section 28-32-01 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

q. The superintendent of public instruction, except with respect to rules prescribed under section 15-21-07 ~~and~~, rules implementing chapter 15-22, and rules relating to sections 1 through 6 of this Act.

Cooperative Effort with Bismarck State College to Deliver Baccalaureate Programs to the Bismarck/Mandan Area

I. PROGRAM EXPLANATION:

Provide a brief abstract of the program and what its offering intends to accomplish. Include the date the program will be initiated and when the program cycle will be completed, if approved.

It is the intention of Dickinson State University in collaboration with Bismarck State College to deliver the necessary DSU course work to enable the completion of a DSU baccalaureate degree **at Bismarck State College** in three areas: Bachelor of University Studies, Bachelor of Arts in English with a minor in journalism, and a Bachelor of Arts in Composite Social Science. The Dickinson State baccalaureate programs all require 128 semester hours of course work with at least 32 hours of course work in upper-level courses numbered 300 and 400, plus a general education component of 39 hours along with the completion of an approved major course of study within a specific discipline. Bachelor of Arts degrees require a minor concentration along with 16 hours of a foreign language. The three specific baccalaureate programs were chosen because of versatility and commonality with existing BSC curriculum. The key factor in the delivery of the bachelor degrees to Bismarck State College is the ability to **utilize BSC courses and instruction as much as possible in meeting not only general education requirements, but also the sophomore (200 level) courses which are foundational toward completing the upper-level coursework necessary for the bachelor's degree.**

BSC students already enrolled in course work can complete a BSC associate degree which thereby meets the DSU baccalaureate degree general education requirements in accordance with NDUS transfer policy. Those students with some college work who are returning to school after a "stop-out" will have their previous college work evaluated as transfer credits and may complete the DSU general education requirements by taking equivalent BSC courses.

Those courses within the major areas of the three baccalaureate programs that can **not** be provided through the BSC curriculum will be provided to students accessing them at the Bismarck State campus through three delivery modes: 1) Sending DSU upper-level courses (taught by DSU instructors) to BSC via interactive television, 2) having the DSU courses taught on the BSC campus by BSC faculty (or other adjunct instructors) hired as DSU employees, or 3) having the courses taught by DSU faculty who travel to BSC on a regular basis. In all cases, Bismarck State College courses of equivalent content and nature will be used as substitutions wherever possible. The DSU B.A. degree in English requires a minor in journalism and 16 hours of a foreign language, both of which can be provided through existing BSC courses in journalism and Spanish. The Composite Social Science degree also requires a foreign language requirement which BSC can provide. Dickinson State University's Bachelor of University Studies degree requires 32 hours in upper-level (300/400) courses with at least 32 hours of DSU course work but has no other specific requirements. In all three DSU degree programs, **half or more of the required course work can be met with existing Bismarck State College courses of common content and nature.**

A schematic and time-line for the delivery of the upper-level DSU courses in all three baccalaureate programs has been developed and is included in this proposal as **Figures 2, 3, and 4**. The delivery mode is primarily through courses taught at DSU and sent to BSC via interactive television. However, on occasion some courses might be taught by qualified BSC faculty as adjuncts of DSU. The first cycle of the baccalaureate programs begins in the **fall of 1998 and ends with the spring semester of 2001.** The delivery of the Bismarck State College/Dickinson State University cooperative baccalaureate programs will be coordinated through the Extended Campus Office at DSU and will eventually require the employment of a part-time coordinator housed on the BSC campus. Dickinson State University will petition the North Central Association for permission to offer these degree programs at an off-campus site. In this regard, required plans for student advisement, library services, bookstore services, and financial aid arrangements have all been addressed in the "Memorandum of Understanding" between Dickinson State University and Bismarck State College that was designed by administrators and faculty of both institutions and signed into effect by the presidents of both schools on February 6, 1998. **(See Appendix A)**

The delivery of the three bachelor's degree programs from Dickinson State University to Bismarck State College will provide an opportunity for Bismarck/Mandan area students to complete an affordable general baccalaureate degree program from a state public institution. These degrees can be used for either enhancing current employment status or provide the foundation for future employment opportunities that require a bachelor's degree for initial entrance. Indeed, if the demand is demonstrated in the future, Dickinson State could provide the professional education course sequence for secondary teachers using the two discipline majors as an academic foundation. The curriculum for each degree is flexible enough in each instance to provide student choices without sacrificing rigor and substance. Because all three baccalaureate programs have prior approval from the State Board of Higher Education for offering them at Dickinson State, this request is being made for the distance delivery of these programs to Bismarck State College in a truly cooperative and joint academic venture that demonstrates an efficient use of curriculum, faculty, and resources on both campuses for the benefit of the state's student clientele.

II. RATIONALE FOR PROVIDING THE PROGRAM AT A DISTANCE:

Provide an explanation for how the content and pedagogy of this program will be satisfied through distance education. Include any special strengths and/or unique features of the program and relate them to the institutional mission and/or mission of the principal or host campus. In the entire (100%) of the course offerings are not being provided at a distance, please explain.

The general education sequence for the associate of arts degree at Bismarck State College is very similar to the general education requirement for the bachelor of arts degree at Dickinson State University with common area requirements and hours required.

Moreover, graduating with an associate degree from Bismarck State College will fulfill the general education requirement for the Dickinson State University baccalaureate degree. Plus, BSC has a strong transfer, liberal arts curriculum at the 100 and 200 level in the specific discipline of English and the broad area of social sciences with well-qualified instructors in both. Many of these 100 and 200 level courses are similar in content to the required courses (at the same level) within the DSU baccalaureate majors in the English and composite social science degrees. By utilizing the already existing curriculum at BSC and courses already being taught plus delivering the upper level (300 and 400) courses from DSU via IVN or on-site instruction, a bachelor of arts degree would be attainable for students on the BSC campus. The content and pedagogy of all the courses within the major programs, whether they be BSC or DSU courses, would be monitored by the BSC and DSU department chairs and faculty responsible for the academic integrity of the program and/or course. What is perhaps a key factor in the success of this proposal is that the faculty in the identified disciplines both know and respect their colleagues on the other campus. This relationship has been especially enhanced by the common course numbering project and all-faculty conferences which have brought faculty from BSC and DSU together for discussion. The distance delivery of the upper-level DSU courses with the specified baccalaureate programs would ensure that the BSC student would have the same content and pedagogy offered to DSU students.

The delivery of the bachelor degree programs to Bismarck State College and area students is well within the mission of Dickinson State University. DSU is defined within its mission statement as... "a regional four-year institution within the North Dakota University System, whose primary role is to contribute to intellectual development...especially in southwestern North Dakota. The University's mission is to provide...accessible programs..." The delivery of the bachelor degree programs to the Bismarck/Mandan area (100 miles from Dickinson) is in a real sense, nothing more than carrying out the institutional mission as it is written. Perhaps more importantly, the delivery of these programs to BSC ties directly into the NDUS Strategic Plan 1998-2004. Goal number two in the NDUS plan calls for the "improvement of access to programs (through) the enhanced use of technology. Indeed, one of the stated campus strategies in the Dickinson State University plan to help implement this System goal is to "...through the use of technology and in cooperation with one or more other NDUS campuses...offer joint degree programs." Thus, the formation of a cooperative effort between BSC and DSU to deliver bachelor degree programs to the Bismarck/Mandan area utilizing IVN delivery of upper level courses from DSU combined with lower level BSC courses taught on campus is precisely in accordance with meeting this campus strategy in helping the System progress in its goal achievement. In the final analysis, the opportunity for Bismarck/Mandan students to pursue a bachelor's degree from a public institution at an affordable price would be enhanced greatly which is in keeping with the broader service mission of the North Dakota University System and its member institutions.

If anything is unique about this delivery program, it is the capitalization on courses and instructors at Bismarck State College (a two-year college) to fulfill baccalaureate degree requirements at a four-year institution. The BSC courses would be transferred into the Dickinson State University program as meeting requirements, but the students would not physically transfer to the DSU campus, the students would remain at BSC to complete their course work through distance delivery. In effect, this is often what is referred to as a "2 + 2" program but without the need for the Bismarck student to literally move to Dickinson physically and enroll in courses taken on the DSU campus. This proposed program takes advantage of the courses, instructors, and physical plant at both institutions in a cooperative partnership that shares resources and provides a needed service.

NEWS RELEASE

Dickinson
STATE UNIVERSITY

Office of University Relations 701-227-2787 Fax 701-227-2025 Dickinson, ND 58601-4896

FOR RELEASE: OCTOBER 15, 1998
CONTACT: RYAN McGAUGHEY, NEWS BUREAU MANAGER, 701/227-2542

Dickinson State University collaborating on degree program with Bismarck State College

Dickinson State University, in collaboration with Bismarck State College, has received approval from North Dakota State University System Chancellor Larry Isaak to begin delivery of Dickinson State baccalaureate degrees at Bismarck State.

"The delivery of these programs to BSC ties directly into the North Dakota University System Strategic Plan for 1998-2004," Isaak says. "The NDUS plan calls for the improvement of access to programs through the enhanced use of technology. This plan of program delivery to the Bismarck/Mandan area in a joint effort of two system institutions does exactly what the NDUS goals call for."

Delivery of Dickinson State University coursework to Bismarck State allows for the completion of a four-year Dickinson State degree in three areas: Bachelor of University Studies, Bachelor of Arts in English with a minor in journalism, and a Bachelor of Arts in Composite Social Science.

"The delivery of the three bachelor's degree programs from Dickinson State University to Bismarck State College will provide an opportunity for Bismarck/Mandan area students to complete an affordable general baccalaureate degree program from a state public institution," says Dickinson State University interim president Dr. Richard Brauhn. "These degrees can be used for either enhancing current employment status or providing the foundation for future employment opportunities that require a bachelor's degree for initial entrance. This is a truly cooperative and joint academic venture that demonstrates an efficient use of curriculum, faculty, and resources on both campuses for the benefit of the state's student clientele."

"I'm excited about this program because it is our first real collaborative effort in which two colleges are equally involved," says Dr. Donna Thigpen, president of Bismarck State College. "We've had, and continue to have, partnerships with other institutions in the system, but

-more-

this is the first time we've ever been involved in a program like this."

The Dickinson State baccalaureate programs all require 128 semester hours of course work with at least 32 hours of course work in upper-level courses numbered 300 and 400, plus a general education component of 39 hours along with the completion of an approved major course of study within a specific discipline. Bachelor of arts degrees require a minor concentration along with 16 hours of a foreign language.

"These three specific baccalaureate programs were chosen because of versatility and commonality with existing BSC curriculum," Dr. Brauhn says. "The key factor in the delivery of the bachelor degrees to Bismarck State College is the ability to utilize BSC courses and instruction as much as possible in meeting not only the general education requirements, but also the sophomore 200 level courses which are foundational toward completing the upper-level coursework necessary for the bachelor's degree. Bismarck State also offers 16 hours of Spanish that can be used as the foreign language requirement."

Those courses within the major areas of the three baccalaureate programs that cannot be provided through the Bismarck State curriculum will be provided and accessible to students at the Bismarck State campus through three delivery modes: sending Dickinson State University upper-level courses taught by Dickinson State instructors to Bismarck State College via interactive television, having the Dickinson State courses taught on the Bismarck State campus by Bismarck State faculty or by other adjunct instructors hired as Dickinson State employees, or having the courses taught by Dickinson State faculty who travel to Bismarck State on a regular basis.

"In all cases, Bismarck State College courses of equivalent content and nature will be used as substitutions wherever possible," Dr. Brauhn notes. "In all three Dickinson State University degree programs, half or more of the course work can be met with existing Bismarck State College courses of common content and nature."

"I believe collaborative programs like this one with Dickinson State are the future for the University system," Dr. Thigpen adds. "We've had many placebound students who don't have the opportunity to move that are looking for ways to complete a baccalaureate degree. There is a tremendous market for placebound students within the Bismarck-Mandan area."

The first cycle of the baccalaureate programs began this fall and ends with the spring semester of 2001. The delivery of the Dickinson State University/Bismarck State College cooperative baccalaureate degree programs will be coordinated through the Office of Extended Campus at Dickinson State University and will eventually require the employment of a part-time coordinator housed on the Bismarck State campus.

"The delivery of the bachelor degree programs to Bismarck State College and area students is well within the mission of Dickinson State University," concludes Dr. Brauhn. "Indeed, one of

-more-

the stated campus strategies in the Dickinson State University plan to help implement this NDUS goal is to offer joint degree programs through the use of technology and in cooperation with one or more other NDUS campuses."

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NORTH DAKOTA UNIVERSITY SYSTEM

Per Capita Comparisons

1996-97 Pell Grant and Campus Based Aid

(based upon total enrollment)

		Pell Grant		S.E.O.G.		Perkins		Work-Study		Total	
Institution	Enrolled*	Avg	Rank	Avg	Rank	Avg	Rank	Avg	Rank	Avg	Rank
UND-Grand Forks	10,151	$366	9	$96	1	$255	1	$94	1	$811	2
NDSU-Fargo	9,383	359	10	90	3	115	4	57	6	621	9
Minot State	3,749	562	3	40	8	77	7	28	10	707	7
NDSCS	3,423	504	4	55	7	71	8	52	7	682	8
Bismarck State	3,156	392	8	32	10	35	10	33	8	491	10
UND-Lake Region	2,223	231	11	10	11	26	11	21	11	288	11
Dickinson State	1,766	689	1	55	6	99	6	88	3	931	1
Valley City State	1,214	487	6	62	5	110	5	62	5	721	6
UND-Williston	986	669	2	37	9	46	9	30	9	782	5
Mayville State	859	494	5	71	4	150	2	84	4	799	3
MiSU-Bottineau	443	484	7	95	2	124	3	89	2	793	4
	37,353	$422		$70		$131		$61		$684	

Note: Data for this report was taken from a 1996-97 FISAP Summary Compiled by North Dakota University System.

Sandy Klein
DSU Director of Financial Aid
December 1997

*Non-Duplicated count of students enrolled Fall through Summer

1997-98 STUDENT AID

ELIGIBLE AID APPLICANTS: Dependent 960
Independent 498
1,458

1,458/1,890 (total # of students) = 77%

TYPE OF AID	# OF STUDENTS	TOTAL DOLLARS	
GRANTS:			
Federal Pell	777	$1,298,974	
(NOTE: 777/1890=41%)			
*Federal Supplemental Education Opportunity Grant	450	117,972	
State Grant & SSIG 146 ($80,400) & 28 ($15,600)	174	96,000	
			$1,512,946
LOANS:			
Federal Stafford Loan	1,017	2,781,568	
(NOTE: 1017/1890=53.8%)			
Unsubsidized Stafford Loan	238	590,091	
Add'l Unsub Stafford Loan	51	100,080	
*Federal Perkins Loan	129	171,666	
Nursing Student Loan	18	27,501	
Federal Plus	58	163,408	
Alaska & Teacher Schol. Loans	3	12,050	
ND Nursing Loan	1	550	
Other Loans	7	14,253	
			3,861,167
SCHOLARSHIPS/WAIVERS:			
SCHOLARSHIPS			
Athletic	119	79,131	
Foundation	375	184,151	
Rodeo	19	18,550	
Misc: internal	130	92,358	
external	18	14,078	
Other: ND Scholars	1	1,756	
ND Indian Schol	1	911	
DALC	5	5,917	
WAIVERS			
International Awards	8	25,177	
National Guard	24	9,747	
Staff	34	8,151	
Cultural Diversity	26	35,346	
			475,273
EMPLOYMENT:			
*Federal College Work/Study	179	188,952	
Institutional Employment	over 152	177,988	
			366,940
Total Student Aid			**$6,216,326**

Average per student: $6,216,326/1,890 = $3,289

Not included: Voc. Rehab., JTPA, LINC, VA Benefits, BIA/tribal, nor Workers Comp.
see on back

* $89,665 was possible due to ND's Disaster declaration.

$ 25,642 SEOG
$ 30,000 FWS
$ 34,023 Perkins

$20,392 was possible due to documentation that more than 50% of our 1990/91 Pell Grant recipients graduated.

$ 20,392 FWS

$110,057 total additional funds for 1997-98.

DICKINSON STATE UNIVERSITY FINANCIAL AID SUMMARY

	RESIDENT TUITION & FEES	ENROLLMENT (Unduplicated headcount)	GRANTS	LOANS	SCHOLARSHIPS AND WAIVERS	CAMPUS EMPLOYMENT	TOTAL FINANCIAL AID
1983-84	$ 891	1,234	$ 497,000	$ 765,000	$97,000	$222,000	$1,581,000
1984-85	935	1,249	607,000	834,000	125,000	237,000	1,830,000
1985-86	1,053	1,277	896,000	984,500	135,000	233,000	2,248,500
1986-87	1,143	1,337	975,351	1,203,619	161,960	225,895	2,566,825
1987-88	1,243	1,287	1,090,246	1,663,773	170,747	224,900	3,149,666
1988-89	1,300	1,417	1,370,821	1,495,481	201,504	223,250	3,291,056
1989-90	1,358	1,402	1,404,390	1,538,525	210,452	240,652	3,394,019
1990-91	1,658	1,547	1,431,483	1,806,186	223,824	212,660	3,674,153
1991-92	1,706	1,627	1,574,270	2,259,514	231,478	243,494	4,308,756
1992-93	1,706	1,696	1,723,961	2,647,846	248,059	262,678	4,882,554
*1993-94	1,782	1,666	1,409,258	3,364,530	329,755	360,989	5,464,532
**1994-95	1,856	1,750	1,439,703	3,305,224	376,561	297,104	5,418,592
1995-96	1,881	1,757	1,360,989	3,713,047	453,215	279,577	5,806,828
1996-97	1,970	1,766	$1,413,371	$3,906,382	$419,116	$308,058	$6,046,927
***1997-98	2,096	1,890	$1,512,946	$3,861,167	$475,273	$366,940	$6,216,326

NOTE: Not included: third party billing or external aid such as JTPA, Voc. Rehab, BIA, tribal, Rural Ed Grant, Midwest Farmworker, Linc, VA benefits, etc.

* $86,314 was possible due to the Midwest Flood allocation.

**$94,231 was possible due to the Midwest Flood allocation.

***$89,665 was possible due to ND's disaster declaration, and

$20,392 was possible due to documentation that more than 50% of our 1990/91 Pell Grant recipients graduated

Benchmarks of Vital Student Life
At Dickinson State University

- Positive Relations With Students
  (Worked Concession Stands, Incorporated More Student Input in Senate Decisions)

- Get More Students Involved
  (Intramurals, Dance Team, Cheerleading)

- ADA Compliance
  (Ramps, Music Area, Klinefelter)

- Student Center Renovations
  (Students Passed Referendum in Support of a Fee Increase for Renovation)

- More Money For Student Activities
  (Students Passed Referendum in Support of a Fee Increase)

- More Student Groups
  (Seven New Groups Established)

- More Weekend Activities
  (Dances, CAB Events have Increased Significantly)

- Better Use of Dickinson State Residence Life Channel
  (Advertising all Senate Events, Dances, Movies, Homecoming Activities, etc.)

- **"DICKINSON STATE PRIDE"**

Dickinson State University

TUITION, FEES, ROOM AND BOARD
Per Semester

(This table reflects current costs which are subject to change.)

	Fall 97-98	Fall 98-99
Tuition by Place of Legal Residence		
North Dakota	$ 878.00	$ 916.00
Minnesota	$ 948.00	$ 948.00
Montana	$1,098.00	$ 1,145.00
South Dakota	$1,098.00	$ 1,145.00
Bordering Provinces (Canada)	$1,098.00	$ 1,145.00
Manitoba Saskatchewan		
*Western Undergraduate Exchange (WUE) (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.)	$1,317.00	$ 1,374.00
Other States and Countries	$2,345.00	$ 2,243.00
University and Activity Fees	$ 170.00	$ 182.00
Room and Board		
Double room and seven-day meal plan	$1,284.00	$ 1,335.00
Single room and seven-day meal plan	$1,472.00	$ 1,531.00
Double room and five-day meal plan	$1,206.00	$ 1,254.00
Single room and five-day meal plan	$1,394.00	$ 1,450.00
Books (estimate)	$ 300.00	$ 300.00

Budget Issues

Critical Issues

1. Adequate faculty/staff salary and development funds need to be realized in support of attracting and retaining quality employees. The institution does not have sufficient faculty and staff positions to provide the quality of services it desires to deliver. Accrediting agencies have recognized and expressed concerns in regard to inadequate staffing levels.

2. Operating expense funds are not adequate to address increasing enrollments, changing technologies, program workload changes, and facility use demands.

3. Increased equipment allocations are necessary. Expanded facilities, the greater utilization of facilities, technological advances, and the importance of providing hands on training on modern equipment utilized by today's workforce necessitates the need for additional equipment funds if quality of service and efficiency are to be addressed appropriately.

4. Funds in support of technology (personnel, professional development, equipment, infrastructure) are desperately needed to address the technological changes/demands associated with instruction and general operations.

5. If institutions are to function in an entrepreneurial fashion, thus responding with services being demanded by the general public, funding in support of special campus initiatives is required.

6. The institution's infrastructure needs attention. Plant improvement funds are not adequate to address the long and ever increasing list of deferred maintenance projects while technological advances place additional burdens on the same limited resource pool.

BUILDING	BUILT	2000 AGE	VALUE	AMOUNT
DICKINSON STATE UNIVERSITY (2390)				
STADIUM	1970	30	328,432	10,309
STORAGE BUILDING	1960	40	37,260	1,559
MULTI-PURPOSE ARENA	1979	21	717,504	15,765
WIENBERGEN HALL	1973	27	3,152,940	89,069
STICKNEY HALL	1921	79	1,044,844	86,362
SOUTH CAMPUS EQUIPMENT STORAGE	1930	70	559,247	40,959
MURPHY HALL	1961	39	1,958,688	79,924
SOUTH CAMPUS CLASSROOM	1930	70	260,708	19,094
MULTI-PURPOSE CLASSROOM	1981	19	1,587,795	31,564
STOXEN LIBRARY	1961	39	2,074,197	84,637
GARAGE/SHOP	1950	50	196,310	10,270
MAY HALL	1955	45	7,208,090	339,374
SCOTT GYMNASIUM	1950	50	2,002,837	104,776
PRESIDENT'S HOME	1959	41	184,842	7,929
NORTH CAMPUS (AIR FORCE PROPERTIES)	1985	15	947,561	14,871
HEATING PLANT	1921	79	1,380,439	114,101
KLINEFELTER HALL (Dormitory built in 1931-Converted to classroom/office 3/1/98)	1998	2	4,290,000	8,977
SUBTOTAL			27,931,694	1,059,540
NUMBER OF BUILDINGS	17			

CODE	INFRASTRUCTURE DESCRIPTION	BUILT	2,000 AGE	PARAMETER	RATE	INFRASTRUCTURE VALUE	FORMULA AMOUNT
DICKINSON STATE UNIVERSITY 239							
1003	PARKING LOT: 5" ASPHALT CONCRETE			601,081	3.19	1,917,448	153,396
1020	PARKING LOT: CURB AND GUTTER			6,093	13.00	79,209	5,281
1210	WATER MAIN: 4" POLY VINYL CHLORIDE			1,349	58.00	78,242	4,471
1211	WATER MAIN: 6" POLY VINYL CHLORIDE			470	60.00	28,200	1,611
1506	STEAMLINE; DIRECT BURIAL: 10"			977	230.00	224,710	17,977
1701	UTILITY TUNNELS, W/O STEAMLINES: 4' X 4'			2,333	245.00	571,585	19,053
2101	SIDEWALK: 4" REINFORCED CONCRETE			29,164	2.35	68,535	5,483
2201	LIGHTING: 30' POLE			74	3,220.00	238,280	13,616
2410	STREETS & ROADS: 30' WIDE W/2 CURBS & 6" GRAVEL BASE – AUTO 8" CONCRETE			2,175	182.00	395,850	31,668
2430	STREETS & ROADS: 40' WIDE W/2 CURBS & 6" GRAVEL BASE – AUTO 8" CONCRETE			1,230	239.00	293,970	23,518
			SUBTOTAL NUMBER			$3,896,030	$276,073

EXTRAORDINARY REPAIRS

239 DICKINSON STATE UNIVERSITY

Version: 1999-0239-A-08

Date: 9/14/98
Time: 15:01:42

Priority	Project Description	Reporting Level	Line	Funding Request			
				General	Federal	Special	Total
1	Weinbergen Hall Roof Replacement	00-239-300-00-00-00-00	50	144,928	0	0	144,9
2	Scott Gym Roof Replacement	00-239-300-00-00-00-00	50	97,524	0	0	97,5
3	Tuckpointing Heating Plant\South Campus	00-239-300-00-00-00-00	50	45,000	0	0	45,0
4	Concrete Repair\Replacement	00-239-300-00-00-00-00	50	23,651	0	0	23,6
	TOTAL			311,103	0	0	311,1

CAPITAL PROJECTS SUMMARY

239 DICKINSON STATE UNIVERSITY

Version: 1999-0239-A-08

Date: 9/14/98
Time: 16:02:47

Priority	Capital Project	Reporting Level	Line	Cost 1999-2001	Cost 2001-2003	Cost 2003-2005
01	Murphy Hall Renovation\Addition	00-239-300-00-00-00-00	50	0	4,000,000	
02	Category I - Health & Safety	00-239-300-00-00-00-00	50	0	376,245	376,2
03	Category II - ADA	00-239-300-00-00-00-00	50	0	419,179	419,1
04	Category III - Major Repairs	00-239-300-00-00-00-00	50	0	904,316	904,31
05	Catagory III - Networking	00-239-300-00-00-00-00	50	0	382,120	382,12
	TOTAL			0	6,081,860	2,081,85

DICKINSON STATE UNIVERSITY
PRIORITIZED INFRASTRUCTURE PROJECTS(11/98) Estimated Cost

$300,000 Level

Direct Buried Steam Line Replacement.($185/LF, Heating Plant to Scott Gym-180 LF-1952) 33,000

The direct buried steam and condensate lines running from the utility tunnel to Scott Gym are 46 years old. Occasionally, water seeps through the end of the conduit system, indicating that ground water is leaking into the conduit. This will cause the piping to deteriorate from the outside in.. The condition of the condensate return line is expected to be in poor condition, due to age.

Extend Emergency Power from the Emergency Generator 20,000

An emergency generator was installed in the Heating Plant several years ago. Presently, the attached loads include the Heating Plant, Klinefelter Hall, and Pulver Hall. It is proposed to extend emergency power circuits to May Hall, Stoxen Library, Scott Gymnasium, Weinbergen Hall, Stickney Hall, and Selke Hall(Buildings that have tunnel access to the Heating Plant). Emergency lighting circuits will be connected to these panels, eliminating numerous battery pack emergency lighting units which are expensive to maintain. Also, critical mechanical systems will be powered to allow for the operation of heating systems during an extended power outage.

Scott/Weinbergen Sidewalk Replacement 20,000

The sidewalks to the south side of Scott Gymnasium and Weinbergen Hall have steep slopes and are in a deteriorated condition, thus posing safety concerns. New sidewalks will also comply with handicap access requirements.

Campus Drive Sidewalk/Curb/Overlay(May Hall to Student Center, 700 LF) 100,000

The scope of this project includes the replacement of the sidewalks and curbs which are badly deteriorated from May Hall to the east past the Student Center(Approximately 700 LF). Campus Drive is to be milled and overlayed to tie into the new curb and replace deteriorated surface(Ave. width 50 FT)

Mall Sidewalk Replacement(1800 LF, 5 FT wide, $3.50/sq. ft.) 31,500

These sidewalks have deteriorated and have many areas where heaving has created uneven surfaces thereby making the walks hazardous for pedestrian traffic.

Storm Drainage Overflow-Campus Drive 20,000

During periods of heavy rainfall, the rainwater runoff can overload the existing storm drainage system and is then dammed by Campus Drive which causes the water to back up above the entrance door elevations of the Student Center. This causes extensive flooding damage to the lower level of the Student Center(Kitchen, cafeteria, office areas). It is proposed to install a culvert under Campus Drive to create an outlet for the runoff.

Reverse Osmosis System-Heating Plant 6,500

We proposed to install a reverse Osmosis water treatment system in support of the Heating Plant boiler system. This will lessen the amount of boiler water chemical treatment required and reduce deterioration of the boilers.

Tuckpointing 54,000

There is the need to do tuckpointing repairs of the masonry surfaces of the Heating Plant, May Hall, and the Agriculture Building. Doing the repairs now will prevent further deterioration of the exterior walls and prevent water damage within the buildings.

$500,000 Level

Street Lighting Replacement(50 X $3,200) 160,000

The current street lighting system is in need of upgrading. The wiring circuit requires continuing repairs. The current system was installed over a long period of time and the light poles vary greatly. A new system will be more efficient and dependable, require less repairs, provide better security, and be more aesthetically pleasing.

Tuckpointing 25,000

There is the need to do tuckpointing repairs of the masonry surfaces of May Hall and Klinefelter Hall. Doing the repairs now will prevent further deterioration of the exterior walls and prevent water damage within the buildings.

15,000

Building Automation System Front-end

The current software package in support of the building automation system is at its capacity for the number of current controllable points. A new software package will allow easier use, more functions, and room for expansion to allow for better control of the temperature conditions in the buildings.

$700,000 Level

Roof Replacements($5.00/SF)	
1. Agriculture Building(1980)(13,000 SF)	65,000
2. May Hall(numerous dates of installation, misc. surfaces)	50,000
3. Stadium(1972)6000 SF	30,000
Tunnel Repair/Waterproofing	20,000
Loop Water System	20,000
Retube 2 Boilers-Heating Plant	30,000

Components Within Major Programs

I. Instruction:

A. Faculty Salaries
B. Classroom Supplies
C. Instructional Support Equipment
D. Academic Training and Development Costs
E. Academic Administration (Academic Dean, Secretarial Support, etc.)
F. Libraries

II. Support Services:

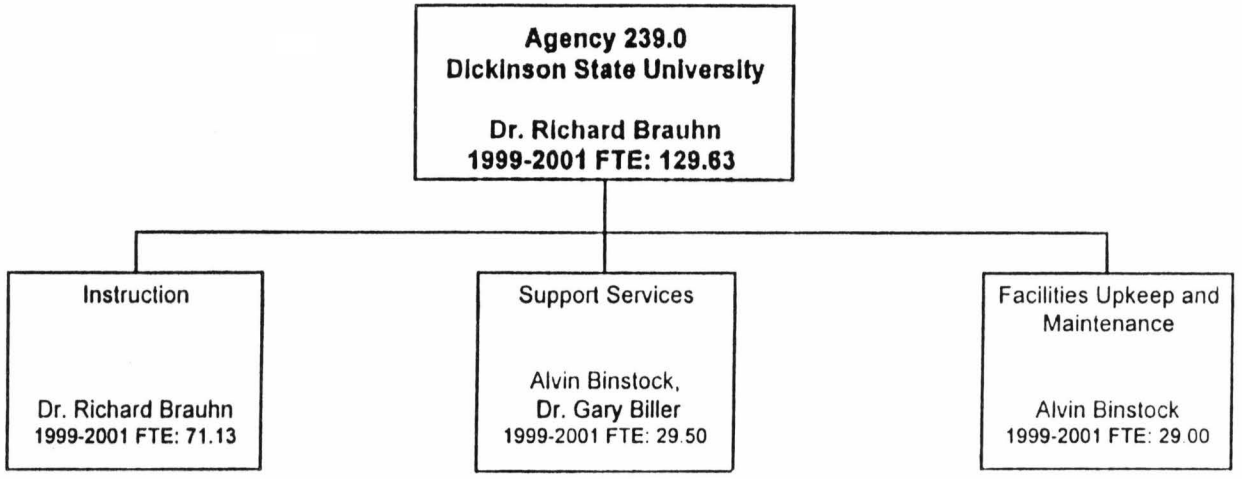
A. Student Services (Financial Aid, Health Services, Guidance, Placement, etc.)
B. Institutional Support (Expenditures in support of the management of the institution: President's Office, Business Office, Computer Center, etc.)
C. Support Services Equipment
D. Support Services Staff Training and Development Costs
E. HECN Costs

III. Facilities Upkeep and Maintenance:

A. Building Maintenance and Operation Costs
B. Custodial Services
C. Heating Plant and Utilities Management
D. Landscape and Grounds Care
E. Traffic, Safety, and Security Controls
F. Physical Plant Equipment
G. Physical Plant Staff Training and Development Costs
H. Plant Improvements

DICKINSON STATE UNIVERSITY

Agency 239.0



Statutory Authority – North Dakota Century Code 15-13-01.

Mission Statement - It is the mission of Dickinson State University to prepare professional leadership for elementary and secondary education and to serve the educational needs of the region across a spectrum of curriculum offerings which will enable students to acquire basic understanding of American social, political, and economic institutions, to prepare them for the responsibility of citizenship in a democracy, and to prepare them to pursue an occupation or profession of their choice and make their contribution to society.

Executive Budget Recommendation -

- Approves elimination of truck driver training program and German.
- Provides $82,859 in extraordinary repairs and $300,000 in one-time funding for deferred maintenance issues.
- Provides $105,600 for dual course credit program in six year plan.
- Approves 4% tuition increase.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

239 DICKINSON STATE UNIVERSITY **Bill #: HB1003**

Biennium: 1999-2001

Description	Expenditures Prev Biennium 1995-1997	Present Budget 1997-1999	1999-2001 Requested Incr (Decr)	1999-2001 Requested % Chg	Requested Budget 1999-2001	1999-2001 Recommended Incr (Decr)	1999-2001 Recommended % Chg	Executive Recommendation 1999-2001
BY MAJOR PROGRAM								
INSTRUCTION	9,238,481	10,429,515	(615,453)	-5.9%	9,814,062	312,093	3.0%	10,741,608
SUPPORT SERVICES	3,067,220	3,462,425	42,035	1.2%	3,504,460	178,676	5.2%	3,641,101
FACILITIES UPKEEP AND MAINTENANCE	3,647,521	7,121,749	237,027	3.3%	7,358,776	1,375,561	19.3%	8,497,310
LOCAL FUNDS	0	1,430,000	38,725	2.7%	1,468,725	(1,430,000)	-100.0%	0
TOTAL MAJOR PROGRAMS	**15,953,222**	**22,443,689**	**(297,666)**	**-1.3%**	**22,146,023**	**436,330**	**1.9%**	**22,880,019**
BY LINE ITEM								
SALARIES AND WAGES	11,710,539	13,446,664	(416,896)	-3.1%	13,029,768	507,826	3.8%	13,954,490
OPERATING EXPENSES	3,329,514	3,897,829	(151,402)	-3.9%	3,746,427	243,738	6.3%	4,141,567
EQUIPMENT	304,823	330,000	60,000	18.2%	390,000	60,000	18.2%	390,000
CAPITAL IMPROVEMENTS	608,346	2,759,582	751,521	27.2%	3,511,103	1,634,380	59.2%	4,393,962
LOCAL FUNDS	0	1,430,000	38,725	2.7%	1,468,725	(1,430,000)	-100.0%	0
95 BIENNIUM CARRYOVER	0	579,614	(579,614)	-100.0%	0	(579,614)	-100.0%	0
TOTAL LINE ITEMS	**15,953,222**	**22,443,689**	**(297,666)**	**-1.3%**	**22,146,023**	**436,330**	**1.9%**	**22,880,019**
BY FUNDING SOURCE								
GENERAL FUND	10,537,061	12,890,620	(1,160,108)	-9.0%	11,730,512	148,673	1.2%	13,039,293
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	5,416,161	9,553,069	862,442	9.0%	10,415,511	287,657	3.0%	9,840,726
TOTAL FUNDING SOURCE	**15,953,222**	**22,443,689**	**(297,666)**	**-1.3%**	**22,146,023**	**436,330**	**1.9%**	**22,880,019**
TOTAL FTE	136.90	131.13	(8.54)	-6.5%	122.59	(1.50)	-1.1%	129.63

DICKINSON STATE UNIVERSITY
ANALYSIS OF EXECUTIVE RECOMMENDATION BY LINE ITEM

SALARIES AND WAGES: **$13,954,490**

- Campus appropriation for salaries and wages reflects 95% of the campus total with the remaining 5% being pooled and appropriated to the Board for distribution.

- Provides $105,600 in support of the "dual credit" program as outlined within the institution's six-year plan.

- Compensation adjustments representing 3.0 percent per year along with fringe benefit increases to address increase in health insurance premiums are included in the recommendation.

- Provides funds to address critical salary adjustments - $114,840. These funds are targeted toward managing campus market, compression, equity, and performance adjustment issues.

- Reflects the "unfunding" of 1.5 FTE faculty positions by recognizing the elimination of the Truck Driver Training Program and the German Minor Program as recommended by the institution with the resulting savings to be reinvested.

- Excluding the Capital Improvements line item recommended appropriation level, 75% of the institution's overall recommended appropriation would be allocated in support of the Salaries and Wages line item.

OPERATING EXPENSES: **$4,141,567**

- Provides for an increase of $243,738 over the 1997-1999 allocation in support of operating expenses. Projected increases in utilities over the 1997-99 biennium total $223,031 leaving the difference or $20,707 to address any inflationary or new operating expense costs. The institution will be challenged to maintain the quality of programs within these limitations.

- The 1999-2001 projected utility costs total $1,451,054.

- Excluding the Capital Improvement line item recommended appropriation level, 22% of the institution's overall recommended appropriation would be allocated in support of the Operating Expense line item.

EQUIPMENT: **$390,000**

- Provides for an increase of $60,000 over the 1997-1999 equipment allocation. These additional funds will be utilized in upgrading computer technology in classrooms and laboratories.

- Excluding the Capital Improvement line item recommended appropriation level, 3% of the institution's overall recommended appropriation would be allocated in support of the Equipment line item.

SPECIAL FUNDING SOURCE BREAKDOWN: **$9,840,726**

- Tuition collections projected with a rate increase of 4% per year (residents: $74 for 1999-2000 and $76 for 2000-2001) are anticipated to generate $6,022,552.

- Interest income from state land (Ellendale) is projected at $33,000 for the biennium.

- Other miscellaneous fees for services are expected to generate $85,174 for the biennium.

- $3,700,000 of the special funding total represents local funds in support of the Student Center Renovation and Expansion Project; $2,200,000 (auxiliary reserves, oil royalties, etc.) is included as special revenue within House Bill #1003 and $1,500,000 is addressed in Senate Bill #2065 which requests the issuance and sale of self-liquidating, tax-exempt revenue bonds not exceeding $1,500,000.

CAPITAL IMPROVEMENTS: **$4,393,962**

- Provides $693,962 to address "extra-ordinary" repairs. Per the executive recommendation, $300,000 of this recommended level of funding is intended to be one-time funding in support of campus deferred maintenance issues.

- Designates "special funds" in the amount of $3,700,000 for the Renovation and Expansion of the Student Center. Senate Bill #2065 seeks authorization for the issuance and sale of self-liquidating, tax-exempt bonds in an amount not exceeding $1,500,000. House Bill #1003 recognizes the utilization of $2,200,000 in local funds derived primarily from auxiliary reserves and oil royalties to compliment the project.

NORTH DAKOTA UNIVERSITY SYSTEM
NEEDS BASED BUDGET PLAN

Prioritized 1999-01 Biennial Budget Request
Summarization of Executive Recommendation

Description	Request	Recommendation	Difference
1. Restoration or Reinvestment	$17,100,000	$15,000,000	($2,100,000)
2. Costs To Continue	$11,900,000	$10,700,000	($1,200,000)
3. Common Course Numbering	$ 175,000	--	($ 175,000)
4. Odin Replacement	$ 2,000,000	--	($2,000,000)
5. SAGE	$ 6,500,000	--	($6,500,000)
6. HECN Technology Enhancements	$ 1,500,000	--	($1,500,000)
7. Midwest Higher Ed. Compact	$ 150,000	--	($ 150,000)
8. Targeted Critical Salary Adj.	$ 3,000,000	$ 3,000,000	--
9. Capital Improvements Increase	$ 1,500,000	$ 1,500,000	--
10. Campus Six Year Plan Strategies	$ 3,615,000	$ 1,200,000	($2,415,000)
11. Targeted Critical Salary Adj.	$ 3,000,000	$ 100,000	($2,900,000)
12. Technology Enhancements	$ 2,500,000	$ 698,000	($1,802,000)
13. Student Progress/Achievement	$ 215,000	--	($ 215,000)
14. Retirement Benefit Adjustment	$ 275,000	--	($ 275,000)
15. Equity Adjustment	$ 1,500,000	--	($1,500,000)
16. State Board/Ag Research	$ 1,000,000	$ 1,000,000	--
17. Campus Six Year Plan Strategies	$ 3,614,589	--	($3,614,589)
18. Increased State Grants	$ 1,450,000	--	($1,450,000)
19. SBHE Priorities	$ 590,000	$ 800,000	$ 210,000
		$ 1,500,000(s)	$ 1,500,000
20. Capital Improvement Increase	$ 1,500,000	--	($1,500,000)
21. Increased State Grants	$ 1,450,000	--	($1,450,000)
22. State Board/Ag. Research	$ 1,000,000	$ 1,000,000	--
23. Equity Adjustment	$ 1,500,000	--	($1,500,000)
24. State Board/Ag. Research	$ 1,000,000	$ 1,600,000	$ 600,000
TOTALS	$68,034,589	$38,098,000	$29,936,589

(s) denotes "special funds"

NORTH DAKOTA UNIVERSITY SYSTEM
Needs-Based Budget Plan
1999-01 Biennial Budget Request
(In Priority Order)
(Notes Related to Governor's Recommendation Follow Each Priority)

1. **Restoration or Reinvestment:** Provides a total of $17.1 million, to the campuses and related entities, to be used for restoring critical programs or services cut in the 95% budget or for adding new programs or services or reinvestment in salary increases, technology, and maintenance. ***(Governor's budget includes $15 million)***

2. **Costs to Continue:** In the 95% budget, the campuses had to absorb the cost to continue operations. This includes costs to continue 98-99 salary increases, utility cost increases, and operating inflation, totaling $11.9 million. This required campuses to cut even more programs and services beyond the 5% general fund cut. The Board's second priority would fund these costs to continue upfront with new state funds. If funded, this will allow the campuses to restore programs and services that were cut in the 95% budget due to self-funding of these costs or the campuses could reinvest the funds in other priorities. ***(Governor's budget includes $10.7 million)***

3. **Common Course Numbering:** Provides $175,000 in funding to continue the staff support that is currently in place to coordinate the common course numbering efforts mandated by the Board ($75,000 is currently in the 97-99 appropriation base at NDSCS). ***(Not specifically included)***

4. **ODIN Replacement:** Provides $2.0 million for the replacement of the current software system that is used to support the automated library network. The current software vendor will be discontinuing support of the current PALS software effective July 2002. In order to position the NDUS for the change, a new system must be purchased in the 99-01 biennium since full migration will take 12-18 months. ***(Not specifically included)***

5. **SAGE:** Provides $6.5 million for financing some or all of the replacement of our current student records and administrative systems. This funding will have to be supplemented with $1.5 million in reserves that have been set aside for the project. This $8.0 million should allow us to make the first biennial installment payment of principal and interest on a financing agreement that will include software, hardware, consulting, and internal personnel costs. Additional general fund appropriations of $8.0 million a biennium will be required for the next two biennia as well. The $1.5 million are one-time funds (Minnesota reciprocity and TRG settlement) that will not be available on an on-going basis for debt service in the future. ***(Not specifically included)***

6. **HECN Technology Enhancements :** Provides $1.5 million for System computing functions that serve all of the campuses. This funding will be used to support the following network enhancements:

normal speed capacity growth	$240,000
high speed capacity growth	$205,000
administrative capacity growth	$310,000
reliability (including backup) improvements	$745,000

($750,000 at HECN-North {UND} and $750,000 at HECN-South {NDSU})
(Not specifically included)

7. **Midwest Higher Education Compact (MHEC):** Provides $150,000 to support ND membership in MHEC. MHEC membership would provide additional opportunities for student exchange with several mid-western states and opportunities for joint administrative collaboration initiatives. This would be in addition to the current NDUS Western Interstate Compact on Higher Education (WICHE) membership. ***(Not specifically included)***

8. **Targeted critical salary adjustments:** Provides a total of $6.0 million in priorities 8 ($3,000,000) and 11 ($3,000,000) for addressing critical salary problems in the System. The funding would not be allocated to employees on an across-the-board basis. It would be used to address market, compression, equity, and performance adjustments. This level of funding would provide approximately 1% per year in salary increases above and beyond what will be included in the Governor's Budget for general state employee salary increases. ***(Governor's budget includes a total of $3.1 million for priorities 8 & 11)***

9. **Capital Improvements Increase:** Provides a total of $3.0 million in priorities 9 ($1,500,000) and 20 ($1,500,000) for increases in capital improvements funding over the current biennial level of $6.3 million. This level of increased funding would provide funding at a rate of .49 of 1% of plant value on an annual basis. Industry standards suggest that the State should invest from 1.5- 3.0% of plant value in plant renewal and replacement on an annual basis. ***(Governor's budget includes a total of $1.5 million for priorities 9 & 20)***

10. **Campus Six Year Plan Strategies:** Provides a total of $7,229,589 in priorities 10 ($3,615,000) and 17 ($3,614,589) allocated to the campuses to fund the campus strategies that support the Board's Six Year Plan goals. The campuses were given the flexibility to set the priorities within their allocation of funds. ***(Governor's budget includes a total of $1.2 million for priorities 10 & 17)***

11. **Targeted critical salary adjustments:** Provides a total of $6.0 million in priorities 8 ($3,000,000) and 11 ($3,000,000) for addressing critical salary problems in the System. The funding would not be allocated to employees on an across-the-board basis. It would be used to address market, compression, equity, and performance adjustments. This level of funding would provide approximately 1% per year in salary increases above and beyond what will be included in the Governor's Budget for general state employee salary increases. ***(Governor's budget includes a total of $3.1 million for priorities 8 & 11)***

12. **Technology Enhancements:** Provides a total of $2.5 million in funding, on a per-student basis, to the campuses to be used for technology replacements or upgrades. This may include funding for computer technology, classroom, laboratory and other equipment needs. Funding could also be used to replace or upgrade the infrastructure needed to support the use of technology. ***(Governor's budget includes $698,000)***

13. **SPARC:** Provides $215,000 for the Student Progress and Achievement Research Center. This would allow for one staff person and related operating and support costs to conduct research and provide data on the progress and success of our students. ***(Not specifically included)***

14. **Class II Employee Retirement Benefit Adjustment:** According to the current TIAA-CREF contract, teaching and research faculty with ranks of assistant professor or instructor, research personnel and lecturers with equivalent rank and professional staff during their first three full years of service are only eligible for employer retirement contributions of 4.5%. All other higher education and state employees are eligible for employer contributions of 9.12 – 9.5% on their first day of employment. This budget item of $275,000 would allow us to eliminate this provision in the retirement plan and provide the same retirement benefits for this group of employees as others. The $275,000 reflects only the state general fund cost associated with this change. In addition, there will also be a cost of $185,000 to the campuses for the positions effected that are funded from local funds. ***(Not specifically included)***

15. **Equity Adjustment:** Priorities 15 ($1,500,000) and 23 ($1,500,000) provides a total of $3.0 million to NDSU to address the equity issues raised in the February 1998 Equity Report presented to the SBHE. ***(Not specifically included)***

16. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(Governor's budget includes a total of $3.6 million for these 3 priorities. The Ag Entities also included items relating to SBAR initiatives in their 5% restoration/reinvestment plans, and those that were funded are included in the $3.6 million total)***

17. **Campus Six Year Plan Strategies:** Provides a total of $7,229,589 in priorities 10 ($3,615,000) and 17 ($3,614,589) allocated to the campuses to fund the campus strategies that support the Board's Six Year Plan goals. The campuses were given the flexibility to set the priorities within their allocation of funds. ***(Governor's budget includes a total of $1.2 million for priorities 10 & 17)***

18. **Increased State Grant Funding:** Provides a total of $2.9 million in priorities 18 ($1,450,000) and 21 ($1,450,000) for increasing the state grant award, which is a needs-based grant. The amount of the grant would increase from $600 to approximately $800 with the first incremental increase in funding of $1,450,000 and from $800 to approximately $1,000 with the second incremental increase of $1,450,000. The rate of increase in the amount of the grant award is contingent upon the magnitude of the reduction this program will suffer in the 95% budget. Some of this increased funding may be needed to merely reinstate current state general fund dollars that may be eliminated in a 95% budget. In

addition, a substantial portion of the funding for this program comes from the ND/Minnesota Reciprocity Agreement. Program cuts in a 95% budget will likely impact enrollments. A drop in enrollments will likely result in fewer dollars available through the reciprocity agreement to support this program and others. ***(Not specifically included)***

19. **Board Priorities:** Provides $590,000 in support of Board priorities including: new System planning and accountability position ($200,000), new System facilities planner position ($125,000), funds for annual meeting of business and industry leaders to discuss their educational needs ($25,000), funds to conduct follow-up surveys in order to document the NDUS effectiveness and to enhance accountability/performance reporting ($200,000), and funds to support a marketing plan for the NDUS campuses ($40,000). ***(The NDUS Office included $161,000 in its 5% restoration/reinvestment plan for the planning and accountability position, and this was funded as part of priority #1. The Governor's budget includes $2.3 million for Board initiatives, which includes $800,000 general fund and $1.5 million other funds that have been previously set aside for the administrative system project-SAGE. This could be used to fund some of the Board initiatives that were not specifically recommended)***

20. **Capital Improvements Increase:** Provides a total of $3.0 million in priorities 9 ($1,500,000) and 20 ($1,500,000) for increases in capital improvements funding over the current biennial level of $6.3 million. This level of increased funding would provide funding at a rate of .49 of 1% of plant value on an annual basis. Industry standards suggest that the State should invest from 1.5- 3.0% of plant value in plant renewal and replacement on an annual basis. ***(Governor's budget includes a total of $1.5 million for priorities 9 & 20)***

21. **Increased State Grant Funding:** Provides a total of $2.9 million in priorities 18 ($1,450,000) and 21 ($1,450,000) for increasing the state grant award, which is a needs-based grant. The amount of the grant would increase from $600 to approximately $800 with the first incremental increase in funding of $1,450,000 and from $800 to approximately $1,000 with the second incremental increase of $1,450,000. The rate of increase in the amount of the grant award is contingent upon the magnitude of the reduction this program will suffer in the 95% budget. Some of this increased funding may be needed to merely reinstate current state general fund dollars that may be eliminated in a 95% budget. In addition, a substantial portion of the funding for this program comes from the ND/Minnesota Reciprocity Agreement. Program cuts in a 95% budget will likely impact enrollments. A drop in enrollments will likely result in fewer dollars available through the reciprocity agreement to support this program and others. ***(Not specifically included)***

22. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(See note after priority 16)***

23. **Equity Adjustment:** Priorities 15 ($1,500,000) and 23 ($1,500,000) provides a total of $3.0 million to NDSU to address the equity issues raised in the February 1998 Equity Report presented to the SBHE. ***(Not specifically included)***

24. **SBAR Initiatives:** Priorities 16 ($1,000,000), 22 ($1,000,000), and 24 ($1,000,000) provides a total of $3.0 million for initiatives presented by the State Board of Agricultural Research in February 1998. These are enhancing value-added opportunities and maintaining economic viability in agricultural production. ***(See note after priority 16)***

The budget plan calls for increased funding of $50.8 million over the 1997-99 appropriation level. This increase would be supported with increased state general fund support of $35.6 million and additional tuition income of $15.2 million. A tuition increase as outlined below would be necessary to generate additional tuition income of $15.2 million. ***(The first 2 columns reflect a rate increase of 6%/year that would be necessary to generate the $15.2 million that was included in the budget request. The Governor's budget includes the rates bolded in the last 2 columns, which equate to 5%/year at UND & NDSU; 4.6%/year at MiSU; 4%/year at DSU, MaSU and VCSU; and 2.5%/year at the two-year campuses)***

	Request		Governor's Budget	
	1999-00	2000-01	**1999-00**	**2000-01**
UND and NDSU	$144	$150	**$118**	**$124**
MiSU	$118	$124	**$ 90**	**$ 94**
DSU, MaSU and VCSU	$110	$116	**$ 74**	**$ 76**
Two-year campuses	$94	$98	**$ 40**	**$ 40**

(The tuition income and tuition increase figures outlined above do not take into account the loss of enrollment that will occur as programs and services are cut in a 95% budget.)

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NORTH DAKOTA UNIVERSITY SYSTEM
TUITION RATES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
	Actual Rates							1999-01 Budget Request		1999-01 Executive Recommendation				
	1992-93 Rates	1993-94 Rates	1994-95 Rates	1995-96 Rates	1996-97 Rates	1997-98 Rates	1998-99 Rates	1999-00 Rates	2000-01 Rates	1999-00 Rates	Increase	2000-01 Rates	Increase	
UND and NDSU:														
Undergraduate:														
1. Resident	$1,860	$1,985	$2,110	$2,110	$2,110	$2,236	$2,362	$2,506	$2,656	$2,480	$118	$2,604	$124	
2. Non-Resident	4,968	5,300	5,634	5,634	5,634	5,970	6,306	6,691	7,092	6,622	316	6,953	331	
3. Minnesota	2,328	2,481	2,638	2,638	2,356	2,422	2,511	2,664	2,824	2,636	125	2,768	132	*
4. Contiguous State/Province	2,790	2,978	3,165	3,165	3,165	3,354	3,544	3,759	3,984	3,720	176	3,906	186	
Graduate:														
5. Resident	$2,070	$2,195	$2,320	$2,320	$2,320	$2,446	$2,572	$2,716	$2,866	$2,690	$118	$2,814	$124	
6. Non-Resident	5,544	5,861	6,194	6,194	6,194	6,532	6,868	7,252	7,652	7,182	314	7,513	331	
7. Minnesota	2,592	2,744	2,900	2,900	2,884	2,966	3,072	3,244	3,423	3,213	141	3,361	148	*
8. Contiguous State/Province	3,120	3,293	3,480	3,480	3,480	3,670	3,858	4,074	4,299	4,035	177	4,221	186	
Other:														
9. Law (Resident)	$2,280	$2,405	$2,530	$2,530	$2,530	$2,656	$2,782	$2,926	$3,076	$2,900	$118	$3,024	$124	
10. Law (Non-Resident)	6,072	6,421	6,755	6,755	6,755	7,092	7,428	7,812	8,213	7,743	315	8,074	331	
11. Law (Minnesota)	2,850	3,006	3,163	3,163	2,884	2,966	3,072	3,231	3,397	3,202	130	3,339	137	*
12. Resident Medical School	8,160	8,310	8,460	8,460	8,460	9,220	10,050	10,955	11,940	10,955	905	11,940	986	
13. Non-Resident Med. School	21,804	22,188	22,588	22,588	22,588	24,618	26,834	29,249	31,881	29,249	2,415	31,881	2,632	
14. Minnesota- Med. School	10,206	10,388	10,575	10,575	9,476	9,958	10,654	11,613	12,658	11,613	959	12,658	1,045	*
MiSU:														
Undergraduate:														
15. Resident	$1,530	$1,655	$1,780	$1,780	$1,780	$1,870	$1,960	$2,078	$2,202	$2,050	$90	$2,144	$94	
16. Non-Resident	4,080	4,419	4,753	4,753	4,753	4,994	5,234	5,548	5,879	5,474	240	5,724	250	
17. Minnesota	1,908	2,069	2,225	2,225	1,994	2,020	2,078	2,203	2,335	2,173	95	2,273	100	*
18. Contiguous State/Province	1,908	2,069	2,225	2,225	2,225	2,338	2,450	2,598	2,753	2,563	113	2,680	117	
Graduate:														
19. Resident	$2,076	$2,201	$2,326	$2,326	$2,320	$2,446	$2,572	$2,716	$2,866	$2,690	$118	$2,814	$124	
20. Non-Resident	5,544	5,877	6,210	6,210	6,194	6,532	6,868	7,252	7,652	7,182	314	7,513	331	
21. Minnesota	2,592	2,751	2,908	2,908	2,884	2,966	3,072	3,244	3,423	3,213	141	3,361	148	*
22. Contiguous State/Province	2,592	2,751	2,908	2,908	3,480	3,670	3,858	4,074	4,299	4,035	177	4,221	186	
DSU, MaSU, VCSU:														
Undergraduate:														
23. Resident	$1,530	$1,605	$1,680	$1,680	$1,680	$1,756	$1,832	$1,942	$2,058	$1,906	$74	$1,982	$76	
24. Non-Resident	4,080	4,285	4,486	4,486	4,486	4,690	4,892	5,185	5,495	5,089	197	5,292	203	
25. Minnesota	1,908	2,006	2,100	2,100	1,882	1,896	1,942	2,059	2,182	2,020	78	2,101	81	*
26. Contiguous State/Province	1,908	2,006	2,100	2,100	2,100	2,196	2,290	2,428	2,573	2,383	93	2,478	95	
TWO-YEAR COLLEGES:														
Undergraduate:														
27. Resident	$1,452	$1,502	$1,552	$1,552	$1,552	$1,552	$1,552	$1,646	$1,744	$1,592	$40	$1,632	$40	
28. Non-Resident	3,876	4,010	4,144	4,144	4,144	4,144	4,144	4,395	4,656	4,251	107	4,357	106	
29. Minnesota	1,812	1,878	1,940	1,940	1,878	1,922	2,000	2,121	2,247	2,052	52	2,103	51	*
30. Contiguous State/Province	1,812	1,878	1,940	1,940	1,940	1,940	1,940	2,058	2,180	1,990	50	2,040	50	

* Since the Minnesota/North Dakota Reciprocity Agreement calls for the higher of the two state rates, it will most likely be the Minnesota rate, however, we do not know what that will be at this time. For estimate purposes, the 1998-99 Mn:ND ratio was used.

The 1999-01 increases are equivalent to the following annual percentage increases: UND/NDSU-5%; MiSU-4.6%; 4 Yr Campuses-4%; and 2 Yr Campuses-2.5%.

g:\cathy\excel\fil\9901requi\tuirates

Student Center Renovation and Expansion Project

90247.0200

Fifty-sixth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2065

Introduced by

Appropriations Committee

A BILL for an Act to provide for the issuance and sale of self-liquidating, tax-exempt bonds for renovating and expanding the student union at Dickinson state university; to provide an appropriation; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. State board of higher education - Bond issuance - Purposes. The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding $1,500,000 for the purpose of renovating and expanding the student union at Dickinson state university for the period beginning with the effective date of this Act and ending June 30, 2001. The bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 2. USE OF BOND PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 1, or so much of the sum as may be necessary, plus any available funds received from federal, private, or other sources, are hereby appropriated for the purpose of renovating and expanding the student union at Dickinson state university for the period beginning with the effective date of this Act and ending June 30, 2001. Any unexpended balance from the sale of bonds must be placed in sinking funds for the retirement of the authorized bonds.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Dickinson State University

Dickinson, North Dakota 58601-4896

Office of the President
Telephone (701) 227-2326
Fax (701) 227-3712

EXPLANATION OF THE REQUEST FOR REAUTHORIZATION OF BONDING AUTHORITY IN SUPPORT OF THE STUDENT CENTER RENOVATION PROJECT AT DICKINSON STATE UNIVERSITY

December 28, 1998

Dickinson State University is currently in the planning phase to renovate 30,530 square feet within the existing campus Student Center and expand the building by an additional 10,300 square feet. The original Student Center was built in 1962 when the University had an enrollment of 879 students. Because of increased use and growing student enrollment, the renovation of the Student Center has been on the University's master plan for facility renovation/construction since 1994. This fall, the enrollment at DSU was 1,800 students.

Total estimated costs associated with the Student Center project amount to approximately $3.2 million. The proposed sources of funds in support of the overall project are:

Asbestos Litigation Funds	$ 331,000
Existing Auxiliary Reserves	1,200,000
Proposed Revenue Bond Issue	1,000,000 – 1,500,000
Oil Production Royalties	500,000
Philanthropic Funds	169,000

	Total $ 3,200,000 – 3,700,000

During the 1995 Legislative Assembly, House Bill 1003 was passed with Sections 10 and 11 permitting the issuance of self-liquidating bonds in an amount not to exceed $ 2 million. The authority for the issuance of these bonds was established for the Biennium beginning July 1, 1995, and ending June 30, 1997. The original cost was based on some very preliminary estimates.

As the project proceeded into the active planning stage with consulting architects and engineers drafting proposals, cost estimates for the project increased. The campus identified additional internal and external funding sources that could be used to cover the additional cost. It was near this time that the campus was fortunate enough to also receive oil royalty income. Some of this income would be used to support the project cost. In addition, due to DSU's level of auxiliary reserves, the administration decided to reduce the amount of the bond issue from $2.0 million to approximately $1.0 million and instead use $1.2 million in reserves to support the project.

As the planning phase progressed, some concern was raised regarding the language in House Bill 1003 that referred to the funding sources that could be used for the project. The bill allowed for the use of proceeds from the bond sales, but also "any available funds received from federal or private sources." The phrase in quotations seemed questionable regarding the use of oil production royalties, which Dickinson State University had accumulated since the tapping of oil reserves on University property. However, because of the uncertainty of being able to use this revenue and the need to scale back some of the original renovation plans submitted by the architectural firm, the actual issuance of the bonds was not carried out during the time period specified in the House Bill.

In the fall of 1998, the University addressed the asbestos mitigation within the Student Center, a necessary task irrespective of overall facility renovation plans. Because renovation plans were still being finalized and no major work on the project had yet begun, it was decided in consultation with the Chancellor and System Office personnel, that the University should proceed to request reauthorization of the initial Legislative approval of the bonding authority in the upcoming Legislative Session prior to soliciting bids.

Therefore, Draft Bill 90247.0200 (see revised draft) was prepared by the Legislative Council staff for submittal to the Budget Section as an "emergency" piece of legislation during the Legislative pre-session on December 11, 1998. Section 1 of the new bill provides for "...the issue and sale of...tax exempt bonds in an amount not exceeding $1.5 million ...for the purpose of renovating and expanding the student union at Dickinson State University...." This bonding revenue is $500,000 more than the initial $1 million calculated for funding the project and gives the University additional funding flexibility that serves to protect the institution's auxiliary reserves and provide a hedge against inflation in building costs. This raises the total available funding for the project from $3.2 to $3.7 million (as reflected in the executive budget) although the University is still committed to a $ 3.2 million project. Section 2 of the bill allows the proceeds from the sale of the bonds, "...plus any available funds received from federal, private, or other sources, ...for the purpose of renovating...the student union...." The key words "or other sources" was included to provide for the use of oil production royalties and other internal funds as such and thereby avoid the interpretive issues that were present in the wording of the original bill in 1995.

SB2065, as introduced, again includes an expiration date on the revenue bond authority. DSU intends to seek a legislative amendment during the session to remove this June 30, 2001 expiration date. This is being done in the event that there is another unforeseen delay in the project so that DSU does not have to return to the Legislative Assembly again for project reauthorization.

The emergency status is requested because Dickinson State University has taken all of the Student Center functions off-line (with the exception of cafeteria dining) beginning January 1, 1999, in anticipation of beginning the interior aspects of the renovation project as soon as possible after Legislative approval in order to prepare for the exterior part of the project in April, weather permitting.

The Student Union provides food service to the University's residence hall 400+ occupants and serves as a multiple-use facility for a host of student and University activities. Although we have provided alternative plans for addressing student services needs, these plans can only be maintained for a relatively short duration of time. The University can not keep the Student Center off-line for much more than the 1999-2000 construction season without having an adverse effect on the quality of student life and University effectiveness, not to mention the negative impact on future enrollments. Thus, it is imperative that construction begins as soon as possible after being granted bonding reauthorization and funding approval.

Thank you for this opportunity to provide an explanation of the circumstances regarding Dickinson State University's request for Legislative reauthorization of bonding authority and overall funding approval for the Student Center renovation project. I appreciate your support and understanding of this request. Please contact me personally if you have any further questions.

Dr. Richard D. Brauhn,
Interim President
Dickinson State University

HULSING AND ASSOCIATES
ARCHITECTS, P.C.

485 South Main
Dickinson, North Dakota 58601
Telephone: 701-225-6871
Fax: 701-225-0003

Registered Architects
[illegible] Hulsing, AIA
[illegible]rchal, AIA
[illegible]m Ellig, AIA
David Nelson, AIA
Jeff Feist, AIA
Robert Ritterbush, AIA
Merlin Rudrud, AIA
Tim Mischel, AIA
Tom Reidy, AIA

Emeritus
Leslie Blake, AIA

September 24, 1998

Gary Biller
Vice President for Student Affairs
291 Campus Drive
Dickinson, ND 58601

RE: DSU Student Center

Dear Gary:

The following is a revised schedule for construction of the Student Center to adjust for approval of the bill by the Legislature.

November 16, 1998	99% Drawings to DSU for review
Mid January, 1999	Advertise
Mid February, 1999	Bid Opening
Early March, 1999	Construction Start - Phase I (Upper Level and Additions)
Mid December, 1999	Phase I Substantially complete (except for Bookstore) Owner to move Dining operations into Upper Level.
Early January, 2000	Asbestos removal of Phase II (Lower Level)
Early February, 2000	Asbestos removal complete. Construction start at Lower Level.
Early May, 2000	Construction Substantially Complete for entire project.

This is based upon the Asbestos Contractors willingness to postpone his Phase II work start from May 1999 to January 2000.

If you have any questions, please contact me.

Sincerely,

Janet Prchal

Janet Prchal, AIA

JP:jm

Other Offices

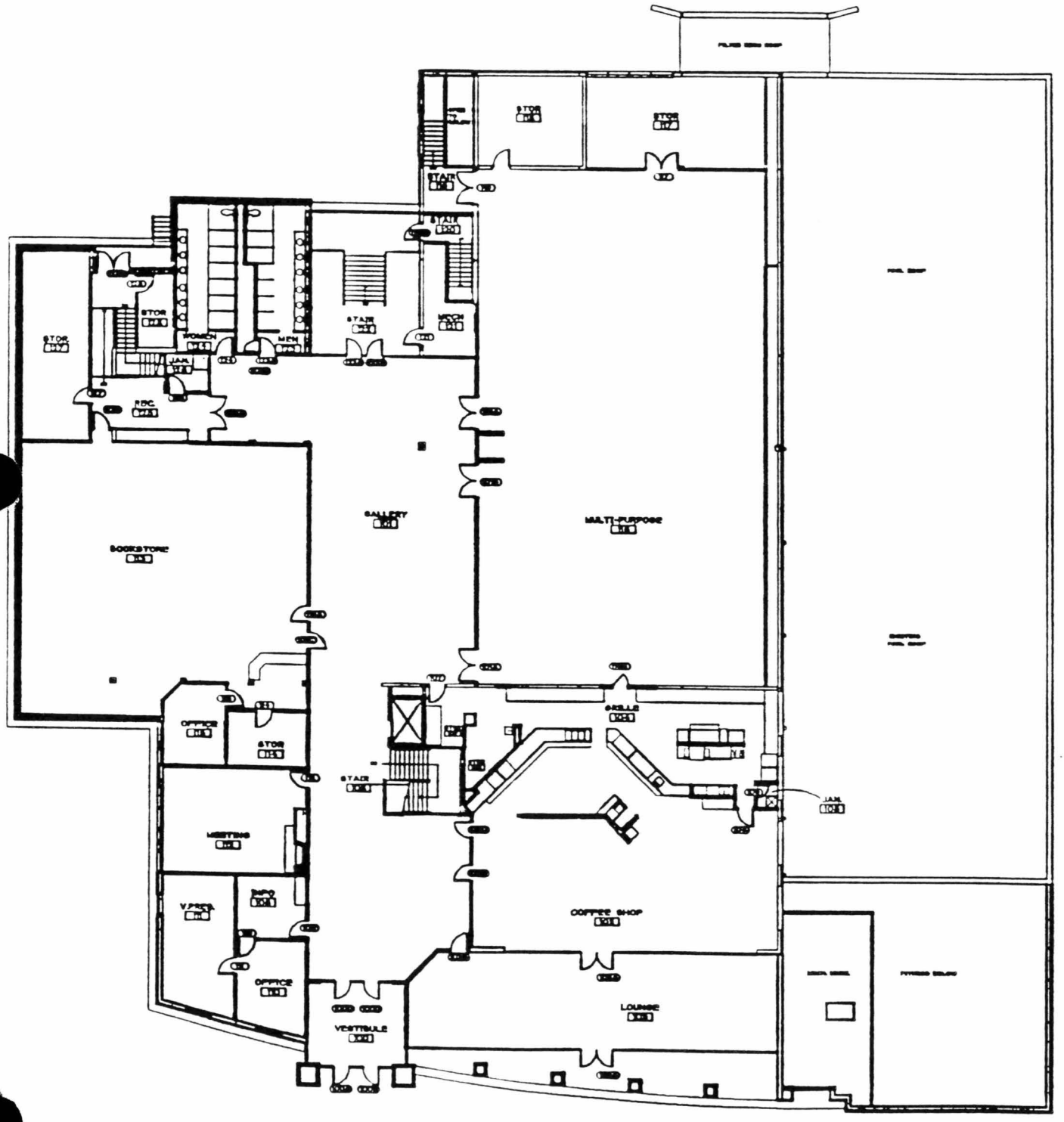
623 Main Street
Williston, North Dakota 58801
701-572-6759

Affiliated Offices

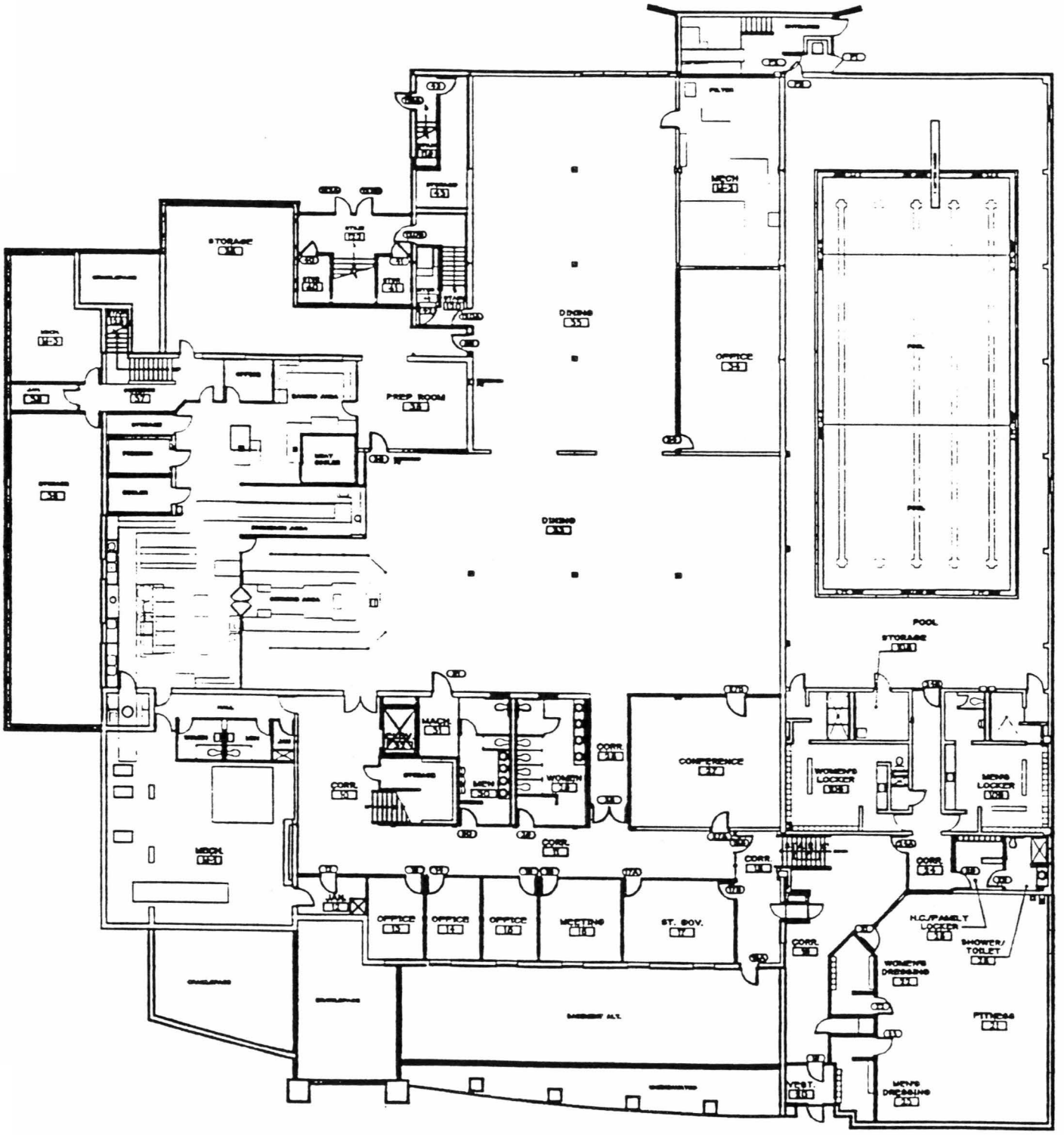
209 North Seventh Street
Bismarck, North Dakota 58501
701-223-7780

301 West Capitol
Pierre, South Dakota 57501
[illegible]24-1132

[illegible]ming N E
A[illegible]erque, New Mexico 87110
505-260-1836



UPPER LEVEL PLAN



LOWER LEVEL PLAN

Dickinson State University

Dickinson, North Dakota 58601

Stoxen Library
(701) 227-2135
Fax (701) 227-2006

Dr. Philip Conn
President, Dickinson State University

February 18, 1995

Dear Dr. Conn,

The Committee on Campus Development and Facility Utilization has met and discussed the prospect of Dickinson State University moving forward in planning for an expansion and renovation of the Dickinson State University Student Center. Recognizing that the current facility which was built to address the needs of a smaller student body is no longer adequate in meeting present student service needs, the Committee makes the following recommendation:

> The Committee on Campus Development and Facility Utilization recommends that you move forward at this time in requesting approval by the Board of Higher Education and Legislature for planning an expanded and updated Dickinson State University Student Center.

While the Committee recognizes that it is desirable to survey the student body before moving forward with the project, we, also, realize that this is not possible within the constraints of the current time frame. We believe the institution should seek approval now, rather than wait for the next opportunity in 1997.

Sincerely,

Bernnett Reinke
Chair

Committee on Campus Development and Facility Utilization

Paula Martin - faculty, School of Arts and Sciences
Arlan Hofland (alumnus) - faculty, School of Education and HPER
William Goetz - dean/faculty, School of Business and Administration
Gary White - chair/faculty, School of Applied Science and Technology
Bernnett Reinke (alumnus) - professional staff
Elaine Hulstein - support staff
Alvin Binstock (alumnus) - administration, business affairs
Gary Biller - administration, student affairs
Michael Wourms - student, music major
Melissa Cooley - student, English education major
Jack Olin - civic/business leader

RECEIVED
FEB 24 1995

$147,486 from the centennial trees program trust fund for providing grants. The grants must be used for planting trees and other expenses associated with achieving the goal of planting 100 million trees by the year 2000, including promotional, educational, and fundraising activities for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 10. BOARD OF HIGHER EDUCATION - BOND ISSUANCE - PURPOSES. The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding $2,000,000, for the purpose of constructing an addition to and remodeling of the student union at Dickinson state university for the biennium beginning July 1, 1995, and ending June 30, 1997. Bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 11. USE OF PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 10, or so much of the sum as may be necessary, plus any available funds received from federal or private sources, are hereby appropriated for the purpose of constructing an addition to and remodeling of the student union at Dickinson state university and providing equipment for the facility for the biennium beginning July 1, 1995, and ending June 30, 1997. Any unexpended balance from the sale of bonds must be placed in sinking funds for the retirement of the authorized bonds.

SECTION 12. LEGISLATIVE INTENT - HASTINGS HALL PURCHASE. It is the intent of the legislative assembly that North Dakota state university enter into an agreement to purchase the Hastings hall facility from the state seed department for $350,000 for the biennium beginning July 1, 1995, and ending June 30, 1997. The source of funds used to purchase the facility is to be determined by North Dakota state university.

SECTION 13. VALLEY CITY STATE UNIVERSITY - APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $150,000, or so much of the sum as may be necessary, to Valley City state university, for the purpose of defraying its expenses resulting from lower than estimated 1993-95 revenue collections, for the period beginning with the effective date of this Act and ending June 30, 1997.

SECTION 14. AMENDMENT. Section 15-10-12 of the North Dakota Century Code is amended and reenacted as follows:

15-10-12. Board may accept gifts and bequests - State treasurer to have custody of school funds. The state board of higher education may, subject to the limitations of section 15-10-12.1, receive donations, gifts, grants, and bequests offered or tendered to or for the benefit of any institution of higher education under its control or subject to its administration, and all moneys coming into the hands of the board as donations, gifts, grants, and bequests must be used for the specific purpose for which they are donated or given. A special revenue fund, for each institution of higher education under the control of the board or subject to its administration, must be maintained within the state treasury and all institutional income ~~and institutional collections of public funds of each institution, except institutional funds received as donations, gifts, grants, and bequests,~~ from tuition collections must be placed in the special fund for the use of the institution for which the money was raised. All rent, interest, or income from land, money, or property, donated or granted by the United States and allocated

From the Senate office:

First of all, I would like to commend everyone for making this year at Dickinson State University a fantastic and exciting one! The addition of a dance team and cheerleaders, who led the cheers for our conference championships in football and volleyball, increased school spirit and crowd enthusiasm. The expansion of our intramural programs let everyone get involved and created an exciting buzz on campus. The Student Senate has worked closely with CAB and the current administration to increase the opportunities for students to get involved and to be entertained during their time here.

We have made strides this year and it is now time to decide how much further we want to go. We have the chance to obtain funding for renovating our Student Center, to make it a fun and worthwhile facility to use. I'm sure I don't have to tell you about how the Student Center is outdated and unable to meet the needs of the current student body. This is an excellent opportunity for the students at Dickinson State University. If we decide not to support this now, the chances of getting another shot of improving and increasing student services are slim.

The members of Student Senate decided to support the use of a student fee to pay for half of the Student Center renovation because we realize that to continue on our quest to make our school more accommodating, we need to update our facilities now. The increase in student fees would be $16.00/per semester, per full-time student. The other half of the renovation will be paid for out of university reserves. There is also a need for an additional $16.00/per semester per full-time student to maintain our current programs and activities. That adds up to $32.00/per semester, per student in student fee increases, which still keeps us one of the least expensive four-year schools in the state.

We have now reached a turning point in making Dickinson State University a "home away from home" for the students. We can decide not to approve the student fee increase and take the risk of losing critical activities for the students and the university. On the other hand, we can continue to move forward and decide to pay to renovate the Student Center and provide facilities which will allow us to enhance the quality of student life at Dickinson State. So vote "yes" on #1 and #2, for a better and enhanced life at Dickinson State.

Respectfully Yours,

Cody Brown

Cody Brown, president

Willy Maxwell

Willy Maxwell, vice-president

DICKINSON STATE UNIVERSITY
STUDENT SENATE

RESOLUTION REGARDING
A FEE INCREASE FOR DEBT SERVICE

WHEREAS: Existing meeting rooms are inadequate in terms of size and number. There needs to be more then two meeting rooms and they need to be more adaptable for the universities needs; and

WHEREAS: The university store is not adequately accessible to the handicapped, lacks in retail and storage space, and, due to physical layout, is extremely congested; and

WHEREAS: Student government and student organizations have insufficient space in which to conduct business and to grow in membership; and

WHEREAS: There is a need for a fitness/workout area for the students to use; and

WHEREAS: The student Center is, for the most part, a sterile looking institutional building in need of updating and modernizing to fit the tastes and preferences of the students.

THEREFORE: **Be it resolved, the 1995-96 Dickinson State University Student Senate supports the implementation of a student fee increase of $16.00/semester to pay debt service for the renovation of the Student center.**

Cody Brown 3/7/96 (date)
Cody Brown, Pres.

[illegible] 3/7/96 (date)
Dr. Biller, Advisor

SUMMARY OF *MAJOR DEFICIENCIES* OF THE CURRENT STUDENT CENTER

1. Existing meeting rooms are inadequate in terms of size and number. There needs to be more then two meeting roms and they need to be more adaptable for the universities needs.

2. Student government and student organizations have insufficient space in which to conduct business and to grow in membership.

3. The game room is lacking in space for pool tables, ping-pong tables, and video games.

4. Lounge and study space is inadequate.

5. The university is not adequately accessible to the handicapped, lacks in reatil and storage space, and, due to physical layout, is extrememly congested.

6. Entertainment and performance arears are inadequate . There are no places to show movies, or to host daytime performances.

7. The Student Center lacks a student-use computer facility.

8. The pool area is lacking in recreational attractions for the students. i.e., hot tub, sauna.

9. There is a need for a fitness/workout area for the students to use.

10. The Student Center is, for the most part , a sterile looking institutional building in need of updating and modernizating to fit the tastes and preferences of today's student.

1. Requested Action:

Dickinson State University requests authorization to approach the 1999 Legislative Assembly with a request including an emergency appropriation clause which would provide permissive legislation for the issuance and sale of self-liquidating, tax exempt bonds in an amount not to exceed $1,000,000 for the purpose of renovating and expanding its Student Center. In addition the request would seek authorization to utilize various available funds from federal, private, and other sources in support of the Student Center Renovation and Expansion Project estimated to cost approximately $3.2 million.

Background Information:

Recent interpretations of the language used within House Bill 1003 of the 1995 Legislative Assembly have raised concerns relative to the continuance into the 1997-99 biennium of the authority permitting the issuance of self-liquidating bonds in an amount not to exceed $2,000,000 in support of the renovation and expansion of Dickinson State University's Student Center. With sensitivity to the specific language within House Bill 1003, Dickinson State University will delay moving forward with the project and will request reauthorization from the Board and the 1999 Legislative Assembly to proceed with bonding and the renovation and expansion of the Student Center utilizing in addition to the proceeds realized from the sale of bonds, any available funds from private and other sources thus including as a source of potential funding auxiliary reserves, oil royalties, etc.

Dickinson State University's project will consist of remodeling 30,530 square feet within the existing structure and increasing the size of the facility with a 10,300 square foot addition at a projected cost of $2,500,000 inclusive of architect fees. New furnishings estimated to cost $350,000 are envisioned to compliment the project. Prior to the project commencing, the abatement of asbestos and other contaminated materials will be necessary at a projected cost of $331,000 bringing the total estimated costs associated with the project to approximately $3.2 million. The proposed sources of funds in support of the overall project are:

Asbestos Litigation Funds	$ 331,000
Existing Auxiliary Reserves	1,200,000
Proposed Revenue Bond Issue	1,000,000
Oil Production Royalties	500,000
Philanthropic Funds	169,000
	$ 3,200,000

With the exception of the revenue bond funds pending the issuance and sale of revenue bonds which will be supported by university fees already in place, all other funds in support of the proposed project are currently available for expenditure. The institution is confident that bond obligations will be met and that remaining auxiliary reserves will be sufficient to maintain and enhance current operations.

1. **Requested Action:**

Dickinson State University requests reauthorization to proceed with the abatement of asbestos and other contaminated materials within the Student Center through processes independent from the originally proposed and approved plan which incorporated such efforts within the now delayed Renovation and Expansion of the Student Center Project (SBHE minutes, Nov. 1997)

Background Information:

Recent interpretations of the language used within House Bill 1003 of the 1995 Legislative Assembly have raised concerns relative to the continuance into the 1997-1999 biennium of the authority permitting the issuance of self-liquidating bonds in an amount not to exceed $2,000,000 in support of the renovation and expansion of Dickinson State University's Student Center. With sensitivity to the specific language within House Bill 1003, Dickinson State University will delay moving forward with the project and will request reauthorization from the Board and the 1999 Legislative Assembly to proceed with bonding and the renovation and expansion of the Student Center utilizing in addition to the proceeds realized from the sale of bonds, any available funds from private and other sources thus including as a source of potential funding auxiliary reserves, oil royalties, etc.

Assuming existing authorization to proceed with the renovation and expansion of the Student Center during Fall Semester, 1998, the institution has relocated during the summer, 1998 all service centers from the Student Center with the exception of food service. The overall project construction schedule called for abatement of contaminated materials including relative demolition prior to the commencement of the renovation and expansion project. (see attachment: revised project schedule for the Student Center). Time is of essence, thus approval of the proposed request in conjunction with project reauthorization would allow Dickinson State University to modify its construction schedule with a focus upon project completion by Fall, 2000. The projected costs associated with this abatement project are $331,060. Asbestos litigation funds are on deposit in support of the proposed abatement project.

DICKINSON STATE UNIVERSITY
SUMMARY OF BONDS PAYABLE
JUNE 30, 1998

Auxiliary Bonds	Ref.	Date	Interest Rate	Amount of Issue	Bonds Retired 7-1-95 to 6-30-96	Bonds Retired 7-1-96 to 6-30-97	Bonds Retired 7-1-97 to 6-30-98	Total Bonds Retired	Bonds Outstanding
Selke Hall	A	3-1-58	2.875	$ 345,000	$	$	$	$ 345,000	$
DeLong Hall	B	4-1-69	3.0	715,000				715,000	
Woods Hall	C	9-1-63	3.75 to 4.0	575,000				575,000	
Pulver Hall	D	4-1-66	4.6	495,000	40,000	40,000	45,000	450,000	45,000
Student Center Addition	ES	4-1-66	4.6	380,000				380,000	
Married Student Housing	ES	3-1-61	4.8	200,000				200,000	
Student Center Original	ES	4-1-62	4.25	300,000				300,000	
Total Auxiliary Bonds				$ 3,010,000	$ 40,000	$ 40,000	$ 45,000	$ 2,965,000	$ 45,000
Technology Bonds									
Technology Bonds	96A	3-18-96	5.2	343,250		25,315	26,602	51,917	291,333
Klinefelter Local Match	95A	3-1-95		275,000			45,833	45,833	229,167
Total Technology Bonds				618,250	0	25,315	72,435	97,750	520,500
TOTAL BONDS				$ 3,628,250	$ 40,000	$ 65,315	$ 117,435	$ 3,062,750	$ 565,500

Dickinson State University

Dr. Richard D. Brauhn, Interim President

Senate Appropriations Hearing

March, 1999

WITH EXCEPTION OF PAGES THAT FOLLOW THIS TESTIMONY IS THE SAME AS PRESENTED TO THE HOUSE

HOUSE AMENDED BUDGET – HB 1003
(GENERAL FUNDS)

GENERAL FUND: 1999-2001 Exec. Recommendation		**$13,039,293**
Adj. To Compensation Package:		
Health Insurance Premium Increase	$ 43,053	
Reduced Salary Increases (2%/year)	(189,770)	
Net Reduction – Compensation Package		$ (146,717)*
Other Adjustments:		
Reduced Salaries – Vacant Position	$(131,253)	
Reduced Dual Credit Course Funding	(53,500)	
.5% Across The Board Operating Reduction	(66,605)	
Total Other General Fund Adjustments		$ (251,358)*
Subtotal Before Salary Pool Reallocations		$12,641,218
Salary Pool Reallocations:		
Reallocate 5% Pool From System Office	$ 697,602	
Reallocate Critical Salary Adj To Board	(84,480)	
Net Salary Pool Reallocations		$ 613,122
Total House Version of HB 1003 – General Fund		$13,254,340

*NOTE: Excluding reallocation adjustments, the House Version of HB 1003 reflects a decrease from the Executive Budget Recommendation of $398,075 (-3.05%). The System average decrease was a negative 2.26%.

HOUSE AMENDED BUDGET - HB1003
(INSTITUTIONAL IMPACT)

- The reduction of the 3%/3% salary compensation package as recommended by the executive branch to the 2%/2% House recommended salary compensation version will negatively impact upon the ability of the insitution to attract and retain quality employees. (House version reduced the compensation package by $189,770. They did increase funding in support of health insurance premium increases by $43,053.)
- The House reduced the Salaries and Wages line item by $131,253 identifying the reduction as a "vacant position" adjustment. The position is an instructional position with additional assigned academic administration responsibilities (Chairperson of the Department of Business and Management). The position was listed as "vacant" during budget preparation since there was not at the time a given individual filling the position. The individual who would have been named to the position is currently on "leave of absence without pay" and is contracted to return on January 1, 2001. During the interim, the funds supporting the position have been utilized to hire replacement faculty and academic administration to carry-out responsibilities normally associated with the position. Any savings have been utilized in support of additional adjunct faculty needed to address increased enrollments. Funding relative to the position is being fully utilized. To put into perspective the impact of reducing salary and wages by $131,253, consider the following:

  - $131,253 would address increased enrollments by allowing the institution to hire adjunct faculty for 64 three credit hour courses providing quality program access. Assuming a modest enrollment of fifteen students/course, there is a corresponding revenue projection loss that has not been accounted for of approximately $230,000 further complimenting the budget process by eroding the projected revenue base (institutional collections).

  - $131,253 equates to a sum that would fund faculty salaries in support of summer school for both years of the biennium. To consider elimination of summer school would again negatively impact upon access and anticipated revenue collections by an estimated $210,000 based upon current summer school revenue collections for a biennium.

- The Executive Recommendation acknowledged efforts by the institution which identified resources for reinvestment at the cost of specific internal program eliminations. It also recognized the priorities and funding requirements associated with the institution's six year planning process in recommending an increase of $105,600 in salaries and wages supporting an aggressive/effective "dual credit" program initiative. The House version reduces this recommended allocation by

$53,500 or 51% thus jeopardizing the viability and effectiveness of the dual credit program. A total of 26 three credit hour courses would be eliminated with a negative revenue impact of approximately $94,000.

- The .5% across the board operating reduction totaling $66,605 further erodes the efforts of the institution to maintain quality/accessible programs. The initial request did not include adjustments for inflation thus the purchasing power of the appropriation was being compromised even prior to this adjustment. Equipment purchases may need to be curtailed along with some extra-ordinary repair projects to address the proposed reduction adjustment.

HOUSE AMENDED BUDGET – HB 1003
(GENERAL FUND CHANGE FROM 1997-99 ADJUSTED APPROPRIATION)

GENERAL FUND:

1999-2001 House Version – HB 1003	$13,254,340
1997-99 Adjusted Appropriation	12,890,620
Net Increase From 97-99 Adj. Appropriation	363,720
Less Compensation package	(553,312)
Net General Fund Change Excluding Comp. Adj.	$ (189,592)

NOTE: The net general fund change excluding the compensation package reflects a decrease in general fund support of $189,592 or 1.47% from the current biennium.

Department 238 - State College of Science
House Bill Nos. 1003, 1022

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	221.90	$22,682,030	$12,789,067 [1]	$35,471,097
1997-99 Legislative Appropriations	218.40 *	21,522,033 **	14,284,558	35,806,591
Increase (Decrease)	3.50	$1,159,997	($1,495,491)	($335,494)

* The 1997-99 appropriation anticipated 222.59 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 218.40 FTE positions shown represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown is adjusted for allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. In addition, the 1997-99 appropriation has been adjusted for carryover authority and other funding pool allocations by the State Board of Higher Education.

[1] Of this amount, $3,770,325 is included in House Bill No. 1022 for bonding of electrical distribution, steam line distribution, and roof replacement.

Major Items Affecting State College of Science 1999-2001 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $15,580,000.)		($4,292,300)	($4,292,300)
2. Adjustments made to reflect the institution's 95 percent budget request	($1,763,478)	(589,760)	(2,353,238)
3. Adds funds for restoration and reinvestment, including funds for restoring critical programs or services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, and maintenance	1,085,832	589,760	1,675,592
4. Other adjustments including funds for cost to continue including previous year salary increases, utility cost increases, and operating expenses inflationary increases (provides income from tuition rate increases of $315,012)	368,614	315,012	683,626
5. Adds funds for critical areas salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	117,480		117,480
6. Adds funds for extraordinary repairs for deferred maintenance problems and Americans with Disabilities Act issues	146,938		146,938
7. Provides funding for tenured faculty to be unfunded the second year of the biennium	162,737		162,737
8. Provides funding for one-time technology funding for multimedia presentations (The House reduced by $50,000.)	293,722		293,722
9. Provides funding for instructional design equipment and software	56,278		56,278
10. Provides funding of $1,288,200 for electrical distribution, $1,060,125 for steam line replacement, and $1,422,000 for roof replacement, all funded with bond proceeds in House Bill No. 1022 (The House reduced to $2,000,000.)		3,770,325	3,770,325
11. Removes funding for higher education salary funding pool funded in the North Dakota University System office (The House reallocated back to the institutions.)	(1,143,124)		(1,143,124)

Major Legislation Affecting the State College of Science

House Bill No. 1022, as discussed earlier, provides authority to issue bonds up to $2,000,000 for an electrical distribution project, steam line replacement, and roof replacement at the State College of Science.

Investment
Investment
Investment
Investment
Investment

NDSCS Is Delivering on its Investment to the Students

House Bill #1003 & 1022
ND House Appropriation Committee Budget Hearing
January 14, 1999

North Dakota State College of Science
Wahpeton, ND 58076-0002

NDSCS

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North Dakota State College of Science
Executive Summary

It's important that the *Investment* North Dakota legislators and the State Board of Higher Education have made at NDSCS since 1903 keep current with our times.

As we face the challenges posed by the press of technology, global economic demands, the changing nature of and need for knowledge, and the influx of nontraditional and returning students, it is quite clear to the College of Science that new directions need to be explored. We accept the *Responsibilities of Accountability for Our Institution* by continuing to explore new directions. The students of tomorrow must be adaptive, professional and, above all else, must be competitive in the world workforce. Therefore, we believe it is important that an *Accountability for Building Positive Relationships between Students, Employees and Employers* must be a high priority. One major problem we are facing today is that the United States is simultaneously creating more high-skill jobs, yet we have more low skilled workers to fill them. The College of Science believes it is in a position to help reverse that trend.

◆

Regardless of the litmus test given, we believe we are accountable for transferring our *Appropriated Resources* into contributions that are higher than self or the institution as a whole.

Some experts believe that the United States is losing its competitive edge, not because of a decline in new research and important discoveries, but because of an inadequate mechanism for quickly transferring the technology from laboratory to the production line. The students that graduate from our programs will help fill that gap. The technologist can relate to both the scientist and the engineer in developing the process that transfers new technology to the production line. The vocational students can have an immediate productive impact on the workforce they are entering. Our accomplishments allow us to play to our strengths, channel our limited resources where they will do the most good, and recognize that change is an ongoing process for the College.

◆

If the College is to be successful in fulfilling its mission, four major areas must be addressed.

1. The College of Science must strengthen its investments in Equipment Support. The Governor has recommended a one-time $350,000 funding of technology for the classroom to meet today's standards.
2. Bonding of $3,770,325 for Infrastructure (Capital Improvements), which includes the replacement and repair of steam lines, roof repairs and the replacement of the electrical distribution system, is critically needed.
3. The reconfiguring of the accounting faculty and the reinvestment of $345,480 in the growing programs of computer information systems, diesel technology, allied health programs, and in a technical position to service college telecommunications needs are imperative. No new faculty positions beyond those reallocated and identified above were recommended by the Governor for NDSCS.
4. The fourth request is funding for new faculty positions of $637,138 which would have to be added to our budget through the legislative process or by the Board of Higher Education pooled budget.
This report provides a detailed list and explanation for the requests being made. We are proud of our accomplishments and believe we are accountable for the investment you have made in NDSCS.

More than 50,000 alumni, faculty, and staff share in that pride because we believe we can define the difference between "good" and "the best."

North Dakota State College of Science—

Accountability for Our Times: Responsibilities, Relationships and Contributions

Accountability for Our Institution

- Institutional Relationships (Vision, Mission, Philosophy, Purpose)

Good institutions don't just happen. They're built, individual by individual, step by step. In order to build, you need a plan and a structure. The interests of the entire college are kept central in addressing governance matters, making policy decisions and/or implementing established practices and procedures. The responsibility for observing and measuring the effectiveness of organizational structure should be felt by everyone within and outside the organization.

Accountability for Our Talents

- Employee/Employer Relationships (Knowledge, Trust, Communications)

Stellar performance is dependent upon the use of knowledge, trust, power and the ability to communicate. A knowledge mode network which links individual performances through the process of delivering a message, receiving a message, understanding a message and conveying a response to the message, stimulates productivity. Knowledge and information flow freely, questioning and creativity are encouraged, and information sharing is used to define and solve problems. Each employee has the responsibility, as a sender and as a receiver of messages, to make all communication personal by connecting with others in a personal and individual basis.

Accountability for Our Resources

- Resource Relationships (Physical, Personal, Program)

Effective management of physical and personal resources are needed to support personnel, foster continuous professional development, maintain facilities, infra-structure and impact knowledge and skill through the use of modern technologies and up-to-date instructional equipment. The orderly transformation and use of resources to reach out to customers and individuals on campus and in other communities through distance education will serve current needs and maintain a viable home NDSCS campus. Responsibility is demonstrated through a range of coring techniques, networking of resources, and cooperative efforts that lead to efficiencies and effectiveness.

Accountability for Accomplishments Higher Than Self

- Accomplishment Relationships (Achievements, Successes, Wins)

Educational accomplishments result from transferring and acquiring the cognitive, psychomotor and affective domains of learning (knowledge, skills and attitudes) systematically in an on-going process of instruction. NDSCS students, faculty and staff alike share the responsibility for the achievements and successes. Outcomes, continuity, confidence and stability result from the successes built from developing and networking internal and external human relationships. The pathway to accomplishments are based on principles revered throughout NDSCS's history. Accomplishments are a matter of what you do and knowing why you do what you do. Accomplishments define the difference between the "good" and the "best."

NDSCS Vision, Mission, Philosophy and Purposes

The Vision for the College

The College will provide educational programs and services which serve the needs of individuals preparing for careers statewide, nationally and globally in the applied sciences/technologies and in the Southeast region of North Dakota for students in transfer programs. It will serve the businesses and industries of North Dakota by working with employers on the design and delivery of customized training programs. It is the vision of the college to provide quality education/services "second to none" through our commitment to customer focus, employee development and continuous improvement.

The Mission of the College

The North Dakota State College of Science as a member of the North Dakota University System is an accredited, state-supported, open door, two-year comprehensive college. It has statewide responsibilities to provide curriculums and activities to meet the needs of each student and contemporary society.

The Philosophy of the College

The College is committed to a philosophy that provides for the varied educational needs of each person through competent faculty, curriculum programs, and educational experiences. Students have the opportunity to develop their full potential, obtain gainful employment, and make satisfactory career progress. It provides students with practical hands-on and general education knowledge and skills. These goals are exemplified by the practice: "Where Students Learn by Doing."

The Purposes of the College

The purposes of the College include providing:

1. programs at the certificate, diploma and associate degree levels;

2. a statewide center of vocational/technical education;

3. a regional center of excellence for quality liberal arts/transfer programs that articulate with the baccalaureate programs of the Higher Education system;

4. custom-designed programs for the life-long education requirements of individuals, businesses, industries and professionals;

5. short courses, seminars, and workshops that meet personal, industrial, and service needs;

6. activities and experiences that instill an appreciation for the world of work, effective use of leisure time, respect for others, and preparation for effective citizenship;

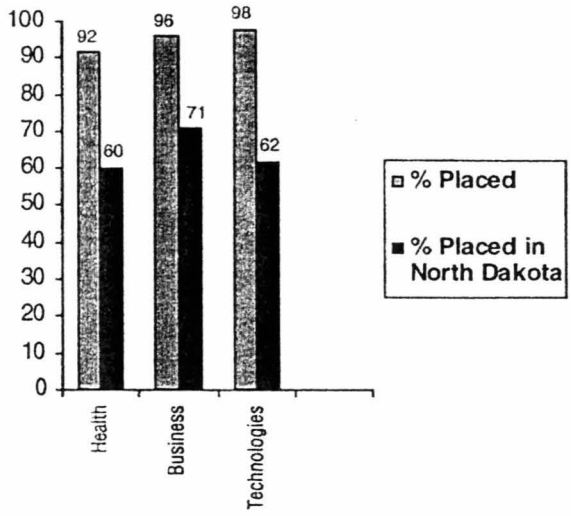
7. the opportunity for students with varying interests, abilities, ages, and backgrounds to develop to their full potential; and

8. comprehensive yet flexible developmental and educational programs.

NDSCS Placement Statistics 1996-1998

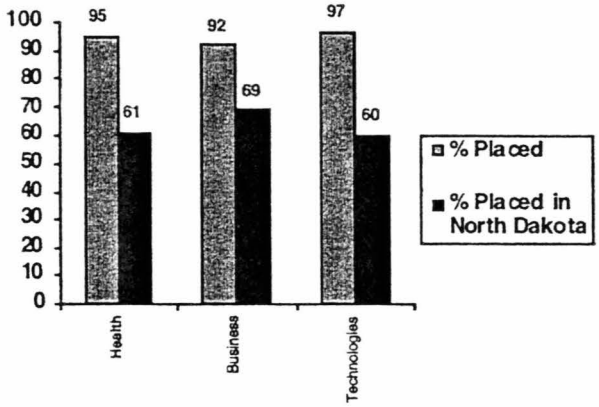
1997-98 Placement Statistics

	Job Openings	Graduates	Ratio	Beginning Average Salary/mo.	% Placed	% Placed In North Dakota
Health	583	164	3.6:1	$1898	92	60
Business	1096	142	7.7:1	$1467	96	71
Technologies	2736	500	5.5:1	$1726	98	62

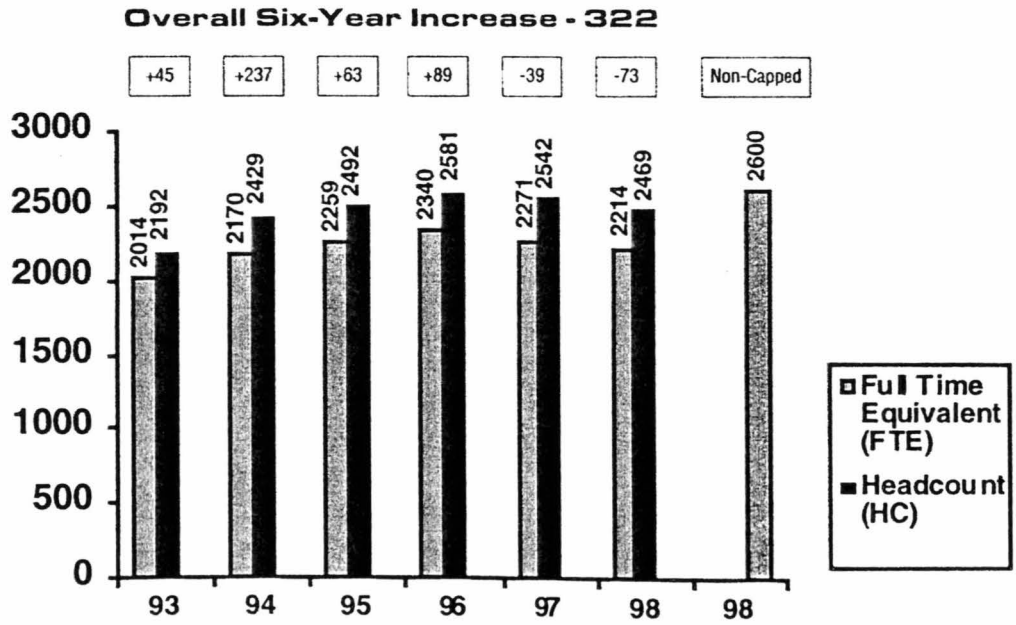


1996-97 Placement Statistics

	Job Openings	Graduates	Ratio	Beginning Average Salary/mo.	% Placed	% Placed In North Dakota
Health	496	159	3.1:1	$1726	95	61
Business	734	120	6.1:1	$1365	92	69
Technologies	2301	421	5.5:1	$1615	97	60



NDSCS Enrollment Statistics 1993-1998



ollment Caps Limit Student Access in 38 Programs

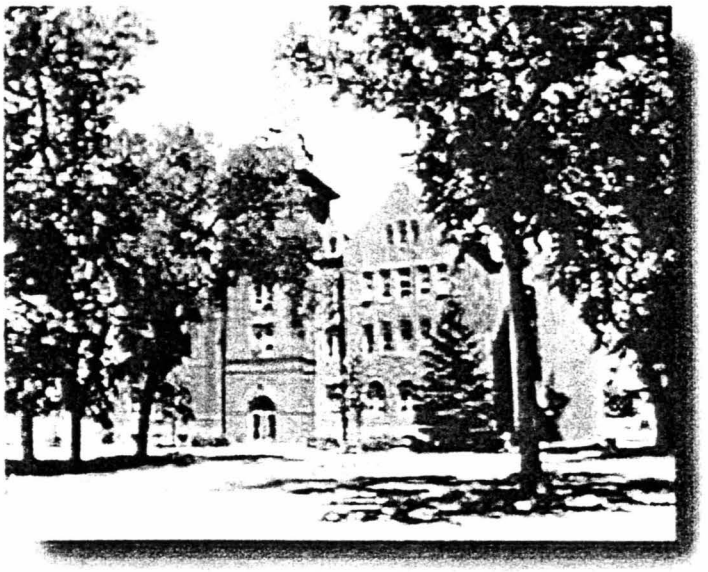
is year's enrollment crunch at NDSCS has been agonizing. Hurting the most was the setting of enrollment caps on 38 of the college's instructional programs due to lack of state funding.

* "If funding was available to meet all student demands, enrollment may have exceeded 2,600."

NDSCS Student Profile – 1998-1999

Enrollment Pattern – 1998 Fall Semester	
49% – 100 Miles	24% – 300 Miles
21% – 200 Miles	6% – 400 Miles
Enrollment of Transfer Students	
1998 – 715 Students, Average 1994-1998 – 770 Students	
Student Residency	
North Dakota – 1747 (70.76%)	Montana – 76 (3.1%)
Minnesota – 474 (19.20%)	Other – 56 (2.3%)
South Dakota – 116 (4.7%)	
Enrollment Breakdown (2469)	
Men – 1600 (64.80%)	Women – 869 (35.20%)
Freshmen – 1614 (65.37%)	Sophomores – 855 (34.63%)
Transfers – 715 (28.96%)	International – 43 (1.7%)
Race	
Caucasian – 2392 (96.9%)	Asian – 6 (.2%)
Black – 27 (1.1%)	Hispanic – 15 (.6%)
Native American – 29 (1.2%)	
North Dakota Student Distribution	
Farms/Rural Communities 2,000 or Less – 52%	
Cities of 2,000 but Less Than 10,000 – 16%	
Cities Over 10,000 – 32%	
North Dakota H.S. Graduation Classes (Average 39)	
Less than 25 – 25%	100-199 – 17%
25-99 – 43%	200-400 – 15%
Student Age Distribution	
Under 18 – 54 (2.2%)	30-34 Years – 72 (2.9%)
18-19 Years – 1243 (50.3%)	35-39 Years – 47 (1.9%)
20-21 Years – 636 (25.8%)	40-49 Years – 58 (2.3%)
22-24 Years – 214 (8.7%)	50-64 Years – 18 (.7%)
25-29 Years – 126 (5.1%)	65 and Over – 1 (.04%)
Student Housing	
Residence Halls – 1227 (49.7%)	Off Campus – 1066 (43.2%)
Family Housing/Single Units – 176 (7.1%)	

Executive Budget Recommendation



- Restore HB 1003 Adjusted Appropriation
- Technology in the Classroom
- Reinvestments
- New Faculty

Recommendation:
Funding for Technology-Based Learning

FOCUS I-
Upgrading Instructional Technology

It is recommend that the college focus on six areas, utilizing this one time funding for instructional technology. The first area of focus would be utilized to update the twelve classrooms that are presently utilizing LCD panels placed on an overhead projector to display digital information on a projection screen.

This older technology is no longer marketed and has been replaced with compact self-contained single unit projectors. These newer data projectors not only project images of much greater resolution but their extreme brightness allows the instructor to leave classroom light levels high enough for interaction and good note taking and still project an image of adequate clarity.

12 - LCD Data Projector	$5,500	$66,000
12 - Multimedia Computer	1,500	18,000
12 - Multimedia Teaching Console	425	5,100
	Sub-Total	**$89,100**

FOCUS II-
Interactive Networks

A second area from additional instructional technology funding is computer labs that require a great deal of interactivity between the instructor and the student. Four such computer labs have been identified for the installation of a network projection system.

With this technology, instructors can project what appears on their computer screen to each student's computer screen as well as blank each screen to direct attention away from their computer. This projection network technology is less expensive, more reliable, and provides a better show and tell solution in a computer lab than utilizing a data projector as described in phase I.

LINK Data Projection Network 25-station	$4,600	**$18,400**

FOCUS III-
Multimedia classrooms

The third phase is an expansion of phase I. In this phase ten additional classrooms have been identified throughout the campus to be equipped with a data projector interfaced with an analog/digital teaching console, allowing quick and easy access of various forms of media.

These twelve strategically selected classrooms will allow faculty to access a classroom equipped with state of the art multimedia delivery systems. This accessibility and the user-friendly designed teaching environments will promote more and better utilizing of multimedia in the teaching strategy.

10 - LCD Data Projector	$5,500	$55,000
10 - Multimedia Computer	1,500	15,000
10 - Multimedia Teaching Console	425	4,250
	Sub-Total	**$74,250**

FOCUS IV-
Electronic Instructional Support Systems

The fourth phase of this project could be characterized as the deployment of instructional technology to add value and efficiency to the learning process. Here, instructional technology would be used as an extension of the instructor thus decreasing the burden of supplying routine information in a classroom setting or on a one on one basis.

By utilizing the power of multimedia in a kiosk type delivery, the student would have direct call up access to information on how to proceed with a lab process or make a decision based on the information that was supplied. These Electronic Support Systems would allow the student to develop their real world trouble shooting skills by searching available information on their own. To implement this phase of the project would require both human and technological resources.

Faculty in-service and support is critical in designing and implementing this off-line, just-in-

time learning model. This major paradigm shift from an instructor based (controlled) to learner based delivery will take an extraordinary effort by both the student and instructor. Financial resources from this allocation will provide the catalyst in making this initiative a success.

1 - Professional Development		$15,000
2 - Kiosk Equipment	$1,800	3,600
1 - Digital Still and Motion Eq.	9,150	9,150
	Sub-Total	**$27,750**

FOCUS V-
Multimedia Instructional Design Models

The focus of this initiative is to encourage faculty to develop multimedia presentations that utilize digital technology to address various learning styles and delivery techniques. Once these learning modules are digitally authored, the college and staff can use a variety of delivery channels including the classroom, the World Wide Web or a number of Video conferencing systems to include NDIVN and the colleges ISDN and ITV systems to deliver the lessons.

A key part of this focus will be the call for RFP's from the faculty to apply multimedia instructional design to their teaching strategy. Those faculty whose proposals are selected, will be given a stipend, multimedia equipment and intensive training in the development of technology based instruction. The selection of those classrooms in FOCUS III will be influenced by the need generated by those instructors who have developed multimedia presentations under this FOCUS. These early adapters will provide role models to other faculty wishing to explore the teaching power of multimedia.

Training		$25,000
10 - Multimedia Computers	$1,500	15,000
	Sub-Total	**$40,000**

FOCUS VI-
Multimedia Self-Study Laboratory

The need to teach large numbers of computer literacy students requires a computer laboratory equipped with multimedia capabilities to address individual learning styles. Students using this laboratory will have the opportunity to progress at their own pace and be given a greater degree of responsibility for their individual learning accomplishments.

The application of FOCUS V to this focus could help provide the time and incentive to develop this technology/student based learning curriculum. The combination of traditional outcome based learning and state of the art multimedia equipment will help provide these students with an effective and efficient learning environment.

35 - Multimedia Computers	$1,500	**$52,500**
	Total	**$302,000**

Equipping the Remodeled Allied Health Center Multimedia Classrooms and Laboratories	**$48,000**
Grand Total	**$350,000**

Timeline Recommendation

It is recommended that 40 to 60% of each FOCUS need be allocated each year of the 1999-2001 biennium. This would allow for a yearly assessment in each area of focus to determine if there is need for modify of our emphasis. The two-year timeline would also give the college flexibility to take advantage of technology advancements that occur annually.

Electrical Distribution System

- **Power Sources**
  - * Western Area Power Authority and Otter Tail Power Co. (WAPA and OTPC)
- **Life Expectancy**
  - * Direct buried 15 to 20 years
  - * Cable in conduit up to 50 years
- **Life Safety Codes**
- **Replacement Cost**
- **Savings**

Replacement
$1,288,200

Proposed Electrical Distribution Upgrades

The North Dakota State College of Science (NDSCS) has embarked on a plan to evaluate the condition and capacity of the primary electrical distribution system. An electrical distribution system that is capable of providing power reliably and safely is a necessity for an institution such as NDSCS. The system must be effective in meeting the present demands of the college and must also be flexible to accommodate the demands of the foreseeable future. Ulteig Engineers, Inc. has been retained to evaluate the existing system and to develop recommendations based on known conditions and the prospects of future needs. The project scope, priorities and costs were originally identified in 1991, and updated in December 1997. Costs have been increased by 5% since the 1997 update to reflect labor market conditions.

System Changes Address Safety, System Reliability

The recommended changes are proposed due to existing life safety issues, hazardous conditions, and system reliability considerations. The existing back up generator is not capable of providing emergency power to the entire campus as it is currently fed. Consequently, in the event of a power outage, part of the campus would have to be turned off to allow the generator to operate. This condition would leave many of the campus buildings without emergency power and out of compliance with the Life Safety Code.

The campus has an immediate reliability issue concerning its direct burial feeders. These feeders have exceeded their expected life and have already experienced faults.

Radial Design Incorporates Interconnections of Feeders

The fundamental design scheme of the existing distribution system is one of radial design. There is no interconnection between feeders. At present there is an insufficient number of isolation switches in order to minimize faulted areas. The recommended "loop-feed" design would provide the recommended amount of redundancy and reliability for a primary distribution system. This design incorporates the interconnection of feeders with the use of isolation switches and allows for the ability to isolate a fault condition and minimize the affected area of the fault.

Many existing padmount transformers are installed with their fronts facing the buildings with only 5 to 6 feet of clearance. This is in direct conflict with the National Safety Code.

WAPA Energy Allocation, Campus Distribution Are Cost Effective

The electrical distribution system on campus allows NDSCS to purchase an allotment of energy from Western Area Power Authority (WAPA). This cost is less compared to purchasing energy entirely from the local utility supplier, Otter Tail Power Company (OTPC). Without the electrical distribution system, this lower cost energy would no longer be practical. In 1995 (the last year of the most recent study), the total blended cost per KWH for NDSCS was $0.0308/KWH. For the same period, the average cost for the energy purchased from Otter tail Power was $0.0472/KWH. Without the WAPA allotment, NDSCS would have purchased energy entirely from OTPC, the cost would have increased by $180,000 for the calendar year 1995.

A detailed estimate of probable costs is on file for further analysis of the existing system as well as the necessary improvements and their respective costs.

Electrical Distribution System Upgrades
Estimated Engineering Costs

	1999
Priority 1 - Life Safety Feeder	$151,725
Priority 2 - Replace Underground Feeder	$27,300
Priority 3 - Bus and Generator Improvements	$189,000
Priority 4 - Loop Feeders	
Feeder #1	$147,000
Feeder #2	$111,300
Feeder #3	$130,200
Feeder #4	$150,150
Feeder #5	$130,200
Feeder #6	$144,900
Priority 5 - Replace Transformer Vaults	$33,600
Priority 6 - Reconductor (partial)	$72,825
	$1,288,200

Roof Replacement

Campus roof replacement and repair cycles are based on the following criteria:

- **Average roof life expectancy is 20 to 25 years. Average life of NDSCS roofs needing repair is 21 years.**
- **Inspections were used to evaluate visible conditions**
- **Moisture testing verified the extent of roof damage due to leakage**
- **Adequate funding**
- **On-going replacement schedule**

Repair & Replacement
$1,422,000

NDSCS - ROOF ANALYSIS - DECEMBER 1998

Prioritized Listing of Roofing Needs Based on "Condition and Age."

BUILDING	AREAS	TOTAL SQ FT	AGE OF ROOF	REPLACEMENT COST
BALLWEBER	A,B,C	20,736	22	$119,000
HEKTNER	Flat & Sloped	8,884	UNKNOWN	$45,000
BISEK	B,C	22,452	24	$88,000
SCHUETT	A,B,C,D,E,F	28,504	22	$124,000
BARNARD	A,B,C,D,E	20,769	23	$105,000
HEATING PLANT	E,E1,B	4,822	20	$26,000
LIBRARY	ALL	21,502	18	$110,000
STUDENT CENTER	ALL	45,035	18 thru 30	$243,000
MECHANICAL SYSTEMS	ALL	15,120	24	$66,000
CULTURAL CENTER	ALL	20,768	16	$85,000
ACTIVITIES CENTER	A,B	77,454	21	$309,816
TOTAL		**286,046**		**$1,320,816**
ARCH FEES (7%)				$92,400
TOTAL				**$1,413,216**

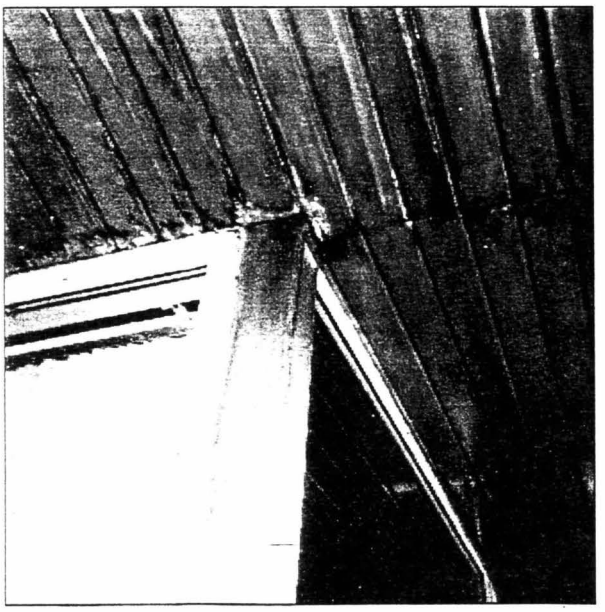
NOTES:

1. Replacement costs are determined based on the existing type of roof as well as tear off considerations ($3.91/sf to $5.73/sf).
2. The existing roofs consist primarily of built up asphalt and EPDM (minimal metal).
3. The number of roofs being replaced was determined by both need and estimated available funding ($1,422,000).
4. Roof replacements on locally funded buildings would be funded separately but included in a bid proposal.

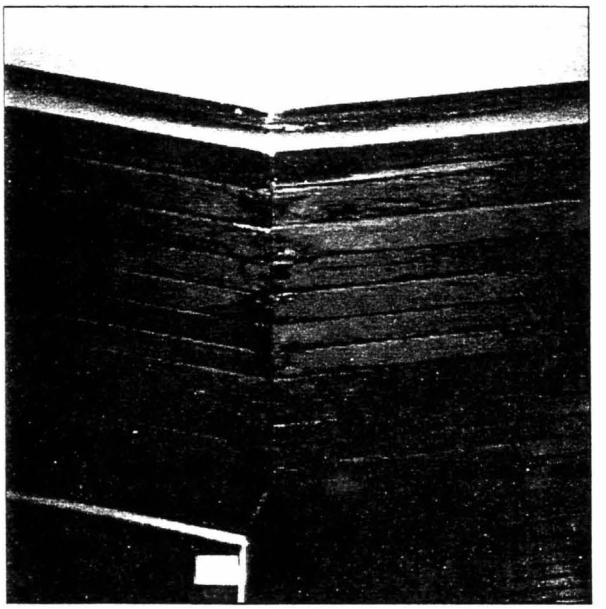
Examples of NDSCS Facilities Deterioration

9-16-97
Bisek Hall roof areas A & B expansion joints are split open with air pockets ----Built 1974

11-5-97
Student Center roof area A-1979, D4-1976 and E-1976. All areas have water leaking into insulation & on decking.



11-6-97
McMahon Hall roof is leaking. All exterior wood has water damage. ----Built 1958

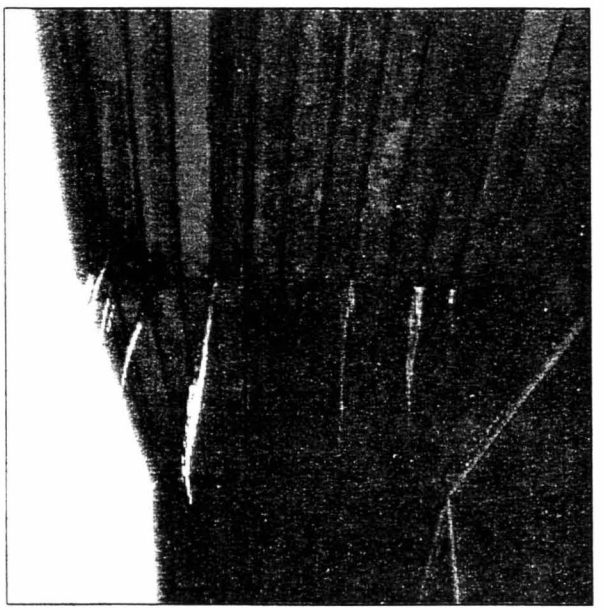


11-6-97
McMahon Hall roof is leaking. All exterior wood has water damage. ----Built 1958

11-6-97
Satterlee Hall roof Area B, walls are rotting from water coming through roof. Lounge area plaster is deteriorating. ----Built 1964

11-5-97
Satterlee Hall roof Area B, water is running through ceiling and wood is getting wet. Wood decking is rotten. ----Built 1964

11-5-97
Satterlee Hall roof Area B, water is running through ceiling and wood is getting wet. Wood decking is rotten. ----Built 1964



11-5-97
Satterlee Hall roof Area B, water is running through ceiling and wood is getting wet. Wood decking is rotten. ----Built 1964

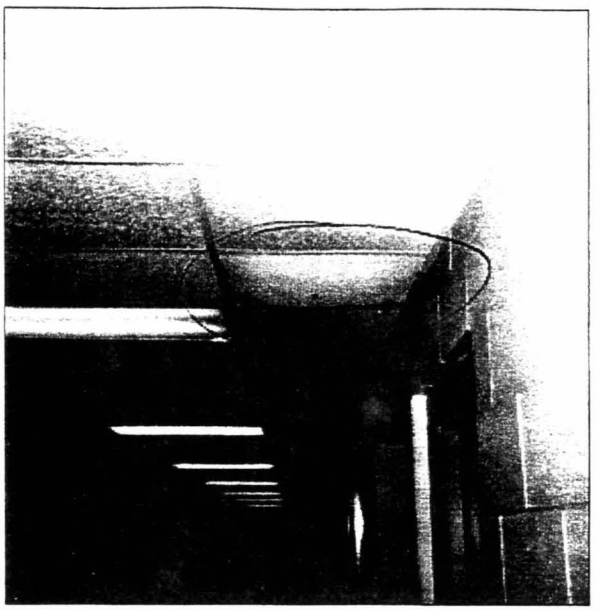
9-16-97
Schuett Hall roof areas B-C-D-E-F-G are leaking in every shop area. ----Built 1976

9-16-97
Bisek Hall roof areas A & B expansion joints are split open with air pockets. ----Built 1974

9-16-97
Schuett Hall roof areas B-C-D-E-F-G are leaking in every shop area. ----Built 1976

9-16-97
Schuett Hall roof areas B-C-D-E-F-G are leaking in every shop area. ----Built 1976

11-5-97
Student Center skylights are cracked and full of water. ----Installed 1968



9-16-97
Schuett Hall roof areas B-C-D-E-F-G are leaking in every shop area. ----Built 1976

10-28-97
Barnard Hall concrete is cracking and falling off of the building. ----Built 1967

10-28-97
Horton Hall mortar joints and sills are falling off building. ----Built 1927

Steam Lines

NDSCS has approximately 2.2 miles of steam lines.

- **Approximately 6,425 feet of these lines are between 30 and 40 years old.**
  ** Average life expectancy of a steam line is 20 years.*
- **Steam line test holes were attempted last fall.**
- **The degree of deterioration was so bad that further test holes were discontinued.**

Steam Line Repair and Replacement
$1,060,125

NDSCS - REPLACEMENT OF STEAM LINES - DECEMBER 1998

Prioritized Listing of Steam Line Needs

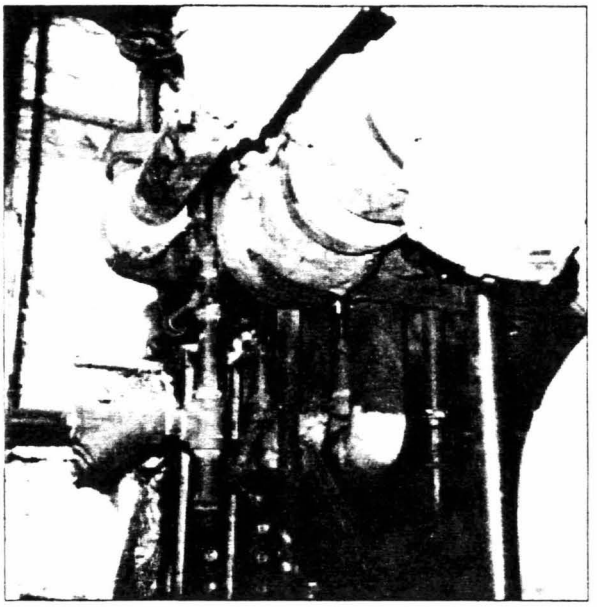
LOCATION	AGE OF LINE	DISTANCE & TYPE	REPLACEMENT COST
Heating Plant to Manhole #2 South of Haverty	36	300' of tunnel	$120,000
Satterlee to Babcock	35	130' of direct buried Ric-Wil	$32,500
Manhole #5 North of Tunnel to Bisek	32	300' of tunnel	$105,000
Piping & insulation thru Bisek building tunnel	32	120' steam & condensation	$12,000
Bisek to Nordgaard & Robertson	32	1200' of direct buried Ric-Wil	$300,000
Manhole #2 South of Haverty to Riley	31	600' of tunnel	$225,000
Manhole #2 South of Haverty to Horton	24	450' of tunnel	$168,750
Horton to Cultural Center	24	150' of tunnel	$56,250
Forkner to Walton	31	75' of tunnel	$26,250
Piping & insulation thru Riley & Forkner	31	140' of tunnel	$14,000
TOTAL			**$1,059,750**

NOTES:

1. Approximately 450' of direct buried steam lines would be eliminated due to proposed rerouting.
2. Proposed funding is $1,060,125.
3. Steam line repairs inside non-appropriated buildings would be funded with local monies.

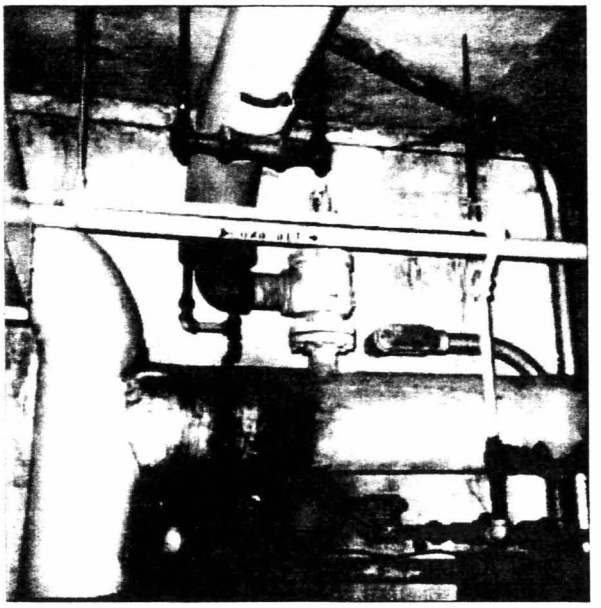
More Examples of Deterioration

9-26-97
Deteriorated steam lines under 14th Ave. to College Complexes.

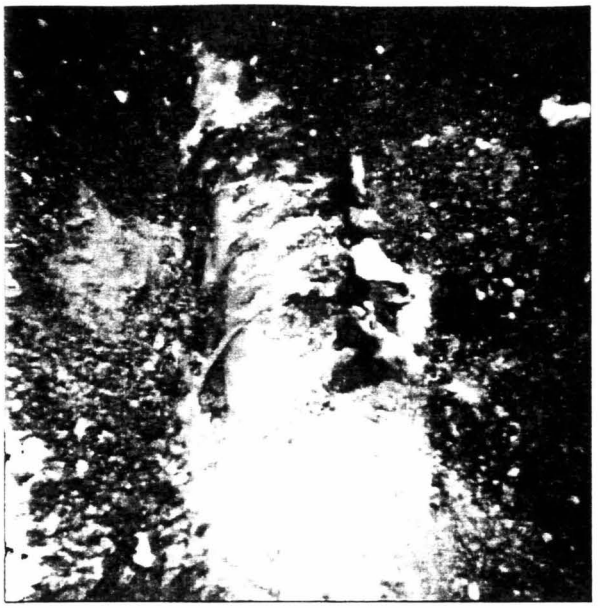


10-30-97
Trade Tech II air handler, piping, heat coils, traps are worn out. ----Installed 1961

9-16-97
Underground steam pipe south end of campus.

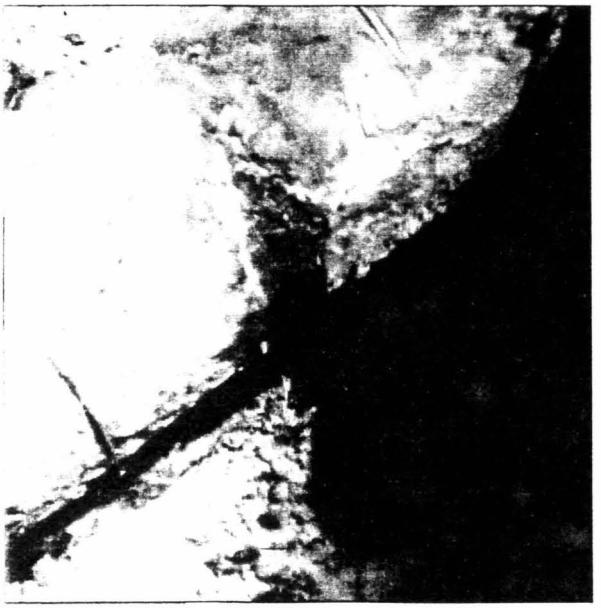


10-30-97
Robertson Hall mechanical room where steam comes into building, piping is deteriorating. ----Built 1968



9-23-97
Deteriorated steam lines south of Robertson Hall.

9-17-97
Piping is deteriorated in underground steam lines north end of campus.



9-17-97
Piping is deteriorated in underground steam lines north end of campus.

9-23-97
Deteriorated steam lines south of Robertson Hall.

1-30-98
Deteriorated steam lines north of Patterson Maintenance Center to Blikre Activities Center.

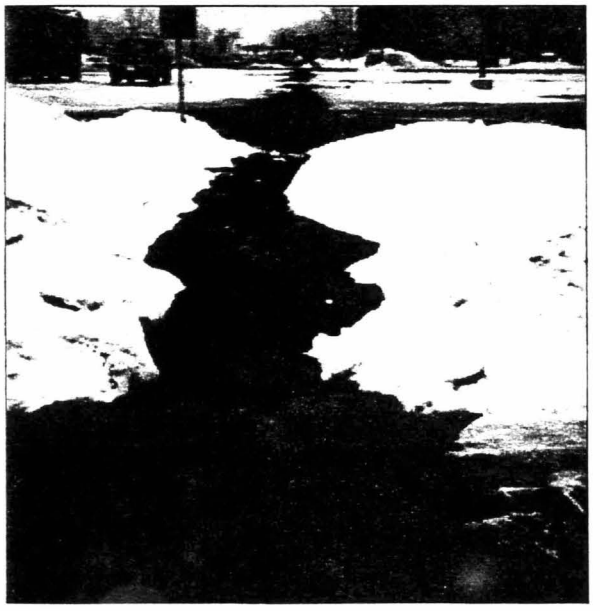
1-30-98
Deteriorated steam lines Blikre Activities Center south to Patterson Maintenance Center.

1-30-98
Deteriorated steam lines east of Walton Hall.

1-30-98
Deteriorated steam lines east of Burch Hall north and south.

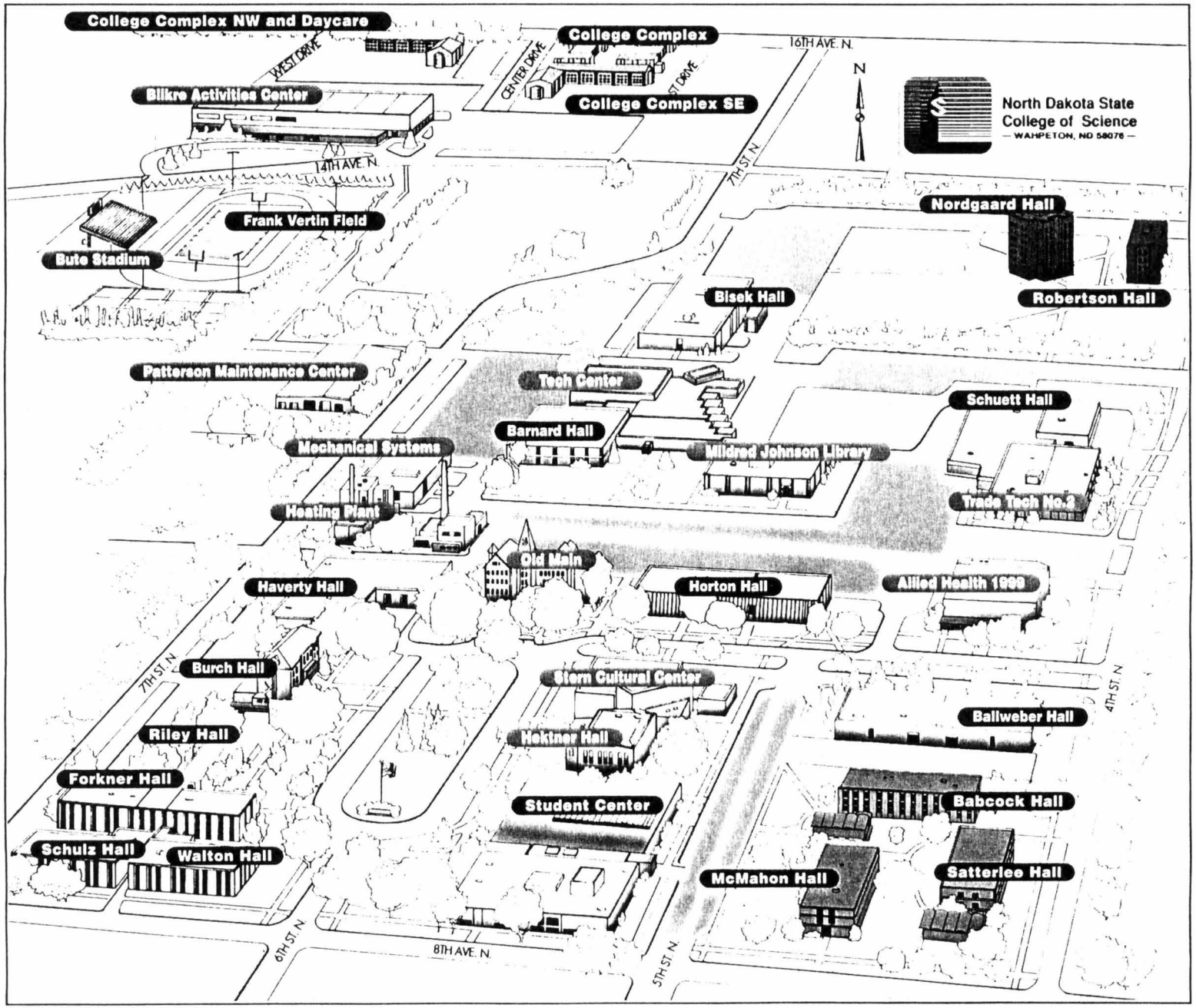
1-30-98
Deteriorated steam lines south side Robertson Hall.

1-30-98
Deteriorated steam lines Blikre Activities Center south to Frank Vertin Field.



1-30-98
Deteriorated steam lines 14th Ave. to College Complexes.

NORTH DAKOTA STATE COLLEGE OF SCIENCE CAMPUS



Reinvestments

- **Eliminated**
  - * Accounting Department
  - * Graphic Arts Department
  - * Science Technology Department

- **Reinvest in Faculty Positions**
  - * Computer Information Systems
  - * Diesel Technology
  - * Allied Health Programs
  - * Technical Position

Total Reinvestment
$589,760

Priority: 1 & 2

REINVESTMENT

The SBHE's first priority in the needs based budget is to restore or reinvest the 5% general fund reduction. This amounts to the restoration of 8.85 positions and the reinvestment of 4.0 positions in the Instruction Program and the restored tuition income of $589,760. Following are details pertaining to the reinvestment.

Program Elimination

Accounting Department — The positions/00044/00046 (2.00 FTE faculty) be eliminated and funding be reduced to $48,059. Those funds will be used to provide instruction for students that are required to take accounting as part of their course work in other departments. This will restore $46,560 in tuition income. These funds will be added to a part-time pool. Accounting courses are popular electives for students in Business and CIS programs. NDSCS would reinvest $168,376 into other areas.

Graphic Arts — Recommend that this program be eliminated and its funding of $265,264 and positions be used to fund other programs. As has been noted before, this is a healthy program and will lose $77,600 in revenue. However, because so many of our programs have increased enrollment we would not project an institutional revenue loss. The three faculty positions (FTE) and operating funds of $265,264 would be shifted to programs that are stressed because of the large growth in their areas and have been given no additional funding to support it. This is the only program of its kind in the state. NDSCS would reinvest $265,264 into other areas.

Science Technology — Recommending that this program be eliminated and its funding ($19,200) and position (.25 faculty) be used to fund other programs. This program is showing difficulties in keeping up with the same pace of NDSCS other programs, this program would be considered for elimination with or without the Governor budget. It will not reach it's cap. NDSCS would reinvest $19,200 into other areas.

Reinvestment

Computer Information Systems — One will be a faculty ($87,987) position/00043 to help meet the overloads that are currently in place. Most of the programs in this area are capped and will not accept any new students. This would produce an additional 20 students that in turn would produce $62,080 in tuition income. There is potential for growth in this program and a high demand for the graduates.

Diesel Technology — This faculty ($85,999) position/00045 would be used to help meet the overloads that are currently in place. Most of the programs in this area are capped and will not accept any new students. This is one of two areas on campus that is woefully underfunded. This would add an additional 13 students and produce $40,398 in tuition income. With a ratio of six to one job opportunities per graduate, it is good business to provide for growth in this program.

Allied Health — This faculty ($86,993) position/00079 would be used to help meet the overloads that are currently in place. Most of the programs in this area are capped and will not accept any new students. This is the other area on campus that is woefully underfunded. This would add an additional 10 students and produce $30,994 in tuition income.

College Telecommunications — This technician ($84,501) position/00248 would be used to service the college's telecommunications/data transmission needs. The balance of the reinvestment ($31,601) would be used for operating expenses for the above mentioned departments.

Faculty Salary Increase — This $75,759 would be put into a pool to bring a number of the faculty positions closer to regional averages. This would be used in the departments that are losing faculty to industry and other colleges.

New Faculty Positions

- Staffing to serve students in high demand programs
- Program expansion to meet student and industry needs
- New program development in emerging occupations
- Managing campus and student diversity
- Requesting additional funding from SBHE

Six Positions
$637,138

Special Needs: Critical Faculty Priorities Tied To NDSCS Goals

To accomplish the goals of NDSCS, we must address needs beyond our normal funding. If we do not fill these critical needs now, we will never meet many of our goals outlined in our six-year plan. The critical salary adjustment priority would fund current adjunct faculty salaries that are in place this biennium. Those funds will not be available next year. All excess income and carry-over will be spent by the end the 1999 biennium. One hundred and seventy students were denied access into thirteen of our programs (that are capped). Granted, we did not lose all of those students, one-half of them probably went into other programs offered by NDSCS.

Four Faculty Needed for Current Enrollment Levels

NDSCS needs the equivalent of four FTE faculty positions to maintain adequate staffing for its current enrollment levels. While enrollment has grown by over 400 student during the past seven years, the number of FTE faculty has remained constant at 133. To accommodate this growth, the college has had to pay overtime to full-time faculty and hire additional part-time faculty.

Without Extra Funding, Enrollment Capacities Must Be Reduced Again

With the loss of excess income, NDSCS needs additional funding for four faculty positions (as well as an increase in our extra teaching pool funds), if we are to provide staffing at the level needed for our current enrollment. Positions are critically needed in the following areas: diesel technology, allied health, architectural drafting, and computer information systems. Thirteen programs are capped and four others are at 95% filled. If we cannot find additional funding, we will have to further reduce our enrollment capacities in a number of these programs. Consequently, we have a critical need for $320,000 in the next biennium to cover four full-time faculty positions as well as $157,138 to cover our additional overload and part-time teaching loads.

High-Demand Programs Seek to Add Openings for More Students

Additionally, we need two full-time faculty to add additional sections in curriculums such as Electrical Technology and Microcomputer Specialist. As an example of this need, the Electrical Technology program has been capped at 75 students for several years. Just this fall, we had to turn away approximately 50 students. With the addition of two faculty positions, we could add one more section of 25 first year students along with the ability to handle one more section of second year students. The cost to do this over the next biennium is $160,000.

Total Funds Needed
$637,138

ACCOMPLISHMENTS
in Relation to NDUS Strategic Plan 1997-99

NDSCS operates under a carefully developed strategic plan that outlines the priorities of the institution. The plan is aligned with the strategic plan of the North Dakota University System. As we execute the plan, emphasis is placed on: 1) Focusing on the Customer, 2) Emphasizing Student Learning, 3) Managing Resources, and 4) Developing Employees.

A review of accomplishments over the past two years shows considerable progress toward implementing the University System Goals. We cite the following accomplishments:

GOAL 1: EDUCATION EXCELLENCE

To strive for excellence and improve quality learning for students which ensures knowledge and competency in their chosen discipline and emphasizes strong communication skills, analytical thinking, use of technology, and interpersonal skills.

1) Developed assessment plans that establish outcomes for all programs and measure student learning. The goal is to continuously improve student achievement.

2) Received the State Vocational Director's Award of Excellence for the Architectural Drafting program.

3) Received national recognition at the American Vocational Association Conference for providing an outstanding Automotive Technology program for Richland County Vocational-Technical Center students.

4) Developed and implemented a Diversity Awareness program on the campus.

5) Received re-accreditation for the Dental Hygiene and Dental Assisting programs.

6) Developed and implemented an ongoing entry-level assessment and student registration process.

7) Developed and implemented a new Performance Appraisal System for all employees.

GOAL 2: TECHNOLOGY AND ACCESS

To emphasize enhanced use of technology to improve access to programs and services and as a regular component for instructional services and research.

1) Delivering college courses to high school students and citizens in twelve communities in Southeast North Dakota through the ITV Network.

2) Applied and received a federal grant of $450,000 for the purpose of developing distance education in the Allied Health areas.

3) Delivering Practical Nursing courses to reach North Dakota communities using desktop computer conferencing.

GOAL 3: RELEVANT PROGRAMS

To align programs and services with student interests and with current and future needs of business, communities, and the state.

1) Established an agreement with the John Deere company to provide ongoing training for currently employed technicians.

2) Established an agreement with General Motors to provide ongoing training for currently employed technicians.

3) Developed an implemented a new Building Construction Technology program.

4) Expanded the Pharmacy Technician program from a one-year certificate program to a two-year associate degree program.

5) Expanded the Recreational Engines program from a one-year certificate program to a two-year associate of applied science program.

GOAL 4: LEADERSHIP IN RESEARCH

To provide leadership in addressing the high priority research and development needs and opportunities of the state.

GOAL 5: LEARNING ENVIRONMENT

To provide an up-to-date and innovative environment for students, faculty, employees, and the public.

1) Renovating the former Bute Gymnasium to become an Allied Health Education Center for seven allied health programs.

2) Developed and funded a plan to maintain high-tech equipment in the College's technology labs.

3) Developed a Risk Management program to review and reduce safety hazards and provide a safe working environment for students and employees.

GOAL 6: DOCUMENTED PERFORMANCE

To document the performance and effectiveness of the North Dakota University System.

1) Developed a program review matrix to assist in making decisions relating to instructional programming.

2) Developed and Institutional Effectiveness Plan that is designed to collect data for the purpose of measuring how well the College is accomplishing its purposes.

3) Established a position titled Director of Assessment and Institutional Research to assist the College in data collection and evaluation of its performance.

GOAL 7: COLLABORATION

To improve educational opportunities and services among the campuses, K-12, and other entities through cooperation and collaboration.

1) Developed a collaborative agreement with Bismarck State College to deliver the NDSCS Practical Nursing program to students at BSC.

2) Implemented the NDUS Common Course Numbering system.

3) Sharing a chemistry class via IVN with two other colleges in the System.

4) Collaborating with Bismarck State College to offer a computer science class to students on the BSC and NDSCS campuses via IVN.

5) Providing an internship site for NDSU students seeking experience in counseling.

6) Working with Valley City State University to offer vocational certification courses to faculty on the NDSCS campus.

NEW INITIATIVES

- Research and install wireless technology to improve electronic communications on the campus.
- Expand Distance Education opportunities.
- Develop a Computer Literacy Learning Center.
- Remodel spaces vacated by Allied Health Programs that move to renovated facilities.
- Improve accessibility for handicapped students.
- Expand entry-level assessment to better serve needs of students with varied abilities.
- Expand student orientation to assist students in adjusting to the college environment.
- Manage enrollment in high-demand programs where limited capacities require waiting lists.
- Identify and implement short-term training opportunities at the Skills and Technology Training Center (STTC) in Fargo.
- Conduct a self-study in preparation for a North Central Accreditation site visit which will occur in the Academic Year 2000-2001.

Knowing the Difference Between "Good" and "The Best" — Strategic Planning

1994-1995 NDSCS Challenge Driven Goals	1999-2001 NDSCS Themes	1998-2004 NDUS 6-Year Plan
Diverse Delivery Systems	**Focus on the Customer**	Education Excellence
Expanded Program/ Degree Opportunities		Technology and Access
Comprehensive Resource Development	**Emphasize Student Learning**	Relevant Programs
Integrated College-Wide Enrollment Management		Leadership in Research
Exemplary Teaching Institution	**Manage Resources**	Learning Environment
Consolidated Facility Management	**Develop Employees**	Documented Performance
Extended System Wide Relationship		Collaboration

NDSCS Officers

Dr. Jerry C. Olson, President
Robert Gette, Vice President for Instructional Affairs
Mike Renk, Vice President for Administrative Affairs
Harvey Link, Dean of Arts, Science and Business Division
Dr. Jerry Migler, Dean of Technologies and Services Division
Dr. Verlyn Fick, Coordinator, Outreach and Customized Training

A Team Project–

This Legislative Report is a team effort prepared and printed by the NDSCS President's Office, Administrative Affairs Office, Instructional Affairs Office, Physical Plant Office, Information and Printing Services, and The Copy Center.

NDUS Chancellor and Staff

Larry Isaak, Chancellor
Dr. Mike Hillman, Vice Chancellor for Academic Affairs
Laura Glatt, Vice Chancellor for Administrative Affairs
Eddie Dunn, Executive Director, College Technical Education Council (CTEC)

North Dakota State Board of Higher Education

John Hoeven
Jeanette Satrom
Paul Ebeltoft Jr.
Beverly Clayburgh
Joe Peltier
Craig Caspers
William Isaacson
Bethany Andreasen, Faculty Representative
Jonathan Sickler, Student Representative

REALLOCATION OF INSTRUCTIONAL POSITIONS

Positions Not Filled:	FTE
Accounting Dept. *(L. Richter)*	1.0
Marketing Dept. *(S. Hoseth)*	1.0
Computer Information Systems *(M. Schiwal)*	1.0
Culinary Arts *(Transferred to local funds)*	1.0
Mathematics *(B. Kuehn)*	1.0
Physical Education *(E. Boll)*	1.0
Secretarial *(D. Rubertus-A. Richter)*	1.5
Sheet Metal *(H. Miller)*	1.0
Electronics *(D. Rosley-M. Brophy)*	2.0
Physical Plant	1.0
Accounting Dept. *(reinvested from 95% 1999-2001 budget request)*	2.0
Graphic Arts Dept. *(reinvested from 95% 1999-2001 budget request)*	3.0
Science Technology Dept. *(reinvested from 95% 1999-2001 budget request)*	0.25
Total Reductions	**16.75**

Positions Reassigned to Expanding Programs:	
Dental Auxiliaries	0.5
Science	1.0
Occupational Therapy	1.5
Architectural Drafting	1.0
Diesel Mechanics Tech (Lab Assistant)	1.0
Manufacturing Tech	0.5
English	1.0
Computer Technician	1.0
Total Positions Reassigned to Expanding Programs	**7.5**

Positions Assigned to New & Growing Programs:	
Mental Health Care Associate	1.0
Pharmacy Technician	1.0
John Deere Ag Parts	1.0
John Deere Ag Tech & Melroe Tech	1.0
Computer Information Systems *(reinvested in 1999-2001 biennium budget)*	1.0
Diesel Technology *(reinvested in 1999-2001 biennium budget)*	1.0
Allied Health Programs *(reinvested in 1999-2001 biennium budget)*	1.0
Technical Position *(reinvested in 1999-2001 biennium budget)*	1.0
Faculty Positions *(new funding in 1999-2001 biennium budget)*	6.0
Total Positions Reassigned to New & Growing Programs	**14.0**

Enrollment Trends in Growth Programs at NDSCS

Program	1991	1992	1993	1994	1995	1996	1997	1998
Diesel Tech.	109	147	157	163	166	144	155	199
Arch. Drafting	124	115	114	136	154	146	131	129
Electrical Tech.	88	95	98	114	136	143	146	142
Auto Tech.	85	75	70	88	112	91	81	110
Practical Nursing	117	118	103	116	105	96	94	92
Agriculture	45	61	83	102	104	100	103	86
Occupational Therapy Asst.	67	71	77	89	95	82	85	80
Computer Info. Systems	95	82	81	100	78	97	128	153

TESTIMONY

Prepared by Representative Bruce Eckre

Wednesday, January 13, 1999

Thank you, Madam Chair Wentz and the Appropriations Education and Environment Committee. My name is Representative Bruce Eckre from Wahpeton. I am here this afternoon to discuss the Graphic Arts (Printing) Program at NDSCS.

This is the oldest vocational program at NDSCS and that means the oldest vocational program in the state of North Dakota. This program has been averaging 45 students and 3 instructors in this 2-year degree program.

This program should be looked at as an economic development program for the state of North Dakota. North Dakota does a lot of printing for out-of-state companies. This provides jobs for North Dakotans; both printers and the truckers who haul it out of state.

North Dakota must support the jobs in an industry we have in North Dakota, because very few industries move into North Dakota.

In order to support the printing business, we must supply trained workers in graphic arts, and NDSCS is the only post-secondary program in North Dakota. Why are we able to do so much out-of-state printing in North Dakota? Because of our low wages. We also must have "home grown" employees in printing because very few workers move to North Dakota because of the wages.

Printing is the 23rd fastest growing career in the USA, according to Community College Week magazine, dated May 18, 1998. Fifty-five thousand sixty-four Minnesotans are employed in the printing industry according to an article on November 14, 1998, in the Minneapolis Tribune newspaper, with data provided by the Minnesota Department of Trade and Economic Development. North Dakota Job Service data from 1997 says that 2,707 North Dakotans are employed in Graphic Arts.

Our governor and the chancellor of the Board of Higher Education talk about economic development and job creation, but sure let this one slide right by. In the December 30, 1998, Grand Forks Herald, Governor Schafer was quoted as saying, "Responsibilities of the Board, Chancellor, and college presidents need to be sorted out." I agree, when something like this can happen to a good, one-of-a-kind viable program in North Dakota.

Is this micro-managing in higher education? Yes, but someone has to bring up this issue. If not me, who? If not now, when? One hundred twenty-five thousand dollars - I think NDSCS could come up with this in cuts other than program cuts at NDSCS. I also know that the state of North Dakota could come up with the money if the "powers that be" were willing. We are also dropping the Accounting program. With a loss of 45 printing students and 30 accounting students, NDSCS will be back at the next legislative session cutting more programs because they have less students. A catch-22 situation.

Madam Chair and Members of the Committee, I wonder how long it will take to move the NDSCS printing equipment up to the Skills Center in Fargo. NDSCS Sheet Metal educational equipment is now up at the Skills Center and is no longer taught at NDSCS. People in the Wahpeton area are wondering how much more of this is going to keep happening. We apparently can't come up with $125,000 needed to keep the Graphic Arts program going, but $2.1 million is in the proposed budget for the Skills Center. In a Fargo Forum article dated August 17, 1997, a spokesperson for the Skills Center listed Graphic Arts as a possible program offering for the Skills Center.

To depart a bit from just Graphic Arts, something seems amiss when state officials are putting together plans for a work force training program yet we are turning students away in trade and technical programs at NDSCS. It seems very contradictory to me.

Thank you.

From: Michele Bendewald@mbendewald on 02/04/99 04:08 PM

To: Rick A. Berg/NDLC/NoDak@NoDak, LeRoy G. Bernstein/NDLC/NoDak@NoDak, Al H. Carlson/NDLC/NoDak@NoDak, Byron Clark/NDLC/NoDak@NoDak, Jack S. Dalrymple/NDLC/NoDak@NoDak, Rachael Disrud/NDLC/NoDak@NoDak, John M. Dorso/NDLC/NoDak@NoDak, Bruce A. Eckre/NDLC/NoDak@NoDak, medstrom@medstrom@state.nd.us@SMTP@Hub, Bette B. Grande/NDLC/NoDak@NoDak, Kathy K. Hawken/NDLC/NoDak@NoDak, George J. Keiser/NDLC/NoDak@NoDak, Scot R. Kelsh/NDLC/NoDak@NoDak

cc:

Subject: Letter From Darrell Vasvick, Kaye's Printing

February 4, 1999

I am deeply concerned about the closing of the two-year Graphic Arts Technology program at North Dakota State College of Science. The title of this program may be somewhat misleading, it actually teaches all aspects of printing production and technology including: estimating; pre-press, including all of the latest software and how to use them on Mac's and PC's; negative outputting and stripping of the negatives; different types of proofing systems; actual running of the presses and the bindery finishing processes to complete the printing project.

I have been on the advisory Board for the College for many, many years and have seen the department move in a positive direction as they try to keep up with the fast moving pace of electronics in the printing industry. This is one of the largest industries in the state and nation.

The instructors with their limited budget of $250,000 for two years, including salaries and operations have done a great job of educating their students, that is capped at 25 per year. We, at Kaye's Printing in Fargo, have been very involved with the on-the-job training program. We hire about 3 or 4 students each year from the college.

We currently have 120 employees and look to NDSCS as one of our main sources for hiring. I would dare to say that we currently have about 30 to 40% of our employees from NDSCS. The beginning wage for students is usually $7-8 per hour with a rapid increase to the current levels of $15-25 per hour.

It would be a great disappointment to close down this department as it is only one of its kind in the state and region. I would like to see this Graphic Arts funding continue. If you have any questions, please call me at Kaye's Printing at 1-800-765-2937.

Thank you for your time,

Rep Darrell Vasvick
Kaye's Printing

WRITTEN TESTIMONY
HB1003
3-5-99

TESTIMONY

Prepared by Representative Bruce Eckre

March 3, 1999

Thank you, Chairman Nething and the Senate Appropriations Committee.
I am Representative Bruce Eckre from the 25th District which includes Wahpeton. Today I am here to discuss the Graphic Arts (Printing) Program at the North Dakota State College of Science, and to present a case for keeping other Trade and Technical programs now being offered viable and up to date.

Printing is the oldest vocational program at NDSCS and that means the oldest vocational program in the state of North Dakota. This two-year program has been averaging 45 to 50 students and 3 instructors for many years. It continues to provide good basic training for those desiring to enter this field.

This program should be looked at as an economic development program for the state of North Dakota. North Dakota does a lot of printing for out-of-state companies. This provides jobs for North Dakotans; both printers and the truckers who haul it out of state.

North Dakota must support the jobs in an industry we have in the state because we have difficulty in getting industry to move to North Dakota.

In order to support the printing industry, we must have trained workers. Since the NDSCS program is the only such one in the state, it would be very short-sighted to close it out. We are able to do much out of state printing because we have some very competitive job shops. We must rely on "home grown" employees in printing because very few workers move to North Dakota in this field.

Printing is the 23rd fastest growing career in the USA according to Community College Week magazine, dated May 18, 1998. In Minnesota, 55,064 workers are employed in the printing industry (article in Minneapolis Tribune November 14, 1998) with data supplied by the Minnesota Department of Trade and Economic Development. North Dakota Job Service data from 1997 says that 2,707 North Dakotans are employed in the Graphic Arts/Printing industry.

Our Governor and the Chancellor of the Board of Higher Education talk about economic development and job creation, but they sure let this one slide right by. In the December 30, 1998, Grand Forks Herald, Governor Schafer was quoted as saying, "Responsibilities of the Board, Chancellor, and college presidents need to be sorted out." I agree, when something like closing out a viable program is allowed to take place without all affected parties being involved in the decision.

Is this micro-managing in higher education? Yes, but someone has to bring up this issue. If not me, who? If not now, when? Reliable data suggests that it will take $125,000 to operate this program in the second year of the biennium. The college is already obligated to operate the program in the first year of the biennium to complete the program for the current first year students who are enrolled. I think that NDSCS can come up with these dollars from areas other than program cuts. I also believe that the state of North Dakota could come up with the money if the "powers that be" are willing. With the loss of 45 to 50 students in printing and 30 to 40 students in the accounting program, NDSCS will be back at the next legislative session cutting more programs because they have fewer students. A catch-22 situation.

Chairman Nething and Members of the Committee, I wonder how long it will take to move the NDSCS printing teaching equipment to another site in North Dakota if the program is closed at NDSCS? Two or three years ago Sheet Metal instruction was closed out at NDSCS for whatever reason and that equipment was soon transferred to another site in North Dakota. Closing of that program has proven to have been very short sighted. Yes, it needed some revision but closing it out was not the revision that was needed.

People in the Wahpeton area are wondering how much more of this is going to keep happening. The state apparently can't come up with $125,000 to keep the printing program going, but in the Governor's proposed budget, a couple of million dollars are earmarked for work-force training and upgrading of one sort or another.

To depart a bit from printing, something seems amiss when the state is putting together plans for work force training yet NDSCS is capping programs that provide workers that are needed for industry in North Dakota, because of lack of funding. It seems very contradictory to me. Trade and Technical training programs are equally as important in North Dakota as are four-year and PhD programs. Trade and Technical workers are what are keeping your communities

and cities and your industry in operation. This is real economic development on the local level. Trade and Technical workers are in short supply all across the country and especially in our region of the mid-west. Why? The pay is better out of our region! We must "grow our own" if we want workers in North Dakota. Federal and state labor studies predict the large majority of new jobs being created will require workers who have completed strong two-year Trade and Technical training programs. With this labor shortage states must focus on training and North Dakota has a system of post-secondary Trade and Technical training already set up in our two-year college system to do that job. What is needed are some dollars for faculty, supplies, and additional equipment to keep the program content up to date.

Industry wants leading edge skills and information taught by a trainer (a teacher) who has been in industry and knows what is needed to be taught to be successful in today's job market. These teachers do not come cheap! Qualified and competent trade and technical teachers cost money. Trade and Technical programs cost more money to operate, 40 to 70 percent more than liberal arts transfer programs.

The North Dakota State College of Science has had a remarkable history of helping people succeed. We take the students from where they are and do our best to mold them and prepare them for the "World of Work." <u>That is our mission,</u> and it is my hope that the legislature will provide us the funds needed to continue this long tradition where students "learn by doing."

RESOLUTION NO. 2938

RESOLUTION IN SUPPORT OF THE CONTINUATION OF THE GRAPHIC ARTS PROGRAM AT THE NORTH DAKOTA STATE COLLEGE OF SCIENCE

WHEREAS, the City of Wahpeton, Richland County, North Dakota has a strong interest and concern regarding the past termination of vocational programs at the North Dakota State College of Science and the relocation of such programs to other sites within the state; and

WHEREAS, the City of Wahpeton has fully supported the charter and mission in providing vocational education for the State of North Dakota at the North Dakota State College of Science; and

WHEREAS, it has been proposed that the Graphic Arts Department be terminated at the North Dakota State College of Science and that such termination is contrary to the best interests of the College, the students, our business community and the State of North Dakota.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City of Wahpeton goes on record supporting the continuation and retention of the Graphics Arts Department and its curriculum at the North Dakota State College of Science.

Dated this 19th day of January, 1999.

CITY OF WAHPETON

Duane M. Schmitz

By_____

Duane M. Schmitz, Mayor

ATTEST:

Arden C. Anderson, City Auditor

Wahpeton Area Chamber of Commerce

Wahpeton Area Chamber of Commerce
Board of Directors

Resolution in Support of the Graphic Arts Curriculum at the North Dakota State College of Science in Wahpeton, North Dakota

Whereas, the Wahpeton Area Chamber of Commerce located at 118 6th Street N. Wahpeton, ND has present and future concerns regarding the elimination of vocational programs at the North Dakota State College of Science and *the adequate funding to support all of it's programs.*

And whereas, the Wahpeton Area Chamber of Commerce has worked in cooperation with the Wahpeton community supporting the goals and values of NDSCS by providing vocation education for the State of North Dakota.

And whereas, a proposal has been made to eliminate the Graphics Art Department at the North Dakota State College of Science and *such elimination is deemed necessary without new funding to support growing programs, expanding programming, and the Graphic Arts Dept. The Wahpeton Area Chamber of Commerce supports an increase in new funding to allow the North Dakota State College of Science to grow and support its current programs.*

And whereas, the Wahpeton Area Chamber of Commerce recognizes the consequences of the unmet needs if the Graphics Arts department is eliminated. The college, the business community and the State will see a further exodus of quality students from North Dakota go elsewhere to receive their training.

THEREFORE, BE IT RESOLVED, that the Wahpeton Area Chamber of Commerce is on record supporting the continuance of the Graphics Arts Program *with new funding* and its successful curriculum at the North Dakota State College of Science.

The Wahpeton Area Chamber of Commerce , by unanimous vote of it's Board of Directors, approved this resolution on January 27, 1999

Richard E Shorma Date 1-26-99

Richard E. Shorma
President
Wahpeton Area Chamber of Commerce

Wahpeton Daily News
1-31-99

NDSCS Graphic Arts Program worth saving

There is still hope for the North Dakota State College of Science Graphic Arts Program which is targeted for the chopping block.

The issue is currently in limbo in the North Dakota State Legislature.

Freshman Rep. Bruce Eckre, D-Wahpeton, is to be commended for his efforts in leading the effort to save the department. He has testified on the issue, pointing out that it is a one-of-a-kind program which is unduplicated, revenue-producing and of significant value to North Dakota.

Eckre has met with representatives in the Chancellor's office. He and other area legislators have been stressing the value of the program to the region and the state.

The North Dakota Newspaper Association has also gone on record in support of the program, emphasizing that graduates of the program are vital to the communications industry.

Eckre said support has been encouraging from local residents, including the Wahpeton City Council which passed a resolution of support at its Jan. 19 meeting.

The concern of our local legislators, business community and personnel at NDSCS extends beyond the scope of the Graphic Arts Program itself. This area of study is small in comparison to numbers involved in some other vocational programs.

However, the termination of this program would represent the loss of another vocational education program to this area, and possibly lead to its relocation in another part of the state.

This area is committed to preserving NDSCS's charter and mission as a leader in vocational education. Keeping the Graphic Arts Program would be a strong message that we intend to preserve and defend our vocational education legacy.

To make your opinions known to your legislators, call toll-free 1-888- 635-3447.

AMERICAN TECHNICAL EDUCATION ASSOCIATION

NORTH DAKOTA STATE COLLEGE OF SCIENCE
800 6TH STREET NORTH
WAHPETON, NORTH DAKOTA 58076-0002

Phone: 701/671-2240
701/671-2301
Fax: 701/671-2260
E-mail: krump@plains.nodak.edu
thorstei@prairie.nodak.edu
Home Page: http://www.ndscs.nodak.edu/atea/

Betty M. Krump, Executive Director
Laura Thorsteinson, Administrative Assistant

February 1, 1999

Representative Bruce Eckre
State Capitol
600 East Blvd.
Bismarck, ND 58505

Dear Representative Eckre:

This letter is being written to show support for your efforts to maintain the Graphic Arts Technology program on the North Dakota State College of Science (NDSCS) campus.

The American Technical Education Association (ATEA) has been located on the NDSCS campus since 1973. There has always been a very good working relationship between ATEA and NDSCS. One of the reasons that ATEA is located on this campus is because the Graphic Arts Technology Department publishes the association's journal. The **ATEA Journal** is published four times annually and has a distribution of over 2,000 internationally. The journal is printed by the Graphic Arts students and is used as an instructional tool for them.

The Graphic Arts Department has also designed and printed membership brochures and other recruitment materials for ATEA. Again, these are used as instructional tools and done at a minimal charge to the association. If NDSCS does not have a Graphic Arts program, it may be necessary for ATEA to relocate the national headquarters. Several other community/technical colleges in the country have expressed interest in housing ATEA.

The relationship that has existed for the past twenty-five years has been beneficial for both ATEA and the North Dakota State College of Science. I certainly hope that your efforts are not in vain. The Graphic Arts Technology Department is certainly a viable program for NDSCS and also for the State of North Dakota.

Sincerely,

Betty M. Krump

Betty M. Krump
Executive Director
ATEA

NDNA
NORTH DAKOTA NEWSPAPER ASSOCIATION

Whereas *the North Dakota Newspaper Association (NDNA), the only established statewide industry association that includes 100% of North Dakota's weekly and daily newspapers, has had several past graduates from the Graphics Arts program at the North Dakota State College of Science (NDSCS), Wahpeton;*

And ***whereas*** *the NDNA has supported the NDSCS Graphics Arts program through scholarships and other program funding through the NDNA Education Foundation;*

And ***whereas*** *graduates of the NDSCS Graphics Arts program are properly educated for jobs important to NDNA newspaper members and printers;*

And ***whereas*** *the Graphics Arts program at NDSCS is an unduplicated, efficient and revenue-generating program at NDSCS;*

Be it ***RESOLVED*** *that the NDNA and its members strongly support the NDSCS Graphic Arts program and its graduates and BE IT* ***FURTHER RESOLVED*** *that the NDNA opposes any attempts to eliminate the NDSCS Graphics Arts program at the NDSCS, Wahpeton.*

Signed:

Neal Shipman
NDNA President
1998-99

Denise Lawson
NDNA Executive Director

This resolution was approved at the NDNA Board of Directors meeting held October 16, 1998 in Bismarck, ND.

1435 Interstate Loop • Bismarck, North Dakota 58501-0567 • phone: 701-223-6397 • fax: 701-223-8185
web site: www.ndna.com

NDNA
NORTH DAKOTA NEWSPAPER ASSOCIATION

TESTIMONY ON HB 1003 JANUARY 14, 1999

Chairwoman Wentz and members of the House Appropriations Education and Environment Division:

My name is Denise Lawson and I'm here today on behalf of the 89 member newspapers of the North Dakota newspaper association. We oppose the portion of HB 1003 that eliminates the Graphics Arts program at NDSCS, Wahpeton.

Our association has had a long history with NDSCS. We've supported thousands of dollars in scholarships and programs; we attended programs and events at the invitation of the Graphics Arts students and faculty; we even had our newspaper museum located on campus until last summer.

My testimony is self-serving. The relationship between our members and the program is important to us as an industry and as businesses. Many of our current members are graduates of the Graphic Arts program and our industry continues to rely on the graduates from NDSCS for printing and graphic arts positions.

Our board of directors officially voted October 16, 1998 to oppose attempts to cancel the Graphic Arts program through a resolution, and efforts during the 1999 Legislative Session.

As was shown today, the program continues to make revenue, and is North Dakota's only Graphic Arts program. Our members have a long history of employing North Dakota graduates, and this program provides an employment pool that is unduplicated in our state.

I realize that college budget decisions are complicated and decisions are tough. But our association respectfully asks that you continue to fund the Graphic Arts program at NDSCS.

Thank you.

1435 Interstate Loop • Bismarck, North Dakota 58501-0567 • phone: 701-223-6397 • fax: 701-223-8185
web site: www.ndna.com

Investment
Investment
Investment
Investment

NDSCS Is Delivering on its Investment to the Students

EXCEPT FOR FOLLOWING PAGES TESTIMONY IS THE SAME

AS PRESENTED TO THE HOUSE

Senate Bill #1003
ND Senate Appropriations Committee Budget Hearing
March 3, 1999

North Dakota State College of Science
Wahpeton, ND 58076-0002

NDSCS

Summary of Restorations to HB 1003 as Amended

- **Restore Salary Reductions of 1% – $284,049**

  (If the health insurance is driving this reduction, then reduce the salary by the amount of increase in health insurance – $75,414)

- **Restore IT Funding – $50,000**

- **Restore General Funds Across the Board Operations – $117,245**

Technology in the Classroom

- Internet Education

- Multi-Media Presentation System
- Desktop Conferencing

One Time Cost $350,000

Department 235 - North Dakota State University
House Bill Nos. 1003, 1022

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	794.98	$72,401,732	$60,113,903 [3]	$132,515,635
1997-99 Legislative Appropriations	804.76 [1]	69,486,633 [2]	75,571,979	145,058,612
Increase (Decrease)	(9.78)	$2,915,099	($15,458,076)	($12,542,977)

1 The 1997-99 appropriation anticipated 792.48 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 804.76 FTE positions shown represent the employee positions reported to the Office of Management and Budget.

2 The 1997-99 appropriation shown is adjusted for allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. In addition, the 1997-99 appropriation has been adjusted for carryover authority and other funding pool allocations by the State Board of Higher Education.

3 Of this amount, $4,415,000 is included in House Bill No. 1022 for funding of the Animal Research Facility.

Major Items Affecting North Dakota State University 1999-2001 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $111,620,179.)		($25,760,386)	($25,760,386)
2. Adjustments made to reflect the institution's 95 percent budget request, including the elimination of geography and German programs and the university pilot position, and reductions in economics, food and nutrition, and police coverage	($4,644,123)	(1,093,700)	(5,737,823)
3. Adds funds for restoration and reinvestment, including funds for restoring critical programs or services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, and maintenance	3,474,332	1,093,700	4,568,032
4. Other adjustments including funds for cost to continue including previous year salary increases, utility cost increases, and operating expenses inflationary increases (provides income from tuition rate increases of $3,119,260)	(419,166)	3,119,260	2,702,094
5. Adds funds for critical areas salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	766,850		766,850
6. Adds funds for extraordinary repairs of $365,290 and $665,000 to address deferred maintenance problems (The House reduced by $150,000.)	1,030,290		1,030,290
7. Provides funding for tenured faculty to be unfunded the second year of the biennium	403,920		403,920
8. Provides funding to address salary inequities	316,800		316,800
9. Provides funding for Phase I of the Animal Research Facility consisting of $1,860,460 of federal funds and $2,554,540 with bond proceeds to be repaid with $347,040 of local funds (HB 1022) (The House changed to $2,207,500 of bonding and $2,207,500 of federal funds and removed the local fund repayment requirement.)		4,415,000	4,415,000
10. Provides funding for a health and wellness center, funded by revenue bonds repaid by student fees and usage fees (this amount is appropriated in Subdivision 6 of Section 1 of HB 1003 and in Section 11 of HB 1003)		4,500,000	4,500,000
11. Provides funding for the Sudro Hall renovation from local funds		1,750,000	1,750,000
12. Removes funding for higher education salary funding pool funded in the North Dakota University System office (The House reallocated back to the institutions.)	(4,464,681)		(4,464,681)

Major Legislation Affecting North Dakota State University

House Bill No. 1022, as discussed earlier, provides authority to issue bonds up to $2,207,500 for the Animal Research Facility at NDSU and appropriates $2,207,500 from federal or other funds for the project for a total project cost of $4,415,000.

House Bill No. 1476 appropriates $75,000 from the general fund to North Dakota State University for developing a strategic plan for irrigation development.

NDSU

Presentation to House Appropriations Committee
January 12, 1999
NDSU

- Allan Fischer, Interim President
- Michael Chambers, NDSU Graduate
- Ronda Schmidt, NDSU student
- George Wallman, Vice President of Student Affairs
- Craig Schnell, Vice President of Academic Affairs
- Dick Rayl, Vice President of Business & Finance
- Tony Grindberg, Executive Director - Skills & Technology Training Center
- Jeremy Greene, President of NDSU Student Government

Presentation to House Appropriations Committee
January 12, 1999
NDSU
Allan G. Fischer

Thank you Representative Wentz. Good morning to you and to the members of the Education and Environment Division of the House Appropriations Committee. It is a privilege for me to stand before you today and tell you about the investment that you have made in North Dakota State University. When people make investments, they want to have a return on their money and I assure you that there has been a positive return. I thank you for your support and want you to know how much we appreciate our partnership with you.

How do you measure success at a University? One measure is in the success of our graduates - 95-98% of NDSU's spring graduates found employment or were headed towards professional school training - by this I mean medical or law school or to other graduate schools.

44% of our graduates in the College of Pharmacy, which includes our nursing program, accepted employment in North Dakota.

We should also recognize that our graduates, sons and daughters of residents of this state, are also greatly desired and sought after for employment outside of North Dakota.

Boeing aircraft went to a Big 10 school seeking 30-40 graduates and offered positions to three. Then they came to NDSU and hired more than 30 of our graduates. NDSU ranks third of all institutions providing professional workforce for the 3M Corporation. We are proud of our graduates including some of North Dakota's most respected leaders.

Doug Burgum - Great Plains

Barry Batcheller - a fellow New Yorker, like myself, came to NDSU as a student, stayed and is President of Phoenix International.

Brady Vick - from Minot - is the Interim Director of the two United States Department of Agriculture (USDA) labs on our campus.

Dennis Johnson - President of TMI in Dickinson

Dick Tschider - Administrator/CEO of St. Alexius here in Bismarck.

Lonnie Hass - Bowbells - Associate Director of the ND Governor's School

Mike Chambers - Carrington - a 1997 graduate - President of Aldevron

Of course, I see success in all of our graduates even if all are not as widely recognized. Let me give you a couple more names - alumni who may not be household names.

Michelle Keller - a veterinary science teacher of 23 years; Michelle teaches at Bisbee-Egeland High School. She was awarded the NSF North Dakota secondary science teacher of the year in 1994; she earned a bachelor's degree from NDSU in the 70's and is currently working on her master's degree in the summers. She was recently elected chair of the North Dakota Math & Science Alliance.

Wade Curren - second year teacher at Center High School.

Cynthia Pederson-Tastad - second year teacher at Rollette High School.

Doreen E. (Morrison) Studsrud - BS in pharmacy from NDSU in 1972; she literally rescued Country Drug Store in Richardton, North Dakota, from closing. The previous owner left the community and the town was on the verge of losing its only pharmacy when Doreen came in and took over the operation. She is this community's only provider of pharmacy services.

Roberta (Enger) Southam - BS in pharmacy from NDSU in 1958; partner/co-owner City Drug in Mohall, North Dakota, has practiced pharmacy for over 40 years serving the health care needs of Mohall and its surrounding rural communities. In addition she is an active member of the North Dakota Pharmaceutical Association and a former member and Past President of the North Dakota State Board of Pharmacy. She has been actively involved in establishing public policy related to the practice of pharmacy in North Dakota for the health, safety, and welfare of the citizens of North Dakota. Roberta continues an active practice with her husband, Jack, who also graduated from the NDSU pharmacy program in 1956.

Next week you will hear about the investment you make in agricultural research - but today please allow me to briefly share some further information about our total research efforts.

Last year faculty and staff at NDSU earned $20.4 million in external funding awards. The majority of these dollars go to pay salaries, only $231,000 was for equipment. Grantsmanship allows us to hire technicians, teaching and research assistants, and post-doctoral appointments. The point that I wish to make is that the grantsmanship of our faculty has a tremendous economic impact on North Dakota by enabling new employees to be hired who pay income and sales taxes and contribute in so many ways to our state.

A part of your legislative investment is the National Science Foundation's Experimental Program to Stimulate Competitive Research (NSF EPSCoR). This program was designed to provide funding to faculty in states that were finding it difficult to obtain federal support for research. 1986 was the first year North Dakota participated and since then we have continued to win research dollars from NSF and the State. We get approximately $990,000 from the State of

North Dakota and $1.0 million from NSF. There are 19 states and Puerto Rico in the EPSCoR program.

Last year North Dakota ranked 3rd in the group of 20 states in obtaining additional grants from divisions within NSF, earning more than $3.0 million in a very competitive environment.

One other benefit from our EPSCoR funding is that it allows us to attract excellent young faculty to campus. In the last three years we have had 5 young faculty earn or be awarded a first or a career award from NSF or USDA. These, too, are highly competitive awards.

What does research contribute to the economic well being of a community?

1. We attract industry to the state - Tecton - Marvin Windows
2. We spin off new companies - Dakota Tech - Aldevron
3. MIT has spun off 4000 companies
4. Silicon Valley was or is the brain child of one faculty member at Stanford and two of his students - the rest is history.

hewlett packard

In many publications - you read that education is the engine for economic development - I thank you for your investment but also exhort your support for higher educaton which allows NDSU and the other institutions to continue to be economic engines.

Service

NDSU is a true example of a land-grant institution with a historic responsibility to applied research and service. You will hear considerably more on this topic next week from Cole Gustafson, Associate Dean of Research and Sharon Anderson, Director of Extension Service.

For now, let me finish quickly with some discussion of university outreach, the third partner of our institutional missions that also include teaching and research.

Each year, thousands of young people come to the NDSU campus for special camps and programs. Perhaps a high school student you know has attended the Expanding Your Horizons program, Science Fair, Science Olympiad, Governor's School, music competition, speech contest or athletics camps. These special programs provide educational opportunities to young people from all over North Dakota, as well as show off the fine higher education facilities available to them in their own home state. The Division of Fine Arts faculty and students presented over 200 performances, workshops, art exhibitions, and stage productions during the 1997-98 school year, primarily in North Dakota but also at the national and international level to a total audience in excess of 200,000 people.

Of course outreach at a land grant university like NDSU carries a state-wide responsibility. In other words, you don't have to drive to NDSU, you'll find an NDSU presence in every county of our state. It is a commitment we accept with great pride. For example, NDSU has offered 542

continuing education courses throughout the state with 5,229 graduate students and 2,018 undergraduate students.

Please let me conclude my remarks by saying again, thank you for your support. Over the years, I have seen legislators struggle to address a seeming endless list of needs with finite resources. I hope you will agree with me that the investments made in North Dakota State University have brought rewards that have far exceeded the investment, both in terms of actual dollar rewards, but also in the lives of our 55,000 living alumni here in North Dakota and around the world.

13.3

Research Opportunities at North Dakota State University and NDSU as a High-tech Business Incubator

Michael Chambers

01/12/98

Undergraduate research opportunities at NDSU

- Science students can gain important research experience as early as their freshman year — hands on in lab.
- Possible to do independent research—a major NDSU advantage
- My research into DNA Vaccines led to the formation of Aldevron, LLC

Jim Clinton — Parks — Dr. Gillespie

NDSU as a High-tech Business Incubator

- It is important to establish more high-tech businesses in North Dakota
- By working with the NDSU leadership, we were able to establish an license agreement with the university to utilize vacant laboratory space
- Other entrepreneurs can now take advantage of this agreement. Other ways NDSU can help start biotechnology companies: Scientific expertise, old lab equipment, etc.
- This agreement was essential to Aldevron's development

About Aldevron, LLC → Byron Clark

- Aldevron was formed to produce high-quality DNA for molecular biologists around the world who require very large amounts of it for their experiments
- NDSU helped us to develop a concept into a business

Shipping to 3 continents & many medical places; universities

- Status: We are now shipping DNA around the world and need to expand in the near future

19.5

Contact information:

Michael Chambers, NDSU Class of 1997
Email: chambers@aldevron.com
Phone: 701-729-2013 (work), 701-298-8966 (home)

20.9

Ronda Schmidt

ronschmi@badlands.nodak.edu

(701) 297-9089

Introduction

- Background – diversified farm and ranch from Center, ND

Positive Experiences

- Organizations at NDSU make college worth whil
  - Saddle and Sirloin (S/S)
    - Largest student production organization at NDSU
    - Host the largest campus event held at NDSU – Little International
    - Practical experiences – Artificial Insemination – detect pregnancy in animals
  - Post Secondary Agricultural Students Organization (PAS)
    - State President
    - Livestock/crops, public speaking, mechanics, career planning/progress, salesmanship
    - Job options are absolutely endless
  - Ceres Women's Fraternity
  - CASAC (College of Agricultural Students Activities Council)
  - CSO (College of Student Organization)

Education at NDSU

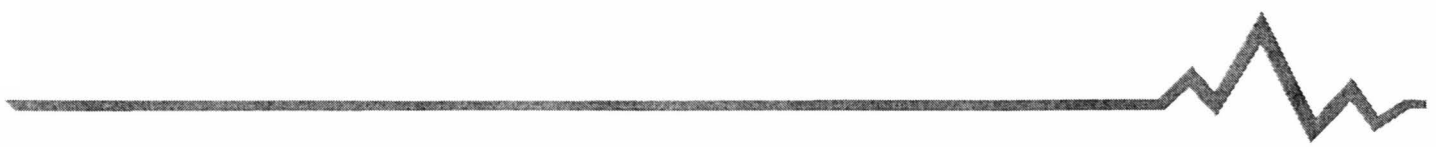
- College of Agriculture and College of HD&E are wonderful
- Professors here at NDSU want you to learn
- Student – eacher relationship –not just a number - they want you to succeed
- Kept up recent technology and the latest information
- Mel Olson – Officer of State Board of Vocational and Technical Education – says invest in the future – the education of the next generation
- Promotion of more teachers is needed in North Dakota

24.9

House Appropriations Subcommittee Testimony

by G. Wallman
Vice President for Student Affairs
North Dakota State University
1/12/99

- Investing in Student Success
- Students are delaying graduation by choice
- We are optimistic about enrollment



76.9

Investing in Success

- In 1991-1992 Freshman to Sophomore persistence was 70.7%

Help students be more successful

  - **Project Success** was created in 1995 to support new freshmen and transfer students. It provides special orientation/registration programs, tutoring and support for NDSU's University 199 course.

Welcome Week

  - A **freshman orientation course** (University 199) was started in 1997. It helps new students learn about the University and develop skills for success.

geared @ helping new students

Peermentors Dine w/ faculty adopt a faculty member

  - A **Living Learning Program** was created in our residence halls that provides special attention to new students.

Integrate academic & social life

early am program

Investing in Success

- **Selective Admission** and the Board's **Core requirements** have resulted in a higher quality freshman class with Act scores now above a 23.

- An **Involvement Transcript** helps students who are active in campus life communicate skills to employers.

- Our **Career Center** has been enhanced with increased service that helps students prepare for their job search.

We have invested and it has paid dividends.

- 1997-98 Freshmen to Sophomore rate was 79.1%

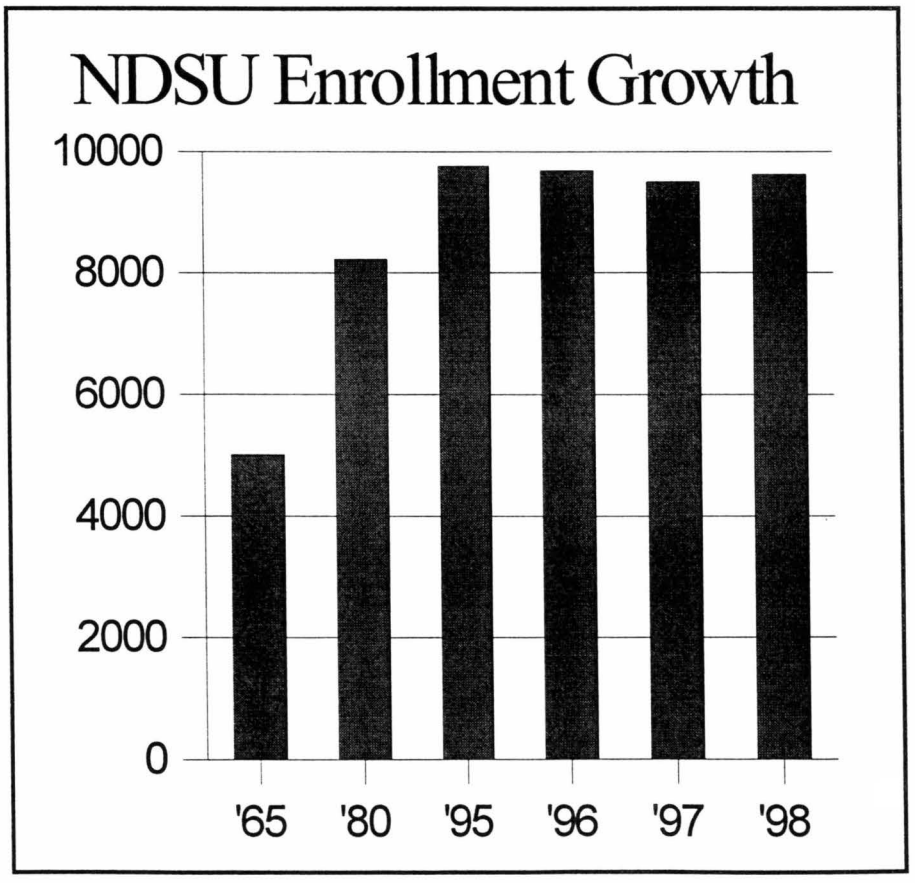
Surveying

However, there is a trend nationally to take longer than four years to graduate.

- Our studies indicate that students **can** graduate in four years
- But the preference is to work and obtain practical experience
- And some programs take more than four years.

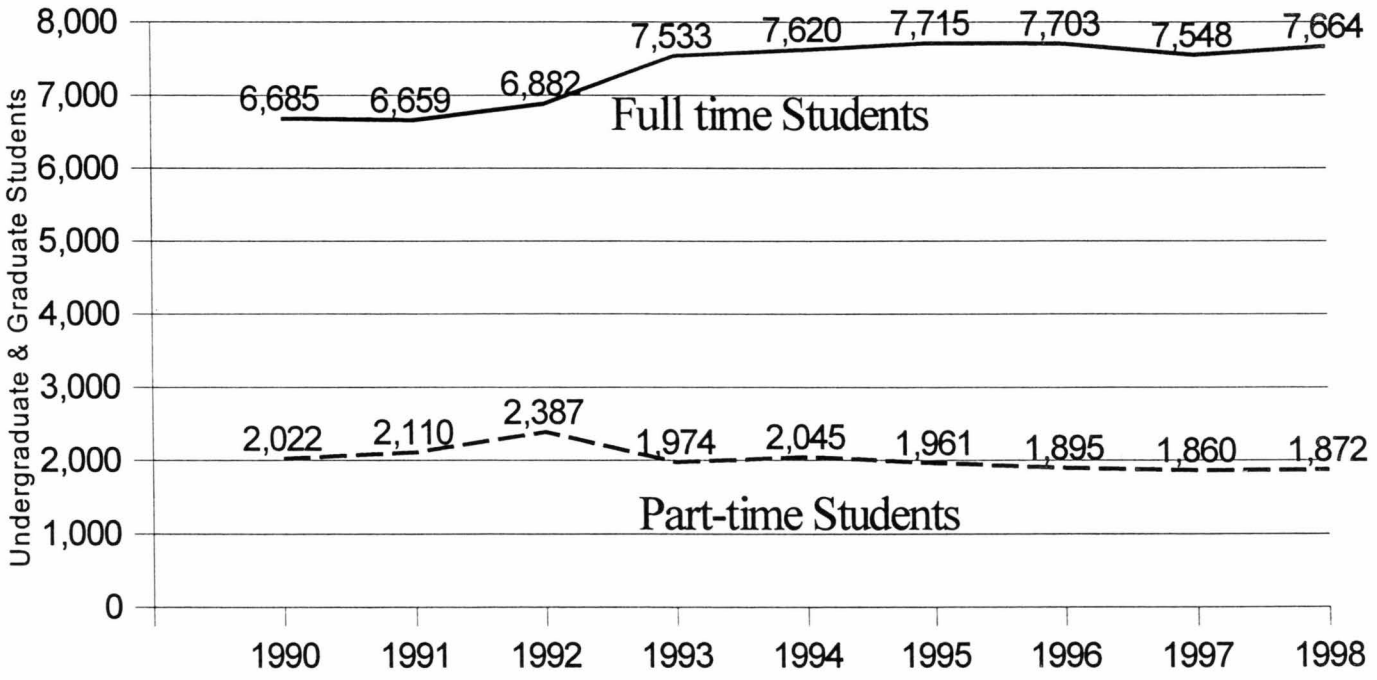
We are optimistic about enrollment

- Enrollment Trends
  - Overall
  - Part-time/full-time
  - Age



NDSU Students by Full-time and Part-time status

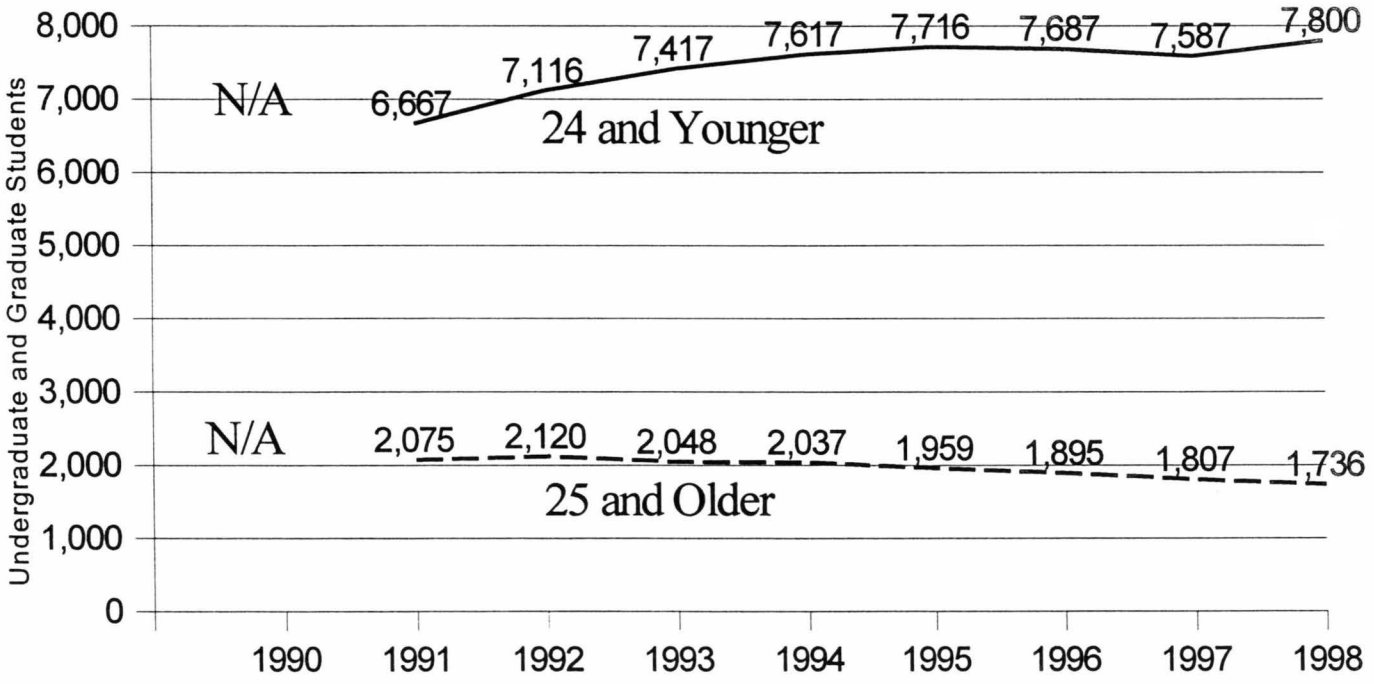
1990-98



Source: NDUS Report [Table 1 & 2]
(Does not include Coop students.)

NDSU Students by Age

1990-98



Source: NDUS Report [Table 14]
(Does not include Coop students and there are students who do not identify their birthday.)

42.3

The Educational Testing Service study indicates an increase in the demand for higher education in North Dakota.

3.4

TESTIMONY TO NORTH DAKOTA STATE LEGISLATURE

R. Craig Schnell
Vice President for Academic Affairs
North Dakota State University

Issues:

A. Salaries

1. Hire And Retain Qualified Faculty

   #1 Priority

   a. Hiring

   b. Retaining

Notable changes in yrs. in hiring pool.

2. Need For More Faculty

   a. NDSU is at 90% of formula

      - Budgeted 414 FTE

      - Produce 442 - 450 FTE

3. Strategies To Address Issues

Peer sal. review

   a. Salary Increase (3% + 3%)

   b. Targeted Critical Salary Adjustment (Budget Lines 8 and 11)

      $528,000 -- Merit and Equity

   c. Campus Six-Year Plan (Budget Lines 10 and 17)

      $316,000 -- New Positions -- Distance Education and Career Center

15.1

B. Funding Equity

1. NDSU is at 85% - 90% of the NDUS Funding Formula

References:

a. NDUS Funding Equity Comparison - (Feb 1998)
(Table 4 Annual Total Funding Per Student)

b. Legislative Council Report - (Feb 1998)

Comparison of Research Universities

COSTS PER FTE STUDENT

Year	Source	UND*	NDSU	Difference
1996-1997	General Fund	$5,260	$4,233	**$1,027**
	Tuition	$2,110	$2,110	
1998-1999	General Fund	$5,656	$4,414	**$1,242**
	Tuition	$2,362	$2,362	

*Without Medical School

C. Programmatic Changes

1. New Programs 1994 - 1999

Majors

Plant Protection	July 1994
International Studies	July 1994
Facility Management	July 1994
Natural Resource Management	Nov 1994
Accountancy	Jan 1998
Manufacturing Engineering	Jan 1998

Minors

Individual and Family Wellness	Jan 1996
Nutrition	Jan 1996
Facility Management	Jan 1996
Community Development	Jan 1996
Extension Education	Oct 1996
Agribusiness	Sept 1997

Centers/Institutes

Science and Math Education	Mar 1998
Northern Plains Policy Research Ctr	Sept 1998
Group Decision Center	Sept 1998

Mergers

Dept of Industrial and Manufacturing Engineering	Jan 1998

from Dept. of Industrial Engineering and
Dept. of Aero Manufacturing and Engineering Technology

2. Program Deletions

General Science - Masters' Degree (pending)

Baccalaureate in

Aero-Manufacturing and Engineering Technology

Plant Pathology

Entomology

Cereal Science

3. Changes in Progress

Deletions

Ecomonics Department - loss of 4 faculty

Athletics - loss of 1 position

Hotel, Motel, Restaurant Management - loss of 1 position

Agriculture - loss of 2 positions

Geography - loss of 1 position

Health, Physical Education, Recreation - loss of 0.5 position

Industrial Engineering - loss of 1 position

Theatre Arts - loss of 2 positions

VPAA Unallocated

New Initiatives

Agribusiness

Business - Management Information Systems

Bio-Engineering

Philosophy/Ethics

Ecology and Environmental Sciences

HPER

Food Science/Safety

Dietetics

Distance Education

D. Technology

1. Technology Fee
2. Faculty Training
3. Library
4. Web-based Courses
5. Internet II

* Student tech fee
* Bond issue debt reduction
* modem pool
* printers
* networking resources
* servers
* tech sup/student consults
* library - access, initiatives
* classroom initiatives/multimedia
* SP. projects/misc

Copy 3-3-98 Team Managers

North Dakota University System

Funding Equity Comparison

Presented to the State Board of Higher Education
February 19, 1998

Formula Comparison Results:

The tables below reflect the percent of formula(s) each campus is funded at for the 1997-99 biennium. For example, when looking at variable costs only in Table I, UND-LR is funded at 96.70 percent of the three formulas included in the variable cost definition. Table 3 shows that UND-LR is currently funded at 88.37 percent of all formulas (fixed and variable) and as a result is short, at least, $733,029 a biennium, in order to adequately meet the standards set forth in the formulas.

TABLE 1
Variable Costs Only
(Instruction, Instructional Support, Support Services, and Equipment Formulas)

Campus	Percent of Formula
MiSU-BC	121.98%
MaSU	112.69%
VCSU	108.29%
UND	107.20%
MiSU	98.69%
BSC	98.28%
UND-LR	96.70%
DSU	96.44%
UND-W	94.38%
NDSCS	95.87%
NDSU	89.73%
System Average	***98.89%***

TABLE 2
Variable Costs Plus Physical Plant Costs Including Utilities
(Instruction, Instructional Support, Support Services, Equipment, and Physical Plant Formulas)

Campus	Percent of Formula
MiSU-BC	114.94%
MaSU	103.99%
VCSU	100.28%
UND	102.04%
MiSU	95.95%
BSC	95.78%
NDSCS	94.38%
DSU	93.90%
UND-LR	92.97%
UND-W	92.66%
NDSU	90.76%
System Average	***96.56%***

TABLE 3
Total Costs Including Variable, Physical Plant and Plant Improvements
(Instruction, Instructional Support, Support Services, Equipment, Physical Plant, and Plant Improvement Formulas)

Campus	Percent of Formula	Dollar Variance
MiSU-BC	104.61%	$ 221,106
VCSU	94.38%	(794,579)
MaSU	95.16%	(506,468)
UND	94.08%	(8,129,476)
BSC	92.74%	(1,621,152)
MiSU	91.58%	(3,200,419)
DSU	89.05%	(2,187,805)
UND-LR	88.37%	(733,029)
UND-W	88.13%	(899,013)
NDSCS	86.57%	(4,694,584)
NDSU	85.51%	(18,125,936)
System Average	***90.34%***	
Total Dollar Shortfall		***(40,671,355)***

One can quickly see that the funding formulas used by the NDUS are conservative, at best. Table 3 points out that the NDUS is underfunded by over $40 million a biennium based upon formula standards. Total per-student funding comparisons at both the regional and national average indicate that NDUS institutions receive about $37 to $42 million less per year than their regional and national counterparts. This is about one-half of the amount identified in the formula comparisons. Thus, trying to reach a minimum standard of 100 percent of formula funding is not an unreasonable expectation and still falls far short of other campus support levels.

Funding for variable costs range from 89.73 percent to 121.98 percent of formula in Table 1. Table 3 shows funding for total costs, which range from 85.51 to 104.61 percent of formula. When minimum staffing levels are considered, the range for variable costs narrows considerably in Attachment I, Table 1. The gap ranges from 88.40 percent to 107.20 percent of the formulas. Likewise, the gap in total costs narrows to a range of 82.70 to 94.59 percent of formulas (Attachment I, Table 3).

BSC and MiSU, who have been the targets of increased funding to address equity concerns in support services in recent years, are now at about the middle of the pack at 92.74 percent and 91.58 percent of all formulas, respectively. Both continue to be underfunded relative to formula standards. Other changes from past experience are: NDSCS's relative position to full formula funding has decreased in light of recent enrollment rebounds which has made the campus one of the furthest away from full funding at 86.57 percent of the formula; the funding gap between UND and NDSU continues to expand in light of enrollment changes at those two institutions with UND at 94.08 percent and NDSU at 85.51 percent of full formula funding. This differential results in a biennial funding shortfall of over $8.0 million at UND and over $18.0 million at NDSU.

1997 flooding in Grand Forks had an impact on UND's enrollment. In order to buffer against some of the enrollment loss experienced in academic year 1997-98, UND's figures were recomputed using a five-year-weighted enrollment average rather than the customary three-year

average. This analysis did not produce significantly different variances beyond those noted earlier between UND and NDSU and therefore, are not included in the report.

Funding Per Student

Per-student funding provides another approach for comparing campus-funding levels. In recent years, the Cabinet has made a commitment to refrain from using per student funding comparisons. This was supported because none of the institutions are overfunded compared to their peers across the country and a belief that nothing is gained by comparing ourselves to one another. Rather, the Cabinet suggested that all comparisons be focused on each campus's relative position to a funding benchmark. The benchmark that has traditionally been used is the formula comparisons outlined above. During early discussion concerning this equity funding comparison report, some campuses suggested that the report should include per student funding comparisons. As a result, a per-student funding comparison is presented here.

TABLE 4
1997 Per-Student Funding

Annual Total Funding Per FTE Student:

	Total, Excluding Plant Improvement		Total, Including Plant Improvement	
	Amount per student	Variance from tier average	Amount per student	Variance from tier average
UND	$7,370	504	$7,481	517
NDSU	6,343	(523)	6,429	(535)
Average	*6,866*		*6,964*	
MaSU	7,303	968	7,401	949
VCSU	7,221	886	7,345	893
DSU	6,442	107	6,504	52
MiSU	5,789	(546)	5,932	(520)
Average	*6,335*		*6,452*	
Average without MiSU	*6,878*		*6,968*	
MiSU-BC	6,927	983	7,031	1,010
NDSCS	6,585	641	6,693	672
UND-LR	6,323	379	6,409	388
UND-W	5,184	(760)	5,240	(781)
BSC	5,199	(745)	5,239	(782)
Average	*5,944*		*6,021*	
TOTAL	*6,573*		*6,671*	

Annual Total Funding Per Headcount:

	Total, Excluding Plant Improvement		Total, Including Plant Improvement	
	Amount per student	Variance from tier average	Amount per student	Variance from tier average
UND	$5,653	215	$5,738	222
NDSU	5,199	(239)	5,270	(246)
Average	*5,438*		*5,516*	

22.4

HB 1003

Testimony by
Dick Rayl, Vice President for Business and Finance
January 12, 1999

Overhead 1 — **Appropriated Revenue and Expenditures**

A. Increased dependence on tuition

B. How appropriated dollars are spent

C. Retaining tuition on campus

Overhead 2 — **Support Services and Facilities Upkeep**

A. What are support services and importance of critical salary adjustments
   - applicant pools

B. Reinvestment and increased workload

Overhead 3 — **Size of NDSU Main Campus**

A. Ninth largest city in North Dakota

Overhead 4 — **Current Infrastructure Needs**

Overheads 5-11 — **Examples of Infrastructure**
(pictures not included in booklet)

Overhead 12 — **1999-2001 Capital Improvements and Projects**

NORTH DAKOTA STATE UNIVERSITY

APPROPRIATED REVENUE (Excluding Capital Projects and Fargo Skills Center)

	1997-99 Biennium	% of Total	1999-01 Exec. Recom.	% of Total
General Funds	$68,853,461	60.3%	$71,651,732	59.6%
Tuition	$43,270,619	37.9%	$47,327,768	39.3%
Other	$2,031,360	1.8%	$1,333,635	1.1%
Total	$114,155,440	100.0%	$120,313,135	100.0%

APPROPRIATED EXPENDITURES (Excluding Capital Projects and Fargo Skills Center)

	1997-99 Biennium	% of Total	1999-01 Exec. Recom.	% of Total
Salaries	$85,486,313	74.9%	$89,261,432	74.2%
Operating	$25,102,227	22.0%	$26,550,541	22.1%
Equipment	$2,023,000	1.8%	$2,043,800	1.7%
Extraordinary Repairs	$1,543,900	1.4%	$2,457,362	2.0%
Total	$114,155,440	100.0%	$120,313,135	100.0%

NORTH DAKOTA STATE UNIVERSITY
1997-99 BUDGET - 1999-01 EXECUTIVE RECOMMENDATION

	1997-99 Budget	1999-01 Exec. Recom.	Increase/ (Decrease)
Support Services			
Salaries			
Salaries and Benefits	9,529,616	10,574,151	1,044,535
Critical Salary Adjust.	0	92,400	92,400
Total Salaries	9,529,616	10,666,551	1,136,935
FTE	121.28	119.90	(1.38)
Operating Expenses	2,008,174	2,116,332	108,158
Equipment	194,439	194,439	0

	1997-99 Budget	1999-01 Exec. Recom.	Increase/ (Decrease)
Facilities Upkeep and Maintenance			
Salaries			
Salaries and Benefits	8,277,390	9,116,699	839,309
Critical Salary Adjust.	0	107,184	107,184
Total Salaries	8,277,390	9,223,883	946,493
FTE	137.38	136.38	(1.00)
Operating Expenses	10,875,732	11,855,747	980,015
Equipment	200,000	207,300	7,300

NORTH DAKOTA STATE UNIVERSITY
CAMPUS PHYSICAL STATISTICS 1998

Number of Buildings		88
Gross Square Footage of Buildings		3,228,741 SF
Building Assignable Square Footage		2,104,635 SF
Campus Landscaped Area	258 Acres	11,077,750 SF
Area of Roofs		28 Acres
Area of Parking Lots	52 Acres	2,273,879 SF
Lineal Length of Sidewalks		14.54 Miles
Lineal Length of Streets		4.22 Miles
Lineal Length of Steam Lines		3.50 Miles
Lineal Length of Water Lines		8.79 Miles

01/06/99

NORTH DAKOTA STATE UNIVERSITY
IDENTIFIED CAPITAL IMPROVEMENT NEEDS

ADA	$2,542,005
Major Renovations - Networking	$2,852,300
Major Repairs	$13,191,438

Roofs, Streets, Sidewalks, Parking Lots,
Curb, Gutter, Mechanical systems, HVAC,
Heating Plant, and Electrical Projects

NORTH DAKOTA STATE UNIVERSITY
CAPITAL IMPROVEMENTS & PROJECTS

	1997-99 BUDGET
Extraordinary Repairs	$1,543,900
Engineering Addition	$1,200,000
Sudro Hall	$150,000
Animal Research	$10,000,000
Heating Plant	$1,340,531
	$14,234,431

	1999-01 BUDGET REQUEST	INCREASE/ (DECREASES)	1999-01 EXEC. RECOMM.
Extraordinary Repairs	$1,355,311	$71,761	$1,427,072
Deferred Maintenance		$1,030,290	$1,030,290
	$1,355,311	$1,102,051	$2,457,362
Animal Research-Phase I	$4,415,000		$4,415,000
Animal Research-Phase II	$7,316,300	($7,316,300)	$0
Health & Wellness	$4,500,000		$4,500,000
College of Business	$5,998,860	($5,998,860)	$0
Sudro Hall	$1,500,000	$250,000	$1,750,000
	$25,085,471	**($11,963,109)**	**$13,122,362**

$1,543,900	
$1,427,072	
$116,828	ADA from Board Pool

Health and Wellness Center
North Dakota State University

- ✓ **The Students of NDSU are paying for the Health & Wellness Center and operations through and increased Health & Wellness Fee.** → no $ asked to state
- ✓ **The business plan is all-inclusive. It includes a built in reserve fund for unforeseen expenses and repairs.**
- ✓ **Custodial and general upkeep is included within the business plan.** → built in reserve
- ✓ **NDSU's District 45 Representatives, Rick Berg and LeRoy Bernstein support the project.**
- ✓ **Current facility built in 1939 for 1600 students.**
- ✓ **NDSU currently has over 9500 students.** Child care
- ✓ **The Health and Wellness Center project has been through the proper process.**

If you have not received a full fact sheet and business plan, please contact Jeremy Greene, Student Body President, NDSU at 701-231-8462.

Presentation to the

North Dakota

Senate Appropriations Committee

March 3, 1999

1999-01 Budget

North Dakota State University

North Dakota State University

- State-wide land grant mission
- Outstanding educational value
  - for students
  - for state and region
- Among most efficient in NDUS and nation

Three key points...

- NDSU is investing in student success
- Needs and expectations of students have changed
- We remain optimistic about enrollment

Investing in student success

- 1991 - 1992 freshman to sophomore retention 70.7%
- 1997 - 1998 freshman to sophomore retention improved to 79.1%
- Several new programs
  - Project Success, University Studies 199, and more

Investing in student success

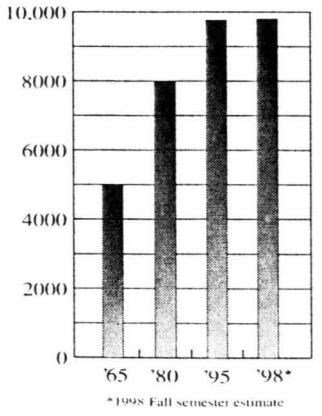
- Our most recent employment survey:
  - 96.9% recent graduates employed or seeking further education
  - 91.7% employed in their major
  - 58.8% North Dakota residents remain after graduation

Needs and expectations of students have changed

- National trend to take more than 4 years to graduate
- Our studies show students can graduate in four years
  - Student preference is to work and obtain practical experience
  - Some programs take more than four years

Enrollment Optimism

NDSU enrollment growth



*1998 Fall semester estimate

1999 - 2001 Budget

- We support higher education funding as proposed in Governor's budget

Dr. R. Craig Schnell

Vice President for Academic Affairs

North Dakota State University

North Dakota State University
1999-01 General Fund Summary

Executive Budget

General Fund	$72,401,732

does not include 5% salary pool reallocation assigned to Board of Higher Education

---

1. HB 1003

Adjustment to Compensation Pkg

Health insurance	$261,169
Reduce salary to 2%/yr	($1,212,920)

2. Other Adjustments

"Vacant" positions	**($350,000)**
Capital improvements	($150,000)
Operating expenses	**($250,000)**
Equipment	($45,000)
STTC	($250,000)
1/2% across the board - operating	**($370,000)**
Net Reduction	***($1,415,014)***

3.

Salary pool reallocation	
5%	$4,464,681*
Critical salary pool	($766,850)
Net salary pool	***$3,697,83***

Total gen fund adj to exec. budget	$1,331,066
Amended HB 1003 gen fund	**$73,732,798**

* In the Executive Budget, these funds assigned to the Board of Higher Education

Salary Funding Our Top Priority

- Governor's budget
  - salary adjustment 3%+3%
  - target critical adjustments (merit & equity)
  - salary reallocation (six-year plan)
- Would allow for some modest increase

Operating Funds

- Already inadequate and loss makes situation worse
- Serious consequences
  - Loss of library holdings
  - Decreased ability to meet technology needs
  - Increase/add class or laboratory fees
  - Decrease preventative maintenance

Request restoration of "vacant" position funds - $350,000

- "Vacant" is misleading
  - positions filled with temporary instructors
- Positions not vacant since process is dynamic
- We must still provide the classes students need

Funding loss would make instructor shortage worse

- NDSU has 414 budgeted faculty positions
- NDSU produces 441 positions
  - based on credits taught
- Salary dollars used to hire temporary instructors to meet student class needs

Funding loss would have serious consequences

- Fewer faculty
- Fewer classes
- Larger class sections
- Decreased ability to meet student needs

Funding Equity

- NDSU already funded at less than 90% of formula
- Situation has developed over several years
- Inequity recognized by Board of Higher Education
  - $3 million requested in special equity funding

NDUS
Summary of Amendments to HB 1003-General Funds
PASSED BY THE HOUSE APPROPRIATIONS COMMITTEE 2-16-99

	BSC	UND-LR	UND-W	UND	NDSU	NDSCS	DSU	MaSU	MiSU	VCSU	MiSU-BC	Subtotal	NDUS Office	Med School	Forest Service	Total
GENERAL FUND:																
1999-01 Exec Budget	**14,512,720**	**4,950,031**	**4,771,162**	**93,355,802**	**72,401,732**	**22,682,030**	**13,039,293**	**8,461,666**	**24,852,277**	**11,371,567**	**3,872,632**	**274,270,912**	**28,856,525**	**28,223,862**	**1,573,548**	**332,924,847**
Adj to Comp. Pkg:																
Health ins. prem. incr.	44,763	14,256	16,536	303,367	261,169	75,414	43,053	28,369	84,395	37,920	14,826	924,068	5,417	46,567	5,702	981,754
Reduce sal incr to 2%/Yr	(193,940)	(59,016)	(70,208)	(1,330,237)	(1,212,920)	(284,049)	(189,770)	(105,036)	(383,481)	(141,147)	(46,785)	(4,016,589)	(35,118)	(267,443)	(18,532)	(4,337,682)
Net Reduction-Comp Pkg	***(149,177)***	***(44,760)***	***(53,672)***	***(1,026,870)***	***(951,751)***	***(208,635)***	***(146,717)***	***(76,667)***	***(299,086)***	***(103,227)***	***(31,959)***	***(3,092,521)***	***(29,701)***	***(220,876)***	***(12,830)***	***(3,355,928)***
Other Adjustments:																
Increase conting fund												-	200,000			200,000
Add info tech initiative											200,000	200,000				200,000
Reduce salaries-Vacant Pos.	(41,590)				(350,000)		(131,253)		(35,270)			(558,113)		(230,000)		(788,113)
Reduce IT Funding				(279,048)		(50,000)			(20,000)			(349,048)				(349,048)
Reduce capital impr funding				(244,036)	(150,000)							(394,036)				(394,036)
Reduce operating expenses					(250,000)							(250,000)		(220,000)		(470,000)
Reduce equipment					(45,000)							(45,000)				(45,000)
Reduce Skills Trng Ctr					(250,000)							(250,000)				(250,000)
Reduce dual cr course fdng							(53,500)					(53,500)				(53,500)
Reduce on-line training									(20,600)			(20,600)				(20,600)
Reduce CII										(50,000)		(50,000)				(50,000)
Delay mkt sal adj to 1-1-91												-	(29,456)			(29,456)
Elim cap impr contingency												-	(400,000)			(400,000)
Decrease PSEP												-	(150,000)			(150,000)
Decrease EPSCoR												-	(200,000)			(200,000)
Elim Perkins match												-	(102,885)			(102,885)
Correct pay plan error														372,180		372,180
.5% GF Across the Bd Oper. Reduc	(75,261)	(25,478)	(24,723)	(479,810)	(370,014)	(117,245)	(66,605)	(43,644)	(128,650)	(58,462)	(21,066)	(1,410,958)	(69,248)	(146,313)	(8,175)	(1,634,694)
Other Net Addns (Reduc)	***(116,851)***	***(25,478)***	***(24,723)***	***(1,002,894)***	***(1,415,014)***	***(167,245)***	***(251,358)***	***(43,644)***	***(204,520)***	***(108,462)***	***178,934***	***(3,181,255)***	***(751,589)***	***(224,133)***	***(8,175)***	***(4,165,152)***
Subotal Adj B4 Sal Pool Reall.	***(266,028)***	***(70,238)***	***(78,395)***	***(2,029,764)***	***(2,366,765)***	***(375,880)***	***(398,075)***	***(120,311)***	***(503,606)***	***(211,689)***	***146,975***	***(6,273,776)***	***(781,290)***	***(445,009)***	***(21,005)***	***(7,521,080)***
% Total Reduc. From Exec Recom	***3.54%***	***0.93%***	***1.04%***	***26.99%***	***31.47%***	***5.00%***	***5.29%***	***1.60%***	***6.70%***	***2.81%***	***-1.95%***	***83.42%***	***10.39%***	***5.92%***	***0.28%***	***100.00%***
% Incr (Decr) From Exec Recom	***-1.83%***	***-1.42%***	***-1.64%***	***-2.17%***	***-3.27%***	***-1.66%***	***-3.05%***	***-1.42%***	***-2.03%***	***-1.86%***	***3.80%***	***-2.29%***	***-2.71%***	***-1.58%***	***-1.33%***	***-2.26%***
Salary Pool Reallocations:																
Reallocate 5% Pool	807,078	214,097	258,239	5,138,540	4,464,681	1,143,124	697,602	399,279	1,419,892	540,061	192,430	15,275,023	(16,930,790)	1,569,679	86,088	-
Pool crit sal adj to Board	(76,895)	(23,760)	(31,160)	(982,347)	(766,850)	(117,480)	(84,480)	(55,440)	(167,310)	(66,000)	(19,928)	(2,391,650)	2,635,851	(232,321)	(11,880)	-
Net salary pool realloc.	***730,183***	***190,337***	***227,079***	***4,156,193***	***3,697,831***	***1,025,644***	***613,122***	***343,839***	***1,252,582***	***474,061***	***172,502***	***12,883,373***	***(14,294,939)***	***1,337,358***	***74,208***	-
Total GF Adj to Exec Rec	***464,155***	***120,099***	***148,684***	***2,126,429***	***1,331,066***	***649,764***	***215,047***	***223,528***	***748,976***	***262,372***	***319,477***	***6,609,597***	***(15,076,229)***	***892,349***	***53,203***	***(7,521,080)***
House Version of HB 1003-GF	**14,976,875**	**5,070,130**	**4,919,846**	**95,482,231**	**73,732,798**	**23,331,794**	**13,254,340**	**8,685,194**	**25,601,253**	**11,633,939**	**4,192,109**	**280,880,509**	**13,780,296**	**29,116,211**	**1,626,751**	**325,403,767**

g:\cathy\excelfil\9901engr\hb1003chgs-gf-FEB16

Funding Equity

- HB 1003 gives NDSU greatest cuts in NDUS
- HB1003 effect is to widen the gap and make inequity worse

Funding Equity

- As a matter of fairness to all students, we ask that the gap between the top and the bottom of the funding formula be narrowed, so that North Dakota students, whatever campus they choose, receive a fair share of state support for their education.

Funding equity

- The Senate can help by restoring funds cut from the Governor's budget

Mr. Richard Rayl

Vice President for Business and Finance

North Dakota State University

NDSU Appropriations: Equipment

• 93-95	$2,038,242
• 95-97	$1,718,000
• 97-99	$1,905,500
• Executive Budget	$2,043,800
• HB 1003	$1,998,800
	($45,000)

Capital Improvement Needs

- ADA $2,542,005
- Major Renovations (networking) $2,852,300
- Major Repairs $13,191,438
  (roofs, streets, sidewalks, parking lots, curb, gutter, mechanical, HVAC, heating plant, electrical projects)

Valuation vs. Appropriation

Yr	Valuation	Appropriation	%
93-95	$97,928,706	$1,370,940	1.4%
95-97	$103,136	$929,950	.09%
97-99	$103,939,665	$1,427,072	1.4%
Exec. Budget	$103,939,665	$ 2,457,362	2.4%
HB 1003	$103,939,665	$2,307,363	2.2%
Difference		($150,000)	
Industry Standard			4%

Emergency Clause Requested

Mr. Jeremy Greene

Student Body President

North Dakota State University

Capital Projects

- Health & Wellness Center $4.5 million
  - emergency clause requested
- Sudro Hall $1.75 million

Dr. Jerry Olson

President

State College of Science

1999-01 Skills & Technology Training Center

- Executive Budget $750,000
  - HB 1003 $500,000
    ($250,000)
  - Emergency Clause Requested

An economic engine

- NDSU research and service attracts and creates new business
- No one has done more for the state's agricultural community
- NDSU research creates new wealth for North Dakota
  - $21 million successful grantsmanship

Education is a gift to the next generation

- Helping people build new lives, as we have with...
  - 55,000 living alumni
  - 18,975 alumni in North Dakota
  - 9,600 students on campus today
  - 22% Minnesota residents stay after graduation

NDSU is your investment

- Over the decades, you have invested well - while making difficult choices
- We have presented our information and trust in your judgment
- Thank you

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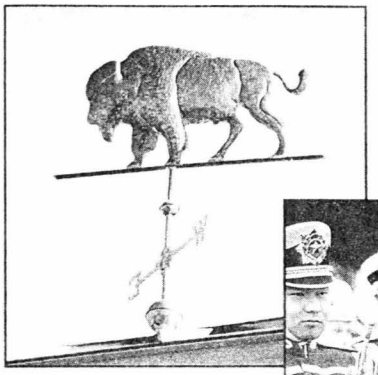
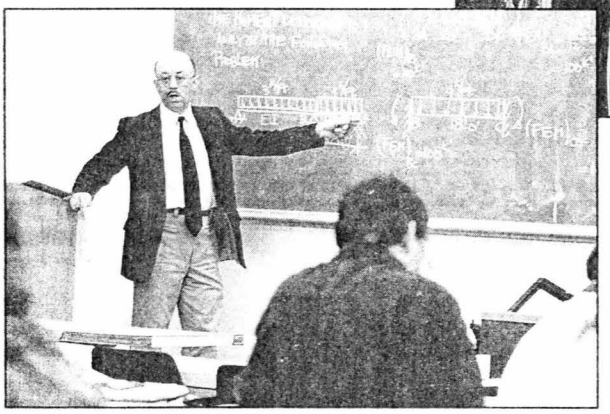


Improving

THE LIVES OF NORTH DAKOTANS



An NDSU
snapshot
for public
policymakers

NORTH DAKOTA STATE UNIVERSITY

NDSU

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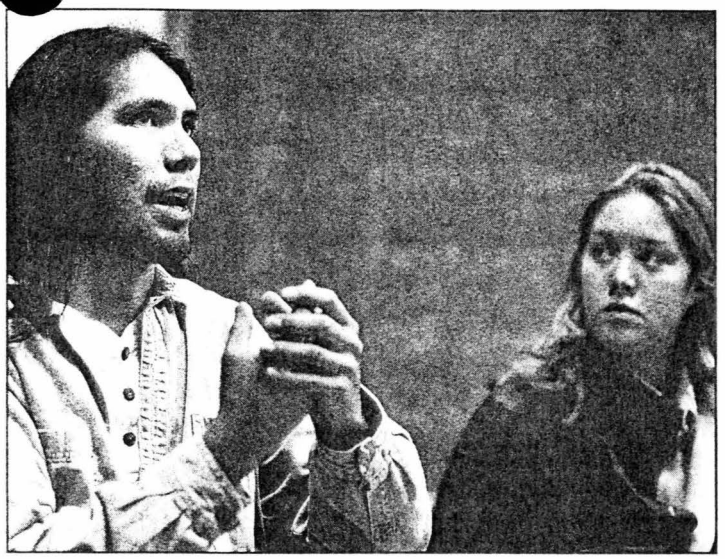


The title of this publication, *Improving the lives of North Dakotans*, is more than a nice slogan. It is a commitment the people of North Dakota State University take seriously. In ways our citizens may seldom realize, their daily lives are safer, healthier, richer and more enjoyable because of their connections to NDSU. North Dakotans drive on safer roads, eat better food, are served by more informed pharmacists and teachers, work at better jobs and use newer technology; our state has a broader economic base, a wider variety of citizens and a better future because they invest in NDSU.

This snapshot provides just a few examples of how we work for our citizens. There are many more, and we are committed to such ongoing and broadly-based service.

Improving the lives of North Dakotans 2
Some details about your land-grant university 4
Contributing to the North Dakota economy 8
Productivity 9
Working with K-12 12
Partnerships 13
Capital requests 15

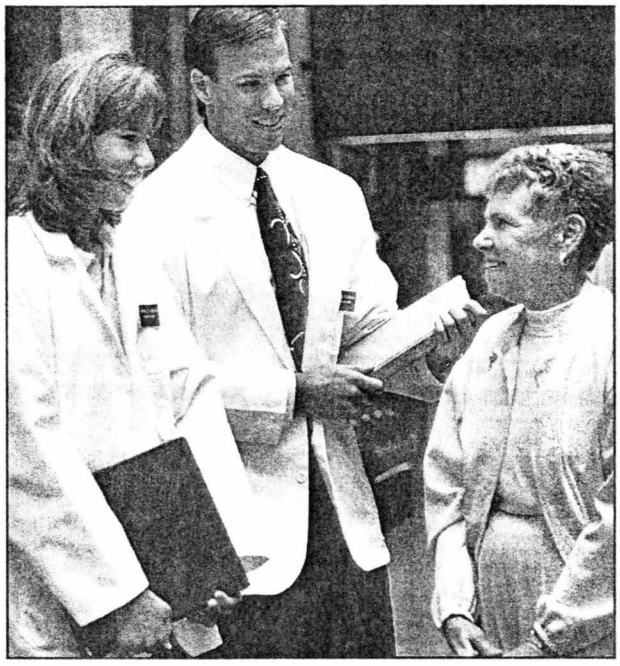
A few examples of how we contribute to a quality life

Research helps North Dakota children

- Assistant Professor of Child Development and Family Science Laura G. DeHaan's research has helped identify risk factors that may be specific to adolescents in North Dakota, such as the link between depression and the risk factors of drugs and delinquency. She's also helping to determine how adolescent risk taking may differ in individual communities in the state.

Pharmacy students volunteer

- NDSU pharmacy students are leaving the classroom, rolling up their sleeves and helping wherever they can in the community. Whether it be assisting the homeless, delivering meals to senior citizens or working with hospice patients, students in the fourth year of the professional program are required to volunteer at least 40 hours with area agencies.



Fine arts reaches out

- On and off-campus fine arts activities for elementary and secondary students reached more than 8,500 young people of North Dakota —including touring ensembles from theatre and music, as well as on-campus activities, including art.

Appreciating North Dakota

- The College of Science and Mathematics sponsored a field course, "Natural History of the North Dakota Badlands," in June 1998. The course was an opportunity for the 32 participants—NDSU faculty, staff, alumni, students and high school teachers from North Dakota and Minnesota—to study the geological and natural history and continuing development of the Badlands and events which shaped the city of Medora.

Helping make a difference

- Marilyn Lesmeister, NDSU Extension Service specialist, received $185,000 from the U.S. Department of Agriculture to provide statewide professional staff and community youth and adults with leadership education to prepare them in the planning and implementation of a "Make a Difference" community project, while serving as team members, role models and mentors.

Working with K-12

- Ken Nygard, professor and chair of computer science, received $50,000 from the North Dakota Department of Public Instruction for ongoing work on the SCHOOLMAPS Geographical Information System. It incorporates computational procedures for carrying out individual school district efficiency studies, such as for school bus transportation.

Advocating for N.D. farmers

- William Wilson, professor of agricultural economics, and Demcey Johnson, associate professor of agricultural economics, received a $105,000 U.S. Department of Agriculture grant to analyze the strategic effects of the lack of "pricing transparency" in international grain trading. They are studying how the competitive environment U.S. trading firms must operate within contrasts with, for example, the Canadian Wheat Board, which is not obligated to reveal information about transaction prices or other terms of trade nor to engage in competitive bidding when procuring grain.

Working in the community

- During the 1997 flood, NDSU committed 200 students, faculty and staff 24 hours a day to fill sandbags. Hundreds more volunteered throughout the community to build dikes.

STUDENTS

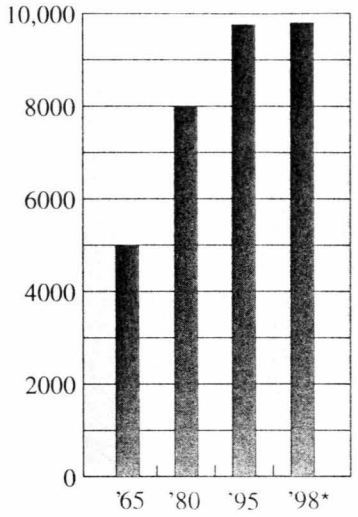
Enrollment (Fall 1998) 9,536

By college:

- Engineering and Architecture. 2,274
- Science and Mathematics 1,546
- Human Development and Education 1,250
- Business Administration 1,135
- Agriculture 990
- Arts, Humanities and Social Sciences. 917
- University Studies 782
- Pharmacy 642

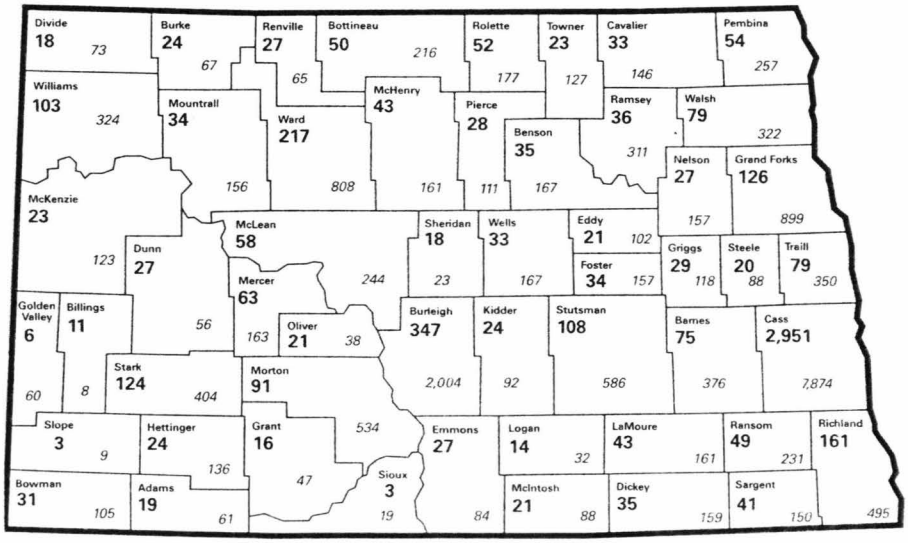
additional students in Tri-College 951
continuing education for credit 6,346
continuing education non-credit 3,078

NDSU enrollment growth



*1998 Fall semester estimate

Students and alumni by county of residence



Bold—current students
Italic—alumni

Total number of living alumni is estimated at 51,616.

1998 students by N.D. county of residence 5,659

1996 alumni by county of residence 18,722
Alumni with no county designation 425
Fort Berthold 149
Fort Totten 59

How our students rate

	NDSU students	*Nationally*
ACT average composite score	23.2	21.0
High school grade point average	3.33	3.16

- 127 companies recruited on campus in the 1997-1998 academic year, interviewing 1,334 students through the Career Services Office.

- In 1997, national median family income for high school graduates was $40,040, while bachelor's degree holders held a median family income of $67,230.

Degree programs offered

bachelor's	94
master's	41
doctoral	18
specialist	1
Total	*154*

Cost to attend

Tuition and fees (1998-1999)
Based on two semesters

Resident	$2,730
Non-resident	$6,674

Cost estimate including tuition, room and board for a North Dakota resident: $6,502

Transfer students (Fall 1998 most recent college attended)

College	Students
Bismarck State College	63
University of North Dakota	69
Moorhead State University	53
ND State College of Science	53
Minot State University	41
Dickinson State University	16
University of Mary	10
Valley City State University	15
MSU-Bottineau	11
Concordia-Moorhead	27
UND-Williston	36
UM-Crookston	5
UND-Lake Region	16
Jamestown College	13
Fergus Falls Community College	19
Bemidji State University	7
Mayville State University	6
Other colleges	272

FACULTY AND STAFF

Total employees 3,868

- 512 ranked faculty and lecturers
- 374 graduate fellows and assistants (approximately)
- 314 extension educators, experiment station researchers and administrators
- 1,076 classified staff, including professional, technical, office, trades and service staff
- 1,592 student and other temporary staff

Other Fargo-Moorhead employers (Fargo Chamber of Commerce figures)

MeritCare Health System	3,800
American Crystal Sugar Co.	2,000
Blue Cross Blue Shield of North Dakota	1,300
Fargo Public Schools	1,090

Our environment

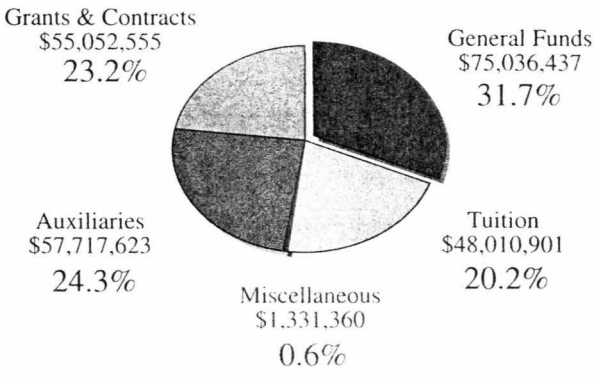
- NDSU consists of 88 buildings on the main campus on 30 city blocks. Building replacement value is $177 million.

- 241 major Agriculture Experiment Station buildings and 17,500 off-campus agricultural research acres. Replacement cost of the buildings, $13,550,187; estimated value of the research acres, $7 million.

How we operate

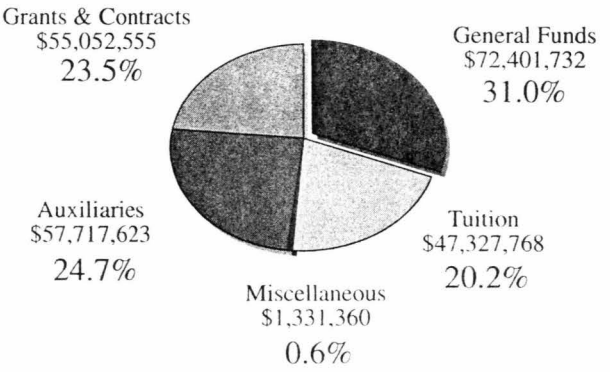
North Dakota gets a 2 for 1 return on its investment

NDSU requested revenue sources and non-appropriated funds '99-'01 biennium



Total $237,148,876

Executive recommendation and non-appropriated funds '99-'01 biennium



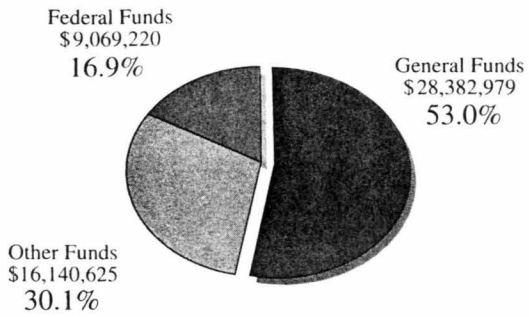
Total $233,831,038

NDSU raises two-thirds of its budget through tuition, grants and contracts and auxiliary income. We work hard to attain that funding, as well as raise money to help students pay bills.

- The NDSU Scholarship Program funded directly by private gifts to the NDSU Development Foundation has increased from $521,893 in fiscal year 1989 to $1,125,275 in fiscal year 1998.

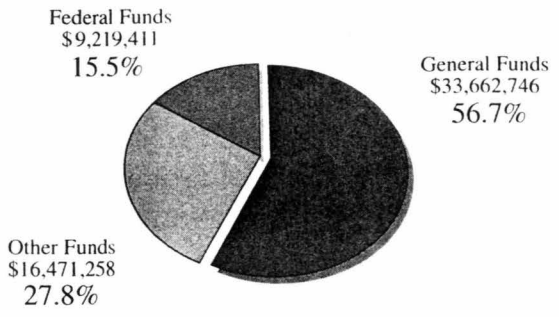
- A technology fee of $100 a year for all NDSU students, for example, allows students to learn via high-powered projectors how the heart pumps blood, or provides three-dimensional computer design equipment through which architecture and engineering students can design and redesign robotics manufacturing equipment. A team of faculty, students and administrators recommends to the president how the technology fee revenues are spent.

NDSU requested
Main Experiment Stations and Branch Stations
'99-'01 biennium



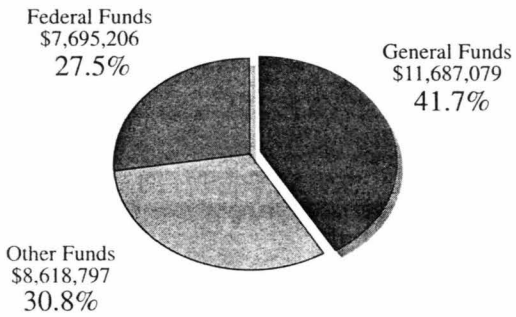
Total $53,592,824

Executive recommendation
'99-'01 biennium



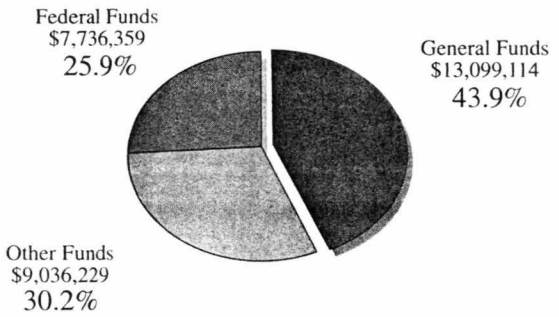
Total $59,353,415

NDSU requested
Extension revenue sources
'99-'01 biennium



Total $28,001,082

Executive recommendation
'99-'01 biennium



Total $29,871,702

We listen to the people we serve

Through advisory panels, hundreds of citizens present their views.

Advisory boards for NDSU's colleges represent people from many walks of life. Some examples:

- Polymers and Coatings Industrial Advisory Board
- College of Business Advisory Board
- College of Arts, Humanities and Social Sciences Advisory Board
- State Board of Agricultural Research
- Advisory Board for the College of Engineering and Architecture
- College of Human Development and Education Board of Visitors
- College of Pharmacy's North Dakota Rexall Club

The Agricultural Experiment Station has seven advisory committees and boards for its centers across the state. The station also works closely with dozens of agriculture groups and government agencies.

The Extension Service has 10 multi-county programming units that have formal advisory councils, with some 130 members. Extension also connects with many county advisory committees, crop improvement boards, 4-H councils and Family and Community Education Councils.

CONTRIBUTING TO THE NORTH DAKOTA ECONOMY

Enabling a progressive workforce

- The Skills and Technology Training Center began operations. The collaborative venture administered and implemented by NDSU's Institute for Business and Industry Development and North Dakota State College of Science provides training for local and regional companies.

New durum means $16 million impact

- The Agricultural Experiment Station at NDSU released the Maier and Mountrail durum varieties, which are expected to have an annual economic impact of $16 million for North Dakota durum growers. With support from the North Dakota Soybean Council, the Jim and Daksoy soybean varieties were released with an expected $1 million annual economic impact.

Business students provide service

- Through the College of Business Administration's Small Business Institute, students fulfill practical experience requirements by solving real-world problems faced by small businesses in the community. Student teams work with business owners to research alternative business methods, identify and clear regulatory hurdles and develop marketing plans.

Contributing to state coffers

- The people who attend or work at NDSU contribute to the state economy by living and spending money here. Economists say students and employees spend $170 million a year, which results in about $500 million in gross business volume. In turn, that supports some 5,000 more jobs in the state. The result is that $10 million is returned to the state in taxes.

Expanding the soybean market

- Mark Soucek, assistant professor of polymers and coatings, received $120,000 from the United Soybean Board for the development of ceramer coatings using soybean oil and epoxidized soybean oils. He anticipates these primer coatings for steel and aluminum to outperform the standard polyurethane and epoxide coatings in corrosion prevention, environmental concerns and prices, providing a potentially large market for soybeans.

Faculty work hard to get grants

External funding increases

- During fiscal 1998, NDSU overall external funding dollars were $20.4 million, an increase of 3 percent. Requested funding increased by 32 percent. Federal dollars represented 61 percent of the total. State money was 17 percent, an increase from 9 percent in fiscal 1997. Other sources of funding in fiscal 1998 were private and public foundations (5 percent), industry (3 percent), and miscellaneous sources such as other universities, research centers and non-profit organizations (13 percent).

Largest grant in NDSU history: $2 million

- Gordon Bierwagen and Marek Urban, polymers and coatings department, and David Farden, electrical engineering, received the largest research grant in NDSU history, a $2 million grant from the U.S. Defense Department. The work involves characterization and improvements of coatings for aircraft, bridges and ships.

Chemistry gets spectrometer grant

- The NDSU chemistry department received a $598,900 grant from the National Science Foundation's Major Research Infrastructure program to purchase a 500 megahertz nuclear magnetic resonance spectrometer. Magnetic resonance imaging used in medical diagnosis is based on this technology.

Pharmacy faculty study heart disease

- Stephen O'Rourke, associate professor of pharmaceutical sciences, received a $105,740 grant from the National Heart, Lung and Blood Institute of the National Institutes of Health to identify the cellular mechanisms responsible for the development of nitrate tolerance. Nitroglycerin and other nitrate drugs are widely used in treating ischemic heart disease. Although they are generally effective, tolerance develops with continuous use.

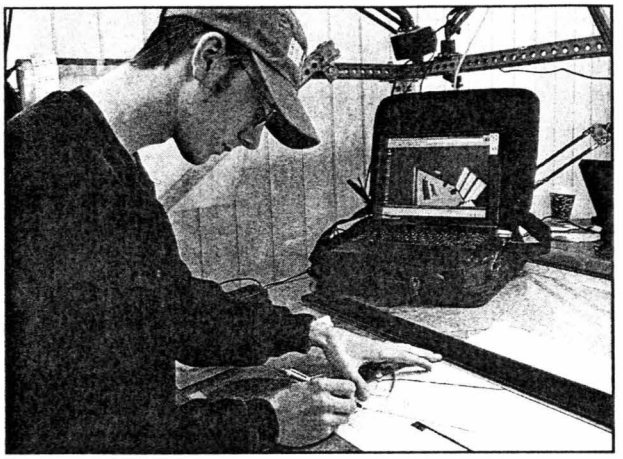
Successful faculty bring expertise to the classroom

- Kimble Bromley, assistant professor of art, has three monotypes and 25 small paintings in the *Images of Che* exhibition showing through November 8 at the Metropolitan Art Center in the Chelsea gallery district of New York City. Bromley was invited to submit the work, which made use of the Cuban photographer Korda's image of Che Guevara, the Cuban revolutionary.

- Don Faulkner, associate professor of architecture and landscape architecture, and Jim Nelson, associate professor of architecture and landscape architecture, have received an award of special recognition from the North Dakota chapter of the American Institute of Architects. They organized and coordinated efforts to engage the public in design efforts in the wake of the '97 flood in Grand Forks and East Grand Forks, Minn.

- The research of Joshua Smyth, assistant professor of psychology, appears in the current issue of "Bottom Line/Health," a national periodical. The publication described the findings of a recent study of asthmatic and arthritis sufferers Smyth presented at a meeting of the American Psychosomatic Society. Smyth's ongoing research into the benefits of putting thoughts and feelings regarding emotionally traumatic experiences down on paper was noted in "The Laughing Cure," an article in the October 1998 issue of Prevention Magazine.

Students succeed



- Brian Very, a junior majoring in chemistry, has won the prestigious Goldwater Scholarship. Very is one of 316 Goldwater Scholars who were selected on the basis of academic merit from a field of 1,186 mathematics, science and engineering students nominated by faculties across the nation. The one-year scholarship covers the cost of tuition, fees, books and room and board, up to $7,500. This is the sixth year in a row that an NDSU student has received the Goldwater Scholarship. The Goldwater Scholarships, honoring Sen. Barry M. Goldwater, are designed to foster and encourage outstanding students to pursue careers in the fields of mathematics, the natural sciences and engineering. It is the premier undergraduate award of its type in these fields.

- Lida Etemad, a senior in pharmacy, won a $7,000 Merck Research Scholar Program award for the 1998-1999 academic year. Etemad was chosen from among 50 applicants nationwide. The competitive award, supported by a grant from the Merck Company Foundation, is administered by the American Association of Colleges of Pharmacy to encourage students to pursue a career in research.

- Joey Lee Rexine, a student majoring in chemistry, was awarded the prestigious NASA Scholarship. It was presented to only 17 students across the country.

- A 1997 report by the NDSU Career Services said 98 percent of recent graduates who responded to a survey were employed, in internships or seeking further education.

- During the past three years, NDSU accounting students taking the CPA exam have scored at or above the regional average pass rate 93 percent of the time and above the national average 90 percent of the time.

WORKING WITH K-12

- The newly-created Center for Science and Mathematics Education at NDSU coordinates educational projects for students and teachers in K-12 and college-level faculty throughout North Dakota. For example, the center facilitates the Science Olympiad, a yearly competition in which junior and senior high school students compete in engineering, science and mathematics events, with winners advancing to the state competition at NDSU. State winners move on to the annual national competition. The center also provides summer research opportunities for secondary science teachers.

- Women engineers sponsor an annual Girl Scout Badge Day. Girls scouts work with the NDSU Society of Women Engineers to learn about various engineering disciplines.

- The NDSU Ag Ambassadors is a group of agriculture students who present general programs on careers and opportunities in agriculture to junior and senior high students, help with orientation events and assist at the Valley City Winter Show.

- SENDIT, North Dakota's K-12 computer network hosted at NDSU, links K-12 students and teachers to the Internet, and to their peers across the state and around the world. The network was developed by NDSU faculty and staff. Not only does SENDIT fascinate students, it also saves schools money because they don't buy as many reference books, since the newest information is available through SENDIT.

- Brenda and Ed Deckard, plant sciences, and university students provide hands-on agricultural scientific activities for second and fifth grade students at Fargo's Clara Barton and Centennial schools. The Deckards conduct in-class activities at Jefferson and Madison schools, followed by e-mail questions and answers. They also lead one to two elementary school field trips each year to places such as the Moorhead State Science Center at Buffalo River, and each year they ask three to four other elementary schools to visit NDSU to learn specific plant science topics through participatory activities.

- The NDSU College of Human Development and Education collaborates with Valley City State University to offer an elementary education degree. Students enroll at NDSU as pre-elementary students, and usually in their junior year, they apply for the elementary education program. If they are accepted, they become Valley City State University students. Elementary education courses are taught by Valley City State University instructors on the NDSU campus, and the students' degrees are from Valley City State University.

- NDSU and four other research institutions in the Dakotas will receive a $1.75 million National Science Foundation grant to access special Internet facilities. The very High Speed Backbone Network System, vBNS, is expected to provide new opportunities initially in research and instruction and eventually in economic development. NDSU is the lead institution in the joint venture with the University of North Dakota, University of South Dakota, South Dakota State University and the South Dakota School of Mines and Technology. The Earth Resources Observations System Center in South Dakota is an unfunded member of the group. The high speed connections and high bandwidth network will enable the schools to conduct leading research through technology in the areas of science and engineering. The network also will allow access to Internet2, a new high performance application system that will enable instruction with audio, video and multimedia presentations. Potentially, the high speed network eventually could be made available to technology businesses and could mean economic development in the region.

- The Institute for Pharmaceutical Care at NDSU, with funding provided to the North Dakota Department of Health by the Centers for Disease Control, has initiated an educational program for practicing pharmacists to help them become advocates for diabetic patients or those who are at risk for developing the disease.

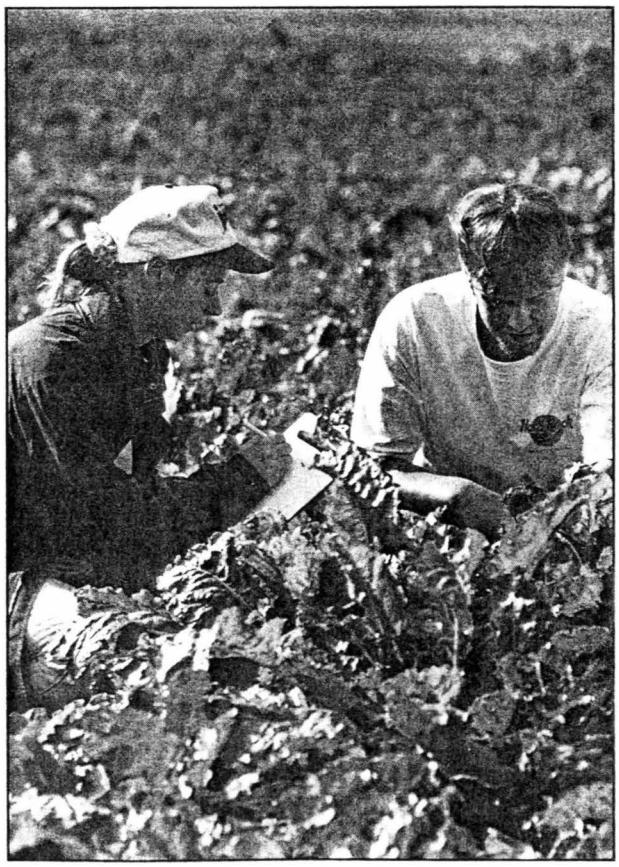
- NDSU College of Pharmacy signed a formal collaborative agreement with the University of Colorado School of Pharmacy to deliver a convenient on-line nontraditional Pharm.D. degree distance education program in North Dakota and the surrounding region. A formal agreement was reached with the University of Minnesota College of Pharmacy to share in the funding of a pharmacy practice residency program at Lake Region Hospital and Nursing Home in Fergus Falls, Minn.

- NDSU writing and photojournalism students, advised by Ross Collins and Elizabeth Blanks Hindman, research, write and take photos for an annual magazine called "Prairie Portraits." This is a collaboration with North Dakota State College of Science's graphic arts technology students, who do the print work for the project.

- A series of art exchanges has been established by Wayne Tollefson with the University of South Dakota, Montana State University and the University of Manitoba. Through these exchanges, NDSU students have the opportunity to present their juried work in formal exhibitions at the art galleries of the participating institutions. The work produced at other schools is then shown at NDSU.

- NDSU and Dickinson State University have agreed to develop and implement an agricultural education and research consortium in southwestern North Dakota. The mission is to support post secondary and adult curriculum education through a team-oriented and flexible approach by integrating faculty and staff to best serve the agricultural education needs of the southwestern part of the state.

- Dakota Medical Foundation has awarded a three-year $27,000 grant to NDSU's Native American Pharmacy Program, according to Edward O. Magarian, director, and Eileen J. Grundstrom, coordinator. The grant will provide stipends for Native American pre-pharmacy students who attend six-week summer enrichment sessions in the College of Pharmacy. The program includes a professional work program where students work in community pharmacies for two hours a day under the guidance of a pharmacist preceptor. Students observe and participate in activities which involve the dispensing of prescription medications. Its goal is to increase the students' knowledge about subjects directly related to pharmacy.



Priority projects

1 Animal Care Facility phase I

Phase I of this research and teaching facility would be funded with $2.61 million in federal funds and $2.2 million from a state bonding appropriation.

2 Health and Wellness Center

This $4.5 million structure will contain the Student Health Service and Wellness Center. It will be funded with student fees.

3 Sudro Hall renovation

This remodeling is needed to accommodate the needs of the North Dakota Institute for Pharmaceutical Care, which provides pharmacists with the necessary resources to upgrade their knowledge, skills and practices. A privately-funded $1.75 million project, the remodeling includes a concept pharmacy and upgraded research facilities.

A look ahead ...

College of Business Administration building

At NDSU, we are planning for a new College of Business Administration building which would be funded through private funds from community supporters. Over the next two years we will gather input from our various constituencies, and when the next legislature convenes in January 2001, we will present a detailed business plan and request permission to proceed.

This is an important part of our campus infrastructure, which will allow us to be a full partner in the economic development of the state and region.

REPORT & RECOMMENDATIONS

FOR

SKILLS & TECHNOLOGY TRAINING CENTER
Fargo, North Dakota

August 13, 1997

National Community Development Services, Inc.
3155 Roswell Road, N.E., Suite 250
Atlanta, Georgia 30305
(404) 231-0730

Robert R. Dalton, CFRE
Vice President

David R. Adam
Development Director

BACKGROUND

In recent years, the region and the state of North Dakota have thrived economically, attracting new businesses with its well-educated and hard working population. However, low unemployment has created a shortage of skilled, prospective employees. At the same time, technological and competitive business demands have increased the need for existing employees to develop new and flexible skills.

In the absence of an organization and facility to provide the type of training they need, local and regional employers have turned to out-of-state resources. Even with the use of outside consultants, Minnesota-based community colleges and various other training services, many businesses continue to look for better solutions to their training needs.

The demand for customized training to serve our community and region has become emphatic. The North Dakota Department of Economic Development & Finance through its Growing North Dakota program promotes partnerships between state educational institutions and private business and industry. In 1996, North Dakota State University (NDSU), North Dakota State College of Science (NDSCS), and a consortium of private sector leaders initiated an effort to meet these needs. Participants interviewed selected business leaders, reviewed successful programs in other communities and drafted a preliminary business plan.

Subsequent planning and action has led to the founding of the Skills & Technology Training Center (STTC), a facility designed to meet the specialized job training needs of employers and individuals in Fargo-Cass County, the Red River region of North Dakota and the entire state. The STTC is aimed directly at increasing the availability of skilled labor and reducing under-employment by offering training and re-training programs for workers in all stages of their careers.

The goals of the STTC are to:

1. Provide quality, cost-effective, customized, short-term job training and retraining of workers at all stages of their careers.

2. Provide this training at a site conveniently localized for employers in the community and region of the state.

3. Provide a quick response capability to the ever-changing job training needs of business and industry.

4. Provide high school students with specialized skills, education, and internships using a portion of the Center for vocational/technical training, supporting implementation of the School-To-Work program.

5. Promote the retention and expansion of existing local and regional business and industry along with the attraction of new business and industry.

6. Work to become a model for a successful public-private partnership between higher education and the private business sector that could potentially lead to the establishment of similar training centers around the state.

A site for the STTC was selected and the NDSU Development Foundation purchased the former K-Mart building for $1.25 million. Close to NDSU, the 55,000 square foot building on 19th Avenue North in Fargo provides ample space for conference rooms, computer clusters, classrooms, multi-purpose rooms and large scale training bays.

The Skills & Technology Training Center is currently governed by an Ad Hoc Management Committee of representatives from NDSU, NDSCS, the Fargo-Cass County Economic Development Corporation (F-CCEDC) and several other public and private sector organizations.

Included in the management committees joint responsibilities are:

- Formal creation of a not-for-profit corporation.
- Formation of a private sector oriented Board of Directors composed of representatives of companies using and providing training services and select others.
- Management of a funding process to provide adequate resources for the STTC.

Towards this purpose, an Advisory Council has been recruited. The Advisory Council, a body of private sector volunteers, will guide the STTC through incorporation and fund-raising process. Furthermore, this body will make sure that the programs and practices of the Center meet the private sector needs of the community and region. This includes the development of appropriate programs and services, determination of professional management and the timely fruition of all plans.

The individuals who will be guiding this process include:

Jeanne Askvig, First Bank Operations Center	**Mike Gustafson**, Cass County Electric Cooperative
Shirley Montgomery, Norwest Bank	**Dr Roger Gilbertson**, MeritCare
Erik Olson, Case Corporation	**Dr. Tom Plough**, North Dakota State University
Dr. Jerry Olson, North Dakota State College	**Mike Unhjem**, Blue Cross Blue Shield

(Representation from the Wahpeton area to be appointed)

In June, 1997 the Skills & Technology Training Center contracted with National Community Development Services, Inc. (NCDS) to conduct an objective analysis to determine potential usage of the STTC potential financial support and to determine the feasibility of a capital campaign. This Report & Recommendations is the end product of the feasibility analysis.

II. FEASIBILITY ANALYSIS METHODOLOGY

NCDS began the feasibility analysis by consulting with members of the STTC Ad Hoc Management Committee. The information gained from those meetings, and other research resulted in the development of a document, Prospectus-Skills & Technology Training Center (Exhibit A). An investment chart (Exhibit B) and a confidential interview questionnaire (Exhibit C) were also developed for use during the interview process.

Members of the STTC Ad Hoc Management Committee, Tony Grindberg, and Vice-President of Marketing, Fargo-Cass County Economic Development Corporation developed the list of potential interviewees. The potential interviewees, representing a diverse mix of private business and industry, foundation, governmental entities and other community leaders were contacted by letter (Exhibit D) to announce the desire to include them in the interview process. David Adam, Development Director, NCDS, conducted 62 interviews during the period July 14-31, 1997. A list of interviewees is included (Exhibit E).

In order to encourage candid responses, interviewees were assured that their opinions and comments would be held in strict confidence by NCDS. Their responses are reported in aggregate. However, to illustrate degrees of support or opposition, direct quotations appear without attribution.

To facilitate the interview process and insure the accuracy and comparability of data obtained, a detailed questionnaire (Exhibit E) was developed for the analysis. The average interview lasted 50 minutes. The specific recommendations detailed in this report are the result of careful analysis of the interview data by the senior staff of NCDS.

III. HIGHLIGHTS

1. Ninety-eight percent (98%) of interviewees believe there is a need for the Skills & Technology Training Center.

2. Seventy-four percent (74%) of interviewees say they would use the Center for types of training they are presently doing internally and 76% say they would use the Center for types of training they are presently outsourcing, if it meets their training needs and is cost-effective.

3. Ninety-six percent (96%) assess the training facility and proposed program as a necessary and beneficial as outlined (56%) or largely on target, needs refinement (40%).

4. Seventy-four (74%) of interviewees indicated their willingness to serve in a volunteer role in the funding campaign.

5. A campaign to raise approximately $1.8 million is realistic and attainable provided the recommendations in this report are implemented. A goal of $2 million was tested.

6. A campaign to raise approximately $1.8 million from private and public sources should be launched in August 1997 in order to capitalize on the interest generated by the feasibility interviews. It is anticipated that the goal can be attained within eight months.

IV. KEY ELEMENTS REVEALED BY THE INTERVIEWS

Economic Climate

Interviewees were asked to compare the areas economic climate today with that of two years ago. Fully 89% of interviewees agreed that the economy had improved over the past two years while 11% thought the economy had remained unchanged.

Typical Comments:

- *"We have doubled what we are doing in the last two years. Very competitive. The economy is booming."*
- *"The economic climate is the same as far as I am concerned and that is outstanding."*

While 85% of interviewees think there is sufficient economic growth to maintain or improve the economy and quality of life in future years, 15% do not.

Typical Comments:

- *"We have good, manageable growth, but our workforce issues are holding us back."*
- *"We have used up all of our latent human resources now so we have a significantly greater challenge now."*

Seventy-one percent (71%) of interviewees agree that lack of a local customized job skills training facility and program is an obstacle to business growth while 29% do not think it is an obstacle.

Typical Comments:

- *"It is high time that we create the training center. We have used up about all of the labor force that is available and now we have got to go to a higher lever."*
- *"If we are going to get civil wage jobs we are going to need skills training."*

Level of Awareness

There is a high degree of perceived awareness of the Training Center among interviewees - 76% either think themselves very aware (40%) or somewhat aware (36%), while 24% think they are not very aware.

Interviewees were asked what comes to mind when they think of the Training Center.

Typical Comments:

- *"It is public/private partnership meeting the expressed needs of the business community."*
- *"The Training Center is a great idea to help Fargo-Cass County attract more business and keep what we have."*
- *"The Center could become a hot site for companies recovering from disasters."*
- *"This is what business is asking for. This Training Center is a blinding glimpse of the obvious."*
- *"The Center provides the opportunity for the university system to use its expertise to relate to the business community."*

Internal Job Training

Ninety-four percent (94%) of interviewees conduct internal job training for their employees.

On the Job Training	97%
Classroom Training	86%
Instructors from Staff	93%
Instructors from Outside	74%

Of the 58 interviewees who conduct internal training, 37 indicated a cumulative annual internal training cost of $7.74 million.

Outsourced Job Training

Ninety-seven percent (97%) of interviewees conduct outsourced job training for their employees.

Outsourced Locally	72%
Outsource elsewhere in North Dakota	42%
Outsource Out of State	88%

Of the 60 interviewees who outsource training, 44 indicated a cumulative annual training cost of $3.171 million. Cumulative internal and outsourced annual training costs from interviewees indications is $10.945 million.

Overall Assessment

After a thorough briefing on the Skills Technology Training Center, using the Prospectus as a guide, 96% of interviewees endorsed the training facility and proposed the program as a necessary and beneficial as outlined (56%) and largely on target, needs refinement (40%).

Typical Comments:

- *"Make sure that the Center applies to the entire state or we have no interest."*
- *"The training must be affordable for small to mid-size companies like ours."*
- *"This program will be driven by the training and retraining needs of industry."*
- *"We need this emphasis on training because the labor market is so tight."*
- *"There is a great, stated statewide need for skills training and retraining."*
- *"We are interested in partnering with the Center to meet our training needs and those of others by possibly replacing our internal program."*

Other Direction/Initiatives

Interviewees were asked if there were any other directions or initiatives, they would like to see included in the STTC facility or program.

Typical Comments:

- *"Make sure there is a human resource person on the curriculum planning committee."*
- *"It is essential to have private participation. The Center will not succeed if it is primarily a government program."*
- *"We need on site childcare and transportation."*
- *"The Training needs to include Age related skills, which would also improve the perception of many North Dakotans."*
- *"There needs to be a job placement service as a component of the Center."*

Specific Training Needs

- *"We need more explanation on fitting the needs of this financial services industry."*
- *"Computer technical support. Sales/Customer service training."*
- *"The Computer Center and Multi-Media Center interest us. Training content is the primary driver."*

Major/Mid/Small Employers

Interviewees were asked if they believed that different size employers would use the Center as proposed, if it met their training needs. Ninety-seven (97%) of interviewees believed that major employers would use the Center, while 100% of interviewees believed small to mid-size employers would use the Center.

Typical Comments:

- *"The opportunity is best for those employers who bring a lot of employees on at once, like 50-100 people to orientation or retraining."*
- *"Small to mid-size companies will be even more likely than the majors to use it."*
- *"Package training programs so that a consortium of small to mid-size businesses could afford it."*

Retention of Existing Business

Interviewees were asked if they thought that the training service provided at the Center would help keep existing and expanding businesses here. Ninety percent (90%) of interviewees thought the Center would act as a good business retention tool.

Typical Comments:

- *"This Training Center will strengthen this community."*
- *"The Center will help keep businesses here because we are all running out of workers."*
- *"We have got to do something to keep our most valuable resource here."*

Attraction of New Business

Interviewees were asked if they thought the Center would help attract new employers to the area. Ninety-seven percent (97%) of interviewees thought the Center would help attract new employers.

Typical Comments:

- *"It sure as hell would not hurt. The Center would be a plus in a list of community capabilities."*
- *"This training is one piece of the business attraction puzzle."*

- *"Once it becomes successful, it will help attract new business. It is one of those show me it is working things."*
- *"The Training Center is value added to the area."*

Use for Internal Training

Seventy-four percent (74%) of interviewees said they would use the Training Center for specific types of training they are presently doing internally if the Training Center meets their needs.

Typical Comments:

- *"If the appropriate training is there, I will use the Center for hard and soft skills."*
- *"We are interested in career paths for our people so we need a resource to provide those opportunities."*
- *"The Center could be the perfect place to isolate a sales staff with no interruptions."*
- *"We need cost, time and content for computer training. And ISW 9000 certification is important to us."*
- *"We would use the Center for core technology and systems administrations."*

Use for Outsourced Training

Seventy-six percent (76%) of interviewees said they would us the Training Center for specific types of training. They are presently outsourcing, if the Training Center meets their needs.

Typical Comments:

- *"The Center could provide fresh, professional instructors and might save us a lot of money."*
- *"Maybe training offered by our corporate office could be provided here. The involvement of the university would lend a lot of credibility to such a consideration."*

New Training Needs

Seventy-three percent (73%) of the interviewees anticipate new training needs in the future, 9% are uncertain of any new training needs and 18% anticipate no new training needs.

One hundred percent (100%) of interviewees anticipating new training needs said they would use the Training Center for their new training needs, if the Center has applicable services.

Funding Potential

Interviewees were asked if they believed that a goal of $2.0 million could be raised for three years for the STTC and it's proposed programs or some modification of them. They responded as follows:

Can $2 Million be raised?

Yes	82%
No	5%
Not Sure	13%
Total	100%

Those who responded no or not sure were asked if they could identify a more attainable goal, at this time, in this economy. Just one of the 11 responded, identifying a goal of $1 million.

Typical Comments:

- *"Anyone who understands this and is in business should support it."*
- *"If all of the $2.0 million is out of the private sector, it will be a stretch."*
- *"It is a lofty goal - attainable, but not easy."*
- *"Without foundation input we could struggle."*
- *"The key point is what is in it for my company. Those who use it must invest.*

Financial Indications

Interviewees were asked, "with regard to your own firm, what level of investment might you consider if the training facility and program is to your liking and the right people are leading it?" Forty-four interviewees indicated a total of $1,457,000 with potential investments from $1,000 to $150,000 over three years. Eleven interviewees would not or could not indicate an investment at this time. Six interviewees will not invest.

It is important to note that NCDS did not ask for a pledge or a commitment, but only for an important indication on an amount they might invest if there is a funding campaign. Interviewees were asked, "Are there any changes in the proposed training facility of the program or other circumstances, which might influence you to consider a larger time-year investment that you just indicated?"

Typical Comments:

- *"A larger investment is dependent on what is offered and any projected savings to the company."*
- *"If a major employer was attracted here because of the Skills Training Center then we would consider more."*
- *"Strong representation of small to mid-size businesses on the Center's board is important."*
- *"We need to understand the fee to utilize the space, which could affect how we design the training facilities in our own building."*

Volunteer Participation

Interviewees were asked if they would consider serving in some volunteer role if there were a campaign. They responded as follows:

	Campaign Volunteer
Yes	74%
No	26%
Total	100%

Most who declined to participate indicated that previous commitments precluded their involvement.

Competing Campaigns

Interviewees were asked, "Are you aware of any competing campaigns that might affect the level of support of the STTC funding campaign?" Fifty-two percent (52%) identified campaigns just completed, in progress or pending while 40% did not identify any competing campaigns. Identified campaigns included: YMCA, Boy Scouts, YWCA, Moorehead State, United Way, Concordia, FCCEDC Blitz, NDSU, University of Mary, NDSCS, Zoo and the Plains Art Museum.

Typical Comments:

- *"There is no major campaign that would affect us."*
- *"There are a lot of campaigns, but none offer competition."*
- *"There are not any other campaigns that focus on training and retraining."*

Competing Organizations

Interviewees were asked, "Are you aware of any competing organizations, which might affect the level of support for the STTC funding campaign?"

Just 26% of interviewees identified any competing organizations while 73% did not identify any competing organizations.

Typical Comments:

- *"If other skill providers are not meeting the needs of the client then they cannot legitimately complain about the Training Center."*
- *"Northwest Tech does not do custom training in a big way."*

Other Obstacles

Interviewees were asked, "Are there any other obstacles inhibiting the success of the proposed campaign?"

Forty percent (40%) of interviewees indicated other obstacles to success while 60% did not indicate any other obstacles to campaign success.

Typical Comments:

- *"We must be very clear that duplication will be avoided. Get someone on the Board from Northwest Tech."*
- *"You have got to have one very detailed business plan."*

Need for Skills & Technology Training Center

Interviewees were asked, "Do you believe there is a need for the STTC?"

Ninety-eight percent (98%) believe there is a need for the STTC - just one interviewee was unsure of the need.

Typical Comments:

- *"There is definitely a need for the Center."*
- *"Absolutely. A great idea."*
- *You have got to build the professional side of the Center."*

Additional Information/Suggestions

Interviewees were asked, "Is there any information about the Center that you would like to see if we return with a specific request for funding?" They were also asked if they "Had any further observations or comments."

Typical Comments:

- *"I want to know about a curriculum, capitalization, ramp-up plan, and center staff."*
- *"Who is going to staff this thing? How do we measure its success?"*
- *"Re-emphasize a commitment to statewide implementation."*
- *"I want to know about the organizational structure and management."*
- *"It is too vague now. What is the value to me if I were to contribute? What are the initial programs? Who is the audience? Who is going to manage and coordinate the Center?"*
- *"We need a great deal of information about how they propose to cash flow the Training Center."*
- *"I want to see one very detailed business plan."*
- *"I want my HR guy to sit down with someone from the Center to determine if and how our needs can be met."*
- *"Participants must have a voice in the operational and management structure."*
- *"How will large stakeholders secure their investment?"*
- *"Can we get some credit toward future training costs for our contribution as a founding investor? What is our ROI?"*

Unfavorable Factors

1. The STTC is not well understood. Virtually everything about it needs to be explained more clearly and more forcefully - what it is and what it is not.

Potential users/clients need to understand that the curriculum includes their needs. Cost, timing/availability, management, access, accreditation are at present unclear which leads to a natural skepticism.

2. While 96% of interviewees endorse the training facility and proposed program, their financial indications are generally very conservative. The benefits that this Training Center has to offer their companies are unclear are not yet real to them.

3. As of yet, there is an unanswered suspicion that the Training Center will be a duplication of facilities and services offered elsewhere, principally Northwest Technical College, the College of Science, private providers, existing or planned training facilities in potential Training Center client companies and to some extent at NDSU.

People want to know that there is collaboration, a partnership with other skills providers. They need to know there is little or no duplication as well as all skill providers are working to meet their needs no matter who gets the business. It is also important to recognize that there is a healthy competition or no competition at all.

Favorable Factors

1. There is a universally recognized need for additional skilled employees and for re-training and upgrading the skills of existing employees. Ninety-eight percent (98%) of interviewees believe there is a need for the STTC while 74% say they would use it for the types of training they are presently doing internally, and 76% say they would use the Center for types of training they are presently outsourcing, if it meets their needs.

2. Eighty-two percent (82%) of interviewees believe that a campaign goal of $2.0 million payable over three years can be raised.

3. Individual interviewee financial indications are adequate to support a $1.8 million campaign. Strong prospect evaluations early in the campaign could potentially support the consideration of a higher goal.

4. Ninety-six (96%) of interviewees endorse the training facility and proposed program with some refinements.

5. Seventy-four percent(74%) of interviewees indicated their willingness to consider serving in a volunteer capacity in the funding campaign.

Skills & Technology
TRAINING CENTER

"A Training Partnership taking North Dakota into the 21st Century"

HISTORY

- Joint Venture NDSU & NDSCS
- Public/Private Partnership
- NDSU Development Foundation
- Business, University System, Economic Development
- State of North Dakota committed $750,000 1997-1999 Seed Capital
- State of North Dakota 1999-2001

OPERATIONS

- Self Supporting Center/$2,750,000 3 year
- 1.8 Million Dollar Capital Campaign
- Governance ~ 7 - 15 Board Members
- Staff ~ 6-8 people
- $500,000 Est./5 year plan
- No duplication/Enhances current efforts/ one-stop/no degrees
- www.sttc.nodak.edu

OPERATIONS

- Customized Training/Re-training
- Labor Recruitment
  - Extension of HR departments - new wealth generators
  - Web Site/Labor Recruitment
    - -AIM Institute - example=Omaha, Nebraska
    - -www.careerlink.org
  - "U" Magazine/Strategize plan

GOALS OF THE STTC

- Link ND University systems with Business and industry
- Provide quality, cost effective, customized, short-term job training and retraining of workers at all stages of their careers
- Provide this training at a site conveniently localized for employers in the community and region of the state
- Provide a quick response capability to the ever-changing job training needs of business and industry

GOALS OF THE STTC

- Provide high school students with specialized skills, education, and internships using a portion of the Center for vocational/technical training, supporting implementation of the School-to-Work program
- Promote retention and expansion of existing local and regional business and industry along with attracting new business and leading labor recruitment efforts
- Work to become a model for a successful public-private partnership between higher education and the private business sector that could potentially lead to the establishment of similar training centers around the state
- Become the first solution businesses think of when considering training

Customized Training Examples

- Welding Certification
- Microsoft Certified Network Engineer
- Computer Programming
  - Java
  - C++
  - Visual Basic

Customized Training Examples

- Health Care
  - Medical Transcriptionist
  - Standard Competency
- Soft Skill Training
  - Customer Service
  - Sales
  - Management Training

Marketing Plan

- Goals/Usage
  1. 50% - ND University system
  2. 25% - External usage
  3. 25% - School to work
- One-stop concept
  - Links various state agencies - DHS/ NDHS
  - Economic development tool
  - Training
  - Labor Recruitment Efforts

RE-MODELING

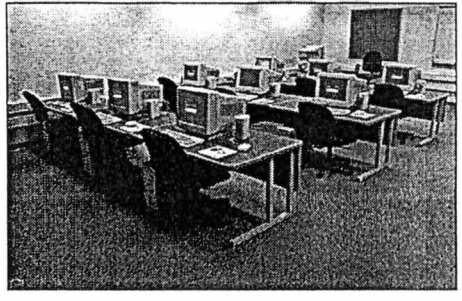
- PHASE I

(Completed 9/1/98 $900,000)

- ~ Welding/Industrial Trades
- ~ General Purpose Training Bay
- ~ Computer Labs
- ~ Smart Classrooms

WildCat Room

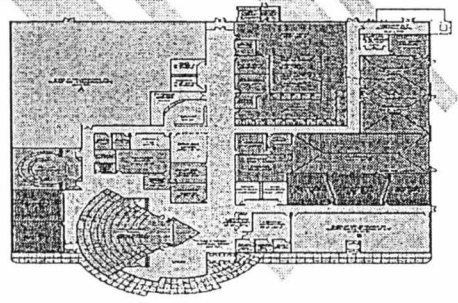
Bison Room



RE-MODELING

- ❒ PHASE II Estimated Completion Fall 1999
  - ~ Additional Training Bays
  - ~ Child Care Center (training)
  - ~ Multimedia/Teleconferencing Center
  - ~ Administrative Offices
  - ~ Building Facade
  - ~ Classrooms & Computer Clusters

Phase II Design



Clients/Partners formed to date

(9/1/98)

- ✓Dale Carnegie
- ✓IEC
- ✓Construction Trades Academy
- ✓Olaf Anderson
- ✓MN DOT
- ✓National Manufacturing, Valley City
- ✓Sheyenne Welding and Tool Corp., Cooperstown
- ✓MinnDak, Wahpeton
- ✓Wanzek Construction, West Fargo
- ✓Woods Alloway, Fargo

Clients/Partners formed to date

- ✓Sprinkler Fitters Union, Fargo
- ✓Mid American Steel, Fargo
- ✓US West
- ✓Sheet Metal Workers #10
- ✓AgAir, Valley City
- ✓Lutheran Social Services
- ✓Northern Cass School District
- ✓Central Cass School District
- ✓Fargo School District

Programs being considered

- ❒ 6-month Accelerated Computer Programs
- ❒ CDI Certification
- ❒ Leadership/Supervisory/Management Training
- ❒ Call Center Training Curriculum

Skills & Technology
TRAINING CENTER

"A Training Partnership taking North Dakota into the 21st Century"

STTC Clients (1/1/98 - 12/31/98)	Number of Bookings	Total Count
Blue Cross Blue Shield	1	30
CADD Technologies	4	36
Case Corporation	6	55
Cass County Electric	1	18
Chamber of Commerce	1	24
Corporate Technologies	26	150
Dale Carnegie Training	13	325
Downtown Business Association	1	25
Eide-Bailey	2	48
Enstar	1	8
Fargo Public Schools	1	40
Fargo-Cass County EDC	15	267
Fraser Hall	1	14
Greater North Dakota Association	1	24
Honeywell	1	10
Independent Electrical Contractors	16	160
Industrial Development Association	1	10
Itasca Group	3	36
Lutheran Social Services	102	612
MicroAge Computer Center	7	84
MinDak Manufacturers Association	1	70
ND Motor Carriers Association	1	30
NDSU Extension Service	1	15
NDSU - Institute for Business & Industry Development	1	10
North Dakota State College of Science	6	70
Producers Financail	1	12
Roers Construction	6	72
Sheet Metal Union - Local 110	17	170
Southeast Human Service Center	1	15
State Library Association	1	12
STTC Welding Training	160	860
Total	400	3310

Department 244 - Forest Service
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	17.66	$1,573,548	$859,006	$2,432,554
1997-99 Legislative Appropriations	17.66 *	1,568,068	860,526	2,428,594 **
Increase (Decrease)	0.00	$5,480	($1,520)	$3,960

* The 1997-99 appropriation is based on 17.66 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The number of positions shown for 1997-99 represents the number of positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown has been adjusted to reflect allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the State Board of Higher Education and spending authority carried over from the 1995-97 biennium.

Major Items Affecting Forest Service 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reduces funding to reflect institution's 95 percent budget request	($125,903)		($125,903)
Restores funding for critical programs, reinvests funds in new initiatives, and provides for the cost to continue current programs and services, including the continuation of 1997-99 salary increases and inflationary increases in operating expenses	115,552		115,552
Net changes	($10,351)		($10,351)
2. Adds funding for critical salary increases (The House removed from the institutions and pooled in the board office.)	$11,880		$11,880
3. Reduces salaries and wages to reflect funding transferred to the University System salary funding pool (The House reallocated to the institutions.)	(86,089)		(86,089)
4. Adds equipment funding	17,000		17,000
5. Removes the appropriation of local funds (The House included the appropriation of local funds of $1,336,082.)		($50,000)	(50,000)
6. Provides funding for a greenhouse irrigation project ($26,780) and Americans with Disabilities Act compliant restroom facilities at Forest Service campgrounds ($21,700), funded through additional tree sales revenue		48,480	48,480

Major Legislation Affecting the Forest Service

There is no major legislation affecting the Forest Service.

GUIDE TO THE NORTH DAKOTA FOREST SERVICE

AND

1999 - 2001 BUDGET REQUEST

BUDGET NUMBER 244.0

PREPARED BY:

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INTRODUCTION AND OVERVIEW

Successful organizations make a conscious effort to anticipate future events and select appropriate courses of action. The new era of competitiveness in both the public and private sectors emphasizes the need for long-term thinking, increased productivity, improved customer service and cost control. A philosophy that stresses commitment to teamwork, employee training, employee empowerment and open communications is essential to achieving the organization's mission. External pressures to provide higher quality services and products at the lowest possible cost necessitate "doing things right the first time."

Long-range strategic planning enables organizations to visualize their future and develop the necessary strategies to achieve that vision. It helps leaders anticipate new trends and overcome barriers to success. It offers employees an opportunity to influence the future direction and gain a more comprehensive understanding of the agency's mission and their individual roles. A well-conceived strategic plan identifies "what needs to be done, who will do it, when it will be completed, and how it will be done over the long-term." More importantly, it assists managers and workers in determining how to set priorities for focusing their valuable energy and resources.

The North Dakota Forest Service utilizes a long-range strategic planning process. Based on input from the agency's six program coordination areas and external stakeholders, the agency developed a comprehensive long-range strategic plan. The plan outlines long-range goals and objectives, specific future initiatives, program priorities, implementation time-frames and necessary resources.

"North Dakota's Forest Resource Plan" calls for new strategies in the way the state's forest resources are managed. The plan challenges all North Dakotans to do a better job of caring for their trees and forest lands. Improving the condition of North Dakota's forest resources and public forestry services will require a combined effort by foresters, citizens, landowners, community leaders and elected officials.

Ultimately, the key to implementation will hinge on allocating the financial and personnel resources necessary to accomplish the annual work tasks. The 1999-2001 budgeting process provides the Governor and the Legislature an opportunity to make policy decisions regarding forestry programs.

Larry Kotchman
State Forester

AGENCY MISSION

The North Dakota Forest Service administers forestry programs state-wide. The agency operates a nursery at Towner specializing in the production of conifer (evergreen) tree stock. The nursery is the sole supplier of evergreen seedlings in North Dakota. Technical assistance relating to the management of private forest lands, state forest lands, urban and community forests, tree planting and wildland fire protection is provided by the agency. The North Dakota Forest Service also owns and manages approximately 13,278 acres of state forest lands.

Mission

"The mission of the North Dakota Forest Service is to care for, protect and improve our forest resources for present and future generations. We provide environmentally sound assistance to meet the needs of those we serve. We are good stewards of the land and recognized leaders in forestry. We are dedicated to strengthening working relationships to achieve shared goals and value the opinions of others. Our employees are committed to fulfilling this mission with the highest standards of service and performance."

Organizational Structure

The North Dakota Forest Service is organized under the North Dakota Board of Higher Education and has been a part of the higher education system since 1907. The agency is administered by a State Forester who reports to the president of North Dakota State University at Fargo.

The agency is authorized 17.66 FTE and is comprised of six program coordination teams. Each program team includes a coordinator and a support staff of specialists, technicians and secretaries. The coordinator leads the team; the specialist provides the program services; and the technician and secretary furnish program support. A participatory approach to decision making is used by each team. Public forestry services are delivered by the agency through six forestry offices. The agency's headquarters is located in Bottineau.

Statutory Authority

Authority is granted to the State Forester under North Dakota Century Code 4-19 to meet the forestry needs in the state by:

- Raising and distributing acclimated forest tree planting stock for landowners;
- Promoting practical forestry to landowners, community groups, schools and other organizations interested in forestry;
- Encouraging the development, use and wise stewardship of forest resources;

- Providing assistance to landowners, producers, communities and public bodies relating to forestry, reforestation, protection of forest resources, prevention and suppression of fires, planting trees and shrubs, and the growing, harvesting, marketing and management of forest resources;

- Acquiring, when appropriate, forest lands that are suited for state forest purposes and managing these lands for the benefit of the citizens of the State.

Funding Sources

Funding for the operation of the North Dakota Forest Service is provided by the State General Fund, federal sources and other income generated from tree sales.

Long-Range Strategic Planning

The North Dakota Forest Service implemented a long-range strategic planning process in November, 1995. "North Dakota's Forest Resource Plan" is based on input from the agency's six program coordination areas and external stakeholders. The plan outlines long-range goals and objectives, specific future initiatives, program priorities, implementation time-frames and necessary resources.

The leadership and responsibility for implementing the plan rests with the agency's six program coordination teams. Short-range annual work plans are used to guide the teams'effort and insure implementation of the long-range strategic plan. The annual work plan is the tool that bridges the gap between planning and operations. Customer demand, program priorities and budget resources greatly influence the agency's annual directions.

State Forester's Goals

The State Forester's long-range strategic goals are:

- to lead the effort in achieving the North Dakota's Centennial goal of planting 100 million trees by the year 2000.

- to care for, protect and improve forest resources for future generations by providing technical and financial assistance to private and public landowners.

- to provide leadership in wildfire suppression by working with local, state, and federal cooperators to improve the protection of people, property and natural resources from wildfires.

- to raise public awareness about natural resource values, help support informed decision-making and foster individual responsibility in stewards of all ages regarding the wise use and conservation of forestry and related natural resources.

- to produce and market high quality nursery stock that meets the forest and conservation tree planting needs of private and public landowners.

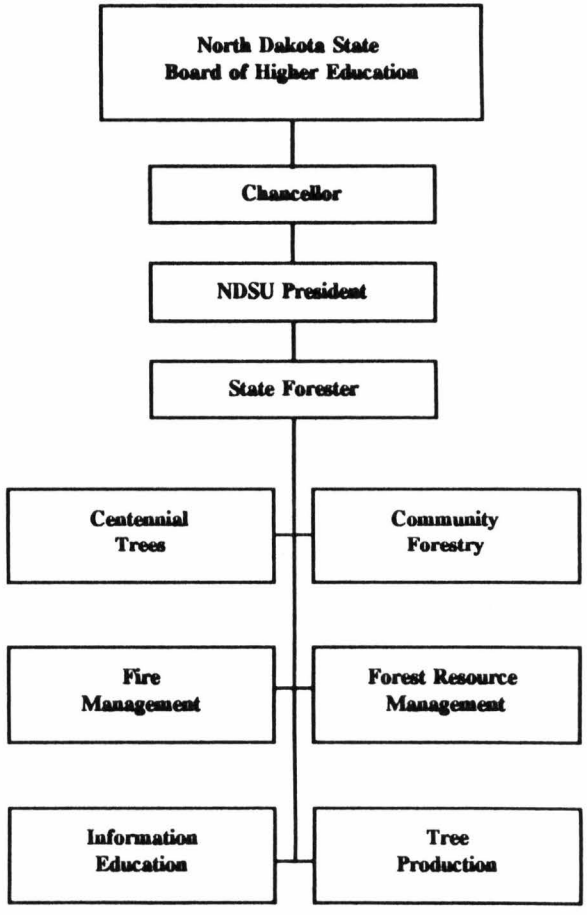
FORESTRY PROGRAMS IN NORTH DAKOTA

The North Dakota Forest Service administers six (6) forestry programs.

Public Service Subprograms

- Centennial Trees
- Community Forestry
- Fire Management
- Forest Resource Management
- Information and Education
- Tree Production

NORTH DAKOTA FOREST SERVICE ORGANIZATIONAL CHART



PUBLIC SERVICE SUBPROGRAMS

A wide variety of customers depend on the North Dakota Forest Service as the sole provider of technical forestry assistance. The North Dakota Forest Service administers six (6) forestry program coordination areas through its major program cost center of Public Service. The following programs provide forestry services to a significant number of North Dakotans.

Centennial Trees

In honor of the tree planting tradition started by the state's early pioneers, leaders of government, business and citizen groups selected planting 100 million trees by the year 2000 as the focus for celebrating the 1989 state centennial. Slated as a ten-year effort, the Centennial Trees Program encourages North Dakotans to plant one million trees for each year of statehood. The program challenges every resident, community, organization and school to create a living legacy that will serve as a lasting reminder for generations to enjoy. The official count as of Arbor Day, 1998, is 54,361,088 trees.

The 1995 Legislature placed the responsibility for administering the Centennial Trees Program with the North Dakota Forest Service creating a sixth program coordination area. The agency coordinates promotional, educational and fund raising activities. A seven-member Centennial Trees Advisory Committee, appointed by the Governor, works with the State Forester to promote the program. Funding is provided by the Centennial Trees Program Trust Fund, a special fund generated from voluntary contributions received from individual tax returns and other private donations.

Financial Assistance Sources

- *Family Forest Grants*
- *Living Snow Fence Grants*

Accomplishments

North Dakotans have raised annual tree planting accomplishments to over 7 million trees and the official centennial tree count now stands at over 54 million. North Dakota Forest Service contributions to this effort included financial incentives, technical services and nursery tree stock. A "Family Forest" grants program was initiated and 83 tree planting projects were completed since 1996. In 1998, 277 schools participated in the Centennial Trees Program and students planted 39,050 trees raising the total trees planted by school children to 469,995. A "Living Snow Fence" initiative is now underway and 18 tree planting projects were planted in 1998 to keep North Dakota's roads safe for winter travel.

Community Forestry

Most of North Dakota's residents live in cities and towns. For them, natural resource management means conservation activities in city parks, tree-lined streets or other green spaces within the community.

The North Dakota Forest Service provides leadership and technical assistance in all phases of forestry to cities and other local public bodies throughout the state. Program assistance includes tree planting plans, management plans, shade tree ordinances, pest surveys and tree maintenance workshops.

The North Dakota Forest Service administers two community forestry financial assistance programs, America the Beautiful (ATB) and Community Transportation Enhancement (CTE) Challenge Grant Programs. The programs provide approximately $150,000 in challenge grants to eligible communities for tree planting and other forestry development projects each year.

Financial Assistance Sources

- *ATB Community Forestry Challenge Grant Program*
- *CTE Community Forestry Challenge Grant Program*

Accomplishments

The North Dakota Forest Service remains the sole supplier of forestry assistance to communities with populations under 7,500. Since 1991, 88 communities have been awarded $619,642 for 198 tree planting and community forestry development projects. North Dakota continues to be recognized as a national leader in community forestry with its continual growth in Tree City USA awards. Fifty-one North Dakota communities achieved the award in 1997.

Community Forestry
ATB and CTE Programs 1991-1997

Number of Applications Funded	*198*
Number of Communities Assisted	*88*
Grant Funding Awarded	*$ 619,642*
Total Cost of Projects	*$ 1,303,725*

Fire Management

The Fire Management Program invests in rural North Dakota through the protection of lives, property and natural resources. The program is based on the principle that maximum fire prevention through education, training and equipment ensures minimal loss.

The North Dakota Forest Service administers specific programs that train, organize and equip North Dakota's 396 rural volunteer fire departments. The Rural Community Fire Protection Program provides departments nearly $100,000 each year for purchasing or repairing equipment and training. A companion program, the Federal Excess Personal Property Program, loans surplus federal equipment to departments for enhancing firefighting capabilities.

Fire prevention is stressed through the distribution of "Smokey Bear" fire prevention materials to schools. As America's most widely recognized public service symbol, Smokey also makes personal appearances.

Financial Assistance Sources

- *Rural Community Fire Protection Program (RCFP)*
- *Federal Excess Personal Property Program (FEPP)*

Accomplishments

As of September 30, 1997, revised cooperative fire agreements have been signed with 348 fire departments for fire protection assistance. Since 1975, over $2.1 million in Rural Community Fire Protection (RCFP) Program cost-share has been awarded to fire departments. As of June 30, 1998, 627 fire vehicles and equipment items with an original acquisition value of $5,166,322 were on loan to fire departments through the Federal Excess Personal Property Program. The agency serviced 132 requests from rural fire departments in 1997.

Fire Management Accomplishments

- *348 Cooperative Agreements with Rural Fire Districts*
- *Total RCFP Awards (1972-1998) $2,143,758*
- *627 Vehicles and Equipment Items Valued at $5,166,322 on Loan (6/30/98)*

Forest Resource Management

The majority of North Dakota's rural forests are privately owned. Forest Resource Management focuses on educating and assisting non-industrial private landowners to better manage, protect and utilize their natural resources. This is accomplished through the development of a forest stewardship plan and direct financial assistance for forest improvement practices. Rural forestry services are delivered through an agreement with North Dakota's local Soil Conservation Districts.

Another important focus of the Forest Resource Management Program is forest health. Trees weakened by drought, fire, low nutrient levels or mechanical injury are more likely to be attacked by forest pests. Left undetected, insect and disease populations can build to epidemic levels causing substantial damage to forest resources. Each season, the agency conducts a state-wide survey to detect forest pest outbreaks. Forest health assistance is available to public and private landowners through a cooperative project with the NDSU Extension Service in Fargo.

Incentives are essential to help rural landowners manage native and planted forests. The Stewardship Incentive Program (SIP) and the Environmental Quality Incentives Program (EQIP) offer up to 75 percent cost-share assistance to landowners for accomplishing forest stewardship projects such as tree planting, forest stand improvement, soil and water protection, riparian protection, windbreak renovation and wildlife habitat enhancement. Eligible landowners may sign up at their local CFSA office for SIP or EQIP practices. The Forest Stewardship Tax Law offers tax incentive to woodland owners which they can reinvest in active management. The law is administered through participating counties and lowers the annual property tax to 50 cents per acre on enrolled lands.

Financial Assistance Sources

- *Stewardship Incentive Program (SIP)*
  (SIP practices 2,3,4,5,6,8)
- *Environmental Quality Incentives Program (EQIP)*
- *Forest Stewardship Tax Law*
  (Available in participating Counties)

Accomplishments

Technical assistance is provided to over 1,300 rural landowners each year. Since 1991, 1,019 forest stewardship plans have been requested and completed for 45,908 acres of privately-owned native and planted woodlands. During that same period, 388 forest improvement practices have been awarded $536,214 in Stewardship Incentive Program cost-share funds. A total of 579 landowners have enrolled 39,139 acres in the Forest Stewardship Tax Law since 1969.

Tree Production

Trees and shrubs must possess special genetic qualities to endure North Dakota's harsh environment. Conservation planting stock must have the potential for high survival, rapid growth and resistance to insects and disease problems. North Dakota's commitment to plant 100 million trees through the Centennial Trees Program requires adequate supplies of high quality planting stock.

The North Dakota Forest Service owns and operates the 160-acre Towner State Nursery which produces approximately 1.2 million seedlings annually for distribution to landowners in North Dakota. Tree improvement services such as testing, evaluation, selection and development of genetically improved tree species for forestry and conservation uses are also performed.

Towner State Nursery is a self-supporting operation specializing in the production of conifer (evergreen) nursery stock in over forty different species and stock types. Primary species include Colorado blue spruce, Black Hills spruce, ponderosa pine, eastern redcedar, Scotch pine and Rocky Mountain juniper. The trees are distributed for a price not to exceed 110% of the cost of production to soil conservation districts, other government entities and direct sales to individuals. The trees are used for farmstead, living snow fence and field windbreaks, wildlife, forestry and other related conservation plantings.

Seedling Ordering Information

- *Order forms and nursery catalog available by writing or calling Towner State Nursery.*

Accomplishments

Towner Nursery produced 1.2 million seedlings of high quality conifer stock in over 40 different species and stock types in 1998. Since 1927, over 67 million tree seedlings have been produced and sold. Tree orders were shipped to 813 soil conservation districts, natural resource agencies and private landowners during 1998.

Towner State Nursery
1927-1998
Tree Seedling Production

Tree Distribution by County SCD	*43,679,277 Trees*
Additional Tree Distribution	*23,350,416 Trees*
Total Tree Distribution 1927-1997	*67,029,693 Trees*

Information and Education

Educational and informational services raise public awareness about natural resource values, help support informed decision-making and foster individual responsibility in conserving natural resources. Specific audiences include elementary school students, youth organizations and adults.

The North Dakota Forest Service sponsors Project Learning Tree (PLT), a conservation education program aimed at teachers and youth leaders working with students in grades K-12. Graduate-level credit workshops are arranged in conjunction with NDSU and local school districts for teachers and volunteer educators.

The Information and Education Program handles the daily requests for forestry information and the publication of educational materials. A newsletter entitled "The Prairie Forester" carries forestry information to over 4,000 farmers, ranchers, community residents, volunteer fire-fighters, educators and concerned citizens across the state.

I & E Services

- *Project Learning Tree (PLT)*
- *Prairie Forester Newsletter*

Accomplishments

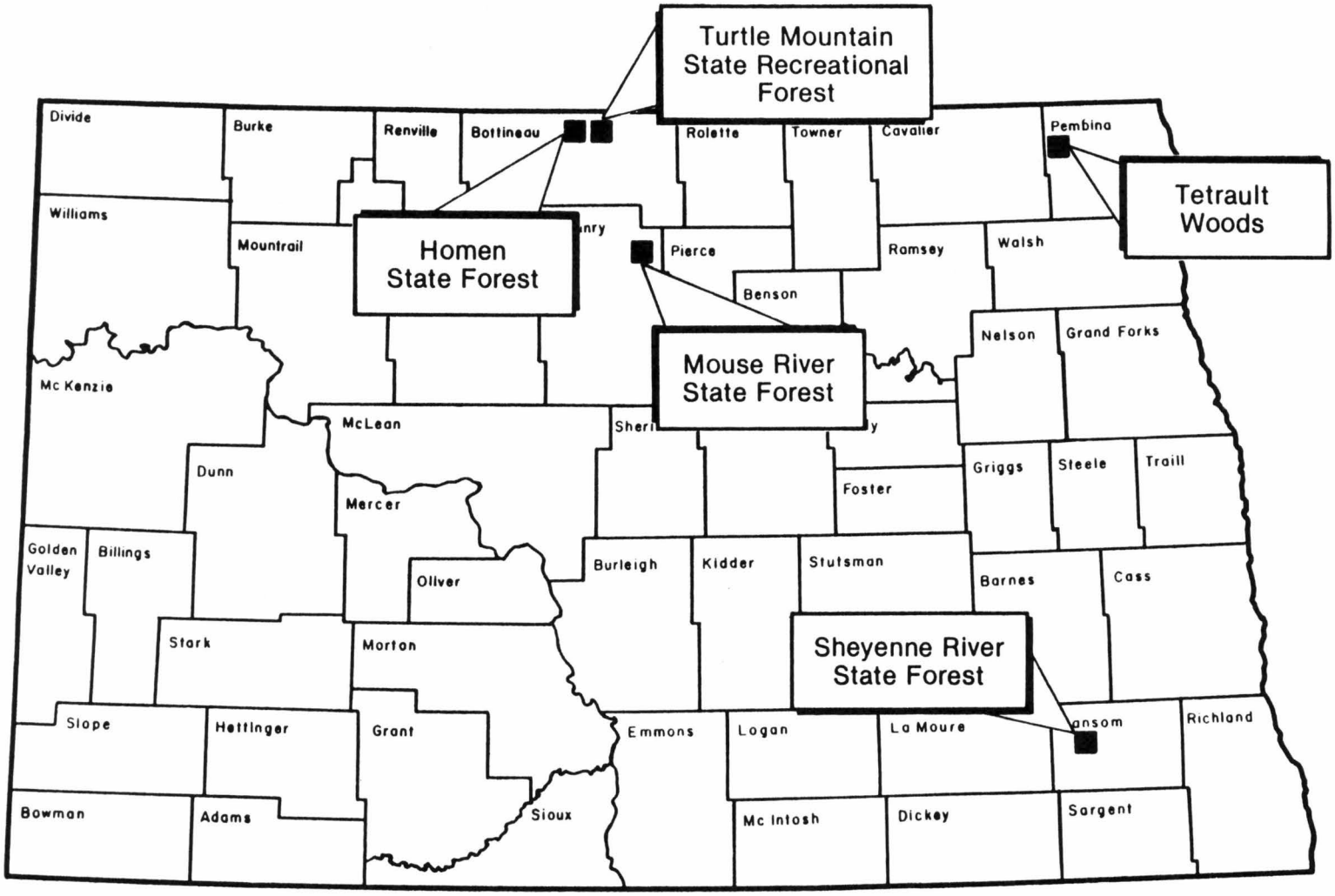
Personnel delivered 1,421 seat hours of forestry topics to schools, youth camps and public workshops during 1997. Approximately 1,085 individual assists were made to schools and the general public. The agency also prepared and released 40 news and magazine articles and printed 20 publications on forestry issues.

Other Public Services

State forests play an important role in the economic well-being of several rural communities by attracting hunters, hikers, campers, skiers, snowmobiles, tourists and other outdoor enthusiasts. The North Dakota Forest Services owns and manages five state forests comprising approximately 13,278 acres. The forests contain five campground/recreation areas and 50 miles of wooded trails.

During 1997, over 16,600 people visited and utilized seven state forest properties for recreational opportunities. Approximately 1,500 people camped on Turtle Mountain State Forest Recreations Areas in 1997.

NORTH DAKOTA STATE FORESTS



13,278 acres of State Forest lands are owned and managed by the North Dakota Forest Service

NORTH DAKOTA FOREST SERVICE
1999-2001 REQUEST SUMMARY

	Expenditures 1995-1997 Biennium	First Year Expenditures 1997-1998	Present Budget Balance 1998-1999	Total Present Budget 1997-1999	Requested Budget 1999-2001 Biennium	1999-2001 Biennium Incr. (Decr.)
BY MAJOR PROGRAM						
Public Service	2,012,981	1,132,356	1,236,295	2,368,651	2,221,630	(147,021)
Facilities Upkeep and Maintenance	72,801	72,299	59,272	131,571	31,061	(100,510)
Local Funds	0	25,000	25,000	50,000	50,000	0
Total	2,085,782	1,229,655	1,320,567	2,550,222	2,302,691	(247,531)
BY LINE ITEM						
Salaries and Wages	1,503,926	837,357	855,380	1,692,737	1,630,657	(62,080)
Operating Expenses	385,139	199,520	209,779	409,299	395,476	(13,823)
Equipment	47,548	21,736	26,275	48,011	48,011	0
Capital Improvements	72,801	72,299	8,762	81,061	31,061	(50,000)
Grant to Centennial Trees	76,368	73,743	73,743	147,486	147,486	0
Local Funds	0	25,000	25,000	50,000	50,000	0
95 Biennium Carryover	0	0	121,628	121,628	0	(121,628)
Total	2,085,782	1,229,655	1,320,567	2,550,222	2,302,691	(247,531)
BY FUNDING SOURCE						
General Fund	1,256,465	802,922	886,774	1,689,696	1,442,165	(247,531)
Federal Fund	0	0	0	0	0	0
Special Fund	829,317	426,733	433,793	860,526	860,526	0
Total	2,085,782	1,229,655	1,320,567	2,550,222	2,302,691	(247,531)
TOTAL FTE	17.66			17.66	17.06	(0.60)

1999 - 2001 PUBLIC SERVICE NEEDS

95% Budget Request

The total budget request for the public service program is $2,221,630. The salaries and wages request funds 17.06 FTE positions who provide public forestry services relating to the management of private, state and community forest lands. This funding reduces the agency's current 1997-99 appropriation level by $62,080 and 0.60 FTE. A reduction in part-time support salaries to continue funding the 1998-99 salary increases. The reduction would delay grounds maintenance activities on state forest lands and erode tree production capabilities at Towner State Nursery. The temporary salaries employ approximately 50 part-time and seasonal workers for tree seedling production and state land management programs.

The operating request of $385,476 is a reduction of $13,823 or 3.4% from 1997-99 budget. When combined with rising inflationary costs, this operating reduction will result in a loss of technical forestry assistance to private landowners. Approximately 100 landowner requests may be delayed or not serviced.

Funding of operating expenses is necessary to support public forestry services in the following program areas: Centennial Tree Program, Community Forestry, Fire Management, Forest Resource Management, Information & Education, and Tree Production. Expenditures include travel, telephone and motor pool costs associated with servicing over 1400 field forestry requests from throughout the state each year. Operating expenses fund annual tree production at 1.2 million seedlings. Expenditures include utilities, repairs and supplies for seeding, weeding, irrigating, fertilizing, lifting, packing and shipping operations associated with both bare-root seedling and containerized tree production. Towner State Nursery provides essentially all of the conifer (evergreen) seedlings for conservation and forestry plantings in every county of North Dakota. In addition, utility, repair and supply expenditures are necessary to maintain office and shop complexes at Towner State Nursery and field offices in Bismarck, Bottineau, Lisbon, and Walhalla.

Equipment is an essential component of public service in such programs as tree production, rural forestry and fire management. The agency operates 10 tractors, 8 trailers and 20 other heavy equipment items such as specialized nursery equipment. The 1999-2001 equipment request is $48,011. The funding is needed for new and replacement equipment associated with tree seedling production at Towner State Nursery, as well as for fire-fighting, state lands maintenance and office support at the Bottineau, Lisbon and Walhalla field offices. The 1999-2001 request is at the same level as 1997-99.

The grants to Centennial Trees request is $147,486. This request will continue grants to public and private entities for establishing "Family Forests" and "Living Snow Fences" and other associated promotional, educational and fund raising projects associated with the Centennial Trees Program. Since 1996, Centennial Trees grants have helped establish 83 community "Family Forest" projects. The funds are provided by the Centennial Trees Trust Fund. The trust fund is funded by private donations including the income-tax check off.

The $71,118 reduction in general funds is carry-over from the Grants to Centennial Trees in the 1995 biennium. Since these carryover funds originated from unspent donations in the Centennial Trees Trust Fund, the funds are eliminated from the budget request.

The total projected reduction as compared to the 1997-99 budget for the Public Service program area is $147,021 or 6.2 percent.

Impact of 5% Reduction

The proposed 5% reduction would eliminate $75,903 in general funds used to support the School Tree Program and the Tree Improvement Program at Towner State Nursery.

The School Tree Program provides trees and tree planting educational materials to 270 North Dakota schools and 38,000 elementary students each year. The program teaches young people how to plant and care for trees. Over $5,000 a year in private donations help fund this effort.

The Tree Improvement Program improves the cultural procedures for growing tree seedlings and the genetic characteristics of conservation tree stock distributed in North Dakota. State funded program activities include the selection and propagation of improved sources of conservation tree stock; establishment, maintenance, and genetic improvement of seed orchards at the Denbigh Experimental Forest and on state lands; evaluating and improving tree growing and care procedures; and selection and propagation of new hardy tree species for North Dakota. Federal funds received annually to support tree improvement total $20,595.

Programs Eliminated

School Tree Program

- ***Seedlings for 270 Schools and 38,000 Elementary Students***

Tree Improvement Program

- ***Improved Tree Quality***
- ***Seed Orchard Establishment***
- ***Tree Care Procedures***
- ***New Hardy Tree Species***

$62,080 in salaries and wages (0.60 FTE and part-time) would be cut in the 95% budget request. The agency's FTE level would drop from 17.66 to 17.06. The loss of temporary salaries would cause lay-offs among the 50 part-time and seasonal workers now employed in tree improvement, tree seedling production and state lands management activities. The reductions would curtail genetic tree improvement, delay grounds maintenance activities on state forest lands and erode tree production capabilities at Towner State Nursery.

The operating budget would be reduced by $13,823 or 3.4 percent preventing the purchase of supplies for the school tree program. When combined with rising inflationary costs, the operating reduction will result in a loss of technical forestry assistance to private landowners. Approximately 100 landowner requests may be delayed or not serviced.

Impact of 5% Reduction

Salaries (0.6 FTE & Part-time)	***$62,080***
Operating (Supplies)	***$13,823***
Total	***$75,903***

1999 - 2001 FACILITIES UPKEEP AND MAINTENANCE NEEDS

Services Provided:

Plant improvements are an essential component of public service in tree production and rural forestry programs, as well as in state forest lands. Plant improvements provide the means to physically improve existing facilities, upgrade existing infrastructure and make necessary repairs to buildings.

Program Accomplishments:

The agency is responsible for maintaining four separate field and nursery facilities located at Bottineau, Lisbon, Towner and Walhalla. These facilities consist of 21 office, shop and storage buildings. The buildings are valued at $1,045,113. Building ages vary from 4 years to 65 years. In addition, the infrastructure associated with these facilities is valued at $1,244,774.

1999-2001 Extraordinary Repair Needs

- ***Repairs to security lights and fence (Bottineau Field Office) $3,300***
- ***Repairs to Storage Building (Towner Nursery) $10,000***
- ***Replace garage doors and openers (Walhalla Field Office) $7,000***
- ***Enlarge workshop in Shop Building (Towner Nursery) $10,761***

Extraordinary Repairs:

The 1999-2001 budget request for Extraordinary Repairs is $31,061. Projects identified for 1999-2001 include repairs to security lights and fence at the Bottineau field office; repairs to storage building at Towner Nursery; replace garage doors and openers at Walhalla field office; and enlarge workshop in shop building at Towner Nursery.

Outstanding Capital Project Needs:

Long-term ADA funding needs have increased by $50,000 to address the modification of public restroom facilities at the Bottineau, Lisbon, Towner and Walhalla field offices. Other outstanding major repair needs include $90,000 for a tree storage building at Towner Nursery and $20,000 for an equipment storage building at the Lisbon field office.

1999 - 2001 NEEDS BASED REQUEST

A wide variety of customers depend on the North Dakota Forest Service as the sole provider of technical forestry assistance. Public demand for forestry services is being impacted by a growing environmental awareness among North Dakota citizens. This awareness and concern for the natural resources and the environment are causing more people to seek forestry advice and assistance. Major 1999-2001 forestry initiatives include:

1999-2001 Forestry Initiatives

- ***Living Snow Fence Initiative***
- ***Riparian Forest Restoration***
- ***Towner Nursery Mechanization Strategy***

Living Snow Fence Initiative

On January 13, 1998, Governor Ed Schafer announced the goal of planting 100 miles of living snow fences to reduce snow drifting and blockage on roads, highways and interstates throughout North Dakota by 2001. The initiative could save $1 million annually in snow removal costs, reduce the number of road closures and, more importantly, save lives. The Governor has asked the State Forester to direct the project in conjunction with the Centennial Trees Advisory Committee (CTAC) and the North Dakota Department of Transportation. The North Dakota Division of Emergency Management has awarded $673,911 in Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant funds to the North Dakota Forest Service for the Living Snow Fence Initiative. In addition, the North Dakota Department of Transportation (NDDOT) and the Forest Service signed a $300,000 three-year commitment to fund living snow fence projects. The State Forester has also allocated (with CTAC approval) $33,333.33 from the "Grants to Centennial Trees" line item in the 1997-99 budget for matching funds. Living snow fence grants are available to private and public landowners who are willing to establish living snow fences to protect priority sites along interstate, state, county, township and BIA roads. The USDA Conservation Reserve Program (CRP) and the NDDOT will provide land rental payments and the grant funds will cover the landowner's share of the tree planting costs and the first year of maintenance. Program guidelines and signup information will be released in January, 1999. Judging from positive landowner interest, this initiative will require the Forest Service to reallocate exiting funding for educational, technical and administrative tasks.

Riparian Forest Restoration

The Riparian Forest initiative targets the restoration of 100 miles of riparian areas in the Red River Basin. The initiative represents the first large-scale coordinated effort in North Dakota to improve water quality by restoring stream side forests; establishing riparian vegetative buffers; and halting the loss and improper management of native forests within the watershed. The selection of riparian restoration areas is based on water quality impacts, land condition and input from stakeholders (county water boards, watershed districts, landowners and natural resource agencies). Recommended "Best Management Practices" (BMPs) will be utilized in the restoration project.

The North Dakota Forest Service is partnering with the Red River Regional Council to provide direct technical forestry assistance to landowners and communities in managing riparian areas. Foresters are committed to producing 300 management plans outlining forest management recommendations on 30,000 acres in priority areas. The Red River Riparian Project is partially funded through an EPA 319 Water Quality grant administered by the ND Department of Health.

The North Dakota Forest Service has identified additional riparian forest restoration needs in the Missouri River basin.

Towner Nursery Mechanization Strategy

The Towner Nursery Mechanization Strategy addresses the needs to mechanize tree lifting, packaging, storing and shipping operations to minimize strenuous tasks and to reduce overall labor needs. The nursery depends on a large part-time work force to lift, grade, package, and ship 1.2 million trees each year. Wage increases resulting from the federal minimum wage mandates and local employment competition have reduced the effectiveness of the nursery salary budgets. A diminishing and aging population from which to attract a work force further compounds the situation. To offset these problems, the following mechanization 1999-2001 improvements are planned:

1. Acquire a skid steer loader and a forklift to upgrade tree lifting, grading and warehouse operations to bulk handling of trees with pallets;

2. Acquire a mechanical mixer and filler equipment for handling greenhouse potting media. Workers now mix the media and fill containers by hand with shovels; and

3. Repair greenhouse irrigation system thereby reducing both labor and fertilizer use.

THE 1999 - 2001 OPTIONAL BUDGET ADJUSTMENTS

The NDBHE has authorized the Forest Service to seek restoration of the reductions eliminated in the 95% budget and to request an additional $76,971 in general fund increases (above the 5%), as well as $48,480 in additional revenues from tree sales. The Forest Service has identified the following optional 1999-2001 budget adjustment priorities:

1999-2001 Optional Adjustments

Priority	Amount	*Description*
1	$75,903	5% Restoration/Reinvestment
2	*$39,247*	*Costs to Continue*
3	*$10,298*	*Targeted Critical Salary Adjustments*
4	*$8,564*	*Six Year Plan - Nursery Equipment*
5	*$10,298*	*Targeted Critical Salary Adjustments*
6	*$8,564*	*Six Year Plan - Nursery Equipment*
7	*$48,480*	*Capital Improvements*
	$201,354	*Total Adjustments*

Priority 1 - 5% Restoration/Reinvestment

This adjustment is to restore $75,903 eliminated in the 95% budget request. It includes $62,080 to reinstate salaries and fringe benefits for permanent and temporary staff. Without this funding tree improvement services, including testing, evaluation, selection and development of genetically improved tree species for forestry and conservation uses will be eliminated. This will seriously reduce the availability of hardy conifer nursery stock for landowners and soil conservation districts. The loss of temporary salary funds ($28,719) would cause a lay-off among the 50 part-time and seasonal workers now employed in tree seedling production and state land management programs. These reductions will delay ground maintenance activities on state forest lands and reduce tree production capabilities at Towner State Nursery. The loss of permanent salary funds ($33,361) would cause the elimination of a partially funded forestry technician (position #3642) and 0.6 FTE.

This adjustment also includes $13,823 to reinstate the operating funds for supplies eliminated in the five percent reduction package. Without these supplies, the School Tree Program at Towner State Nursery would be eliminated impacting over 275 North Dakota schools and approximately 40,000 elementary students. The schools would no longer receive tree seedlings and tree planting educational materials each year.

Priority 2 - Costs to Continue

The Board of Higher Education's second priority in the needs based budget is to restore or reinvest additional reductions identified in the 95% budget, that were internally reallocated to fund the cost to continue FY 1999 salary increases and inflation. This amounted to $16,775 at the North Dakota Forest Service for salary increases only. No provision or reallocation was made in the 95% budget for inflation.

This adjustment is to fund $39,247 in costs to continue current service levels for the North Dakota Forest Service. These funds are critical for continuing new forestry initiatives including living snow fences, riparian forest restoration and Towner Nursery mechanization. The request includes $16,775 to fund the salary increases authorized in the 1998-99 annual budget for 17.66 FTE positions that provide public forestry services relating to the management of private, state and community forest lands. An additional reduction in temporary and permanent salaries would be necessary without this adjustment. The agency is authorized 17.66 FTE for 1998-99, a drop of 4.11 FTE from 1993-95.

A three (3.0) percent inflationary increase of $14,808 in operating expenses is requested to keep pace with rising costs for travel, repairs and nursery/building supplies. Without this adjustment rising operating costs will result in a loss of technical forestry assistance to private landowners. Approximately 100 landowner requests may be delayed or not serviced.

The adjustment also includes $7,664 to fund a six (6.0) percent inflationary increase in utilities. The adjustment is necessary to maintain current services at field offices and nursery facilities located in Bottineau, Bismarck, Carrington, Lisbon, Towner and Walhalla.

Priority 3 - Targeted Critical Salary Adjustments

This request is to fund a $10,298 salary market adjustment above and beyond any inflationary salary increases granted by the Legislature. A national survey indicates the North Dakota Forest Service ranks 45th among state forestry agencies in average salaries for the forestry technicians, forester (I, II, III, IV) and state forester classifications. A salary market adjustment is needed to help the agency be competitive in recruiting and retaining its work force. A recent search for two Forester I positions had to be extended and advertised twice before an adequate pool of candidates could be found. The low minimum salary associated with the positions forced the agency to remove the minimum experience requirements to attract interested candidates.

Priority 4 - Six Year Plan

This request is to fund the following equipment needs identified in the Towner Nursery Mechanization Strategy:

Greenhouse Mechanical Mixer Equipment ($8,564) - Acquire a mechanical mixer for preparing greenhouse potting media. Workers now mix the media by hand with shovels. The equipment would help to minimize strenuous tasks and reduce overall labor needs.

Priority 5 - Targeted Critical Salary Adjustments

This request is to fund a second salary market adjustment for $10,298 above and beyond any inflationary salary increases granted by the Legislature. The justification is identical to Priority 3.

Priority # 6 - Six Year Plan

This request is to fund the purchase of a second equipment item identified in the Towner State Nursery Mechanization Strategy:

Greenhouse Mechanical Filler Equipment ($8,564) - Acquire mechanical equipment for filling greenhouse pots and containers. Workers now fill the containers by hand with shovels. This equipment would further minimize strenuous tasks and reduce overall labor needs.

Priority # 7 - Capital Improvements

The following capital improvement projects will be funded using $48,480 in additional revenues from tree sales. The generation of these revenues is possible only if Optional Adjustment Priorities #1-2 are funded by the Legislature. If the Restoration Reinvestment Plan and the Cost to Continue requests are not funded, reductions in nursery labor and operating expenses will be necessary. As a result, tree production capability will be reduced eliminating the possibility of raising additional revenues for the nursery mechanization strategy.

Project A - Greenhouse Irrigation System - $26,780

This request is to fund greenhouse irrigation system extraordinary repairs identified in the Towner State Nursery Mechanization Strategy. The current greenhouse water system at Towner Nursery consists of overhead sprinklers that apply fertilized water to the entire greenhouse including walkways and other non-crop areas. Any unused fertilized water from overhead irrigation passes through the gravel greenhouse floor causing nitrate contamination of the ground water including the drinking water for Towner Nursery. Applying directed irrigation to specific portions of the greenhouse requires hand watering. A boom water system would direct fertilizer applications to only crop areas and also allow flexibility to fertilize only portions of the greenhouse, thereby reducing both labor and fertilizer use. A containment system would collect and recycle any excess fertilizer from the greenhouse floor. This is also part of a continuing plan coordinated with the North Dakota Health Department to reduce nitrate contamination of the groundwater caused by greenhouse fertilization.

Project B – ADA Accessible Outdoor Restrooms - $21,700

This request is to fund the third and final phase of ADA accessible outdoor restrooms on the Turtle Mountain State Forest. The restrooms at Pelican, Sandy and Twisted Oaks Recreation Areas near Bottineau will be replaced with new commercial structures specifically designed for handicapped accessibility. Over 16,000 people visit and utilize the state forests for recreational opportunities each year. The recreation areas slated for Phase #3 of the ADA restroom replacements are the third most-heavily used sites on the state forest. Phase # 1 and # 2 were funded and completed in 1995-97 and 1997-99.

THE 1999 - 2001 EXECUTIVE RECOMMENDATION

Salaries and Wages

The Executive recommendation provides $1,708,740 in the salaries and wages line item (17.66 FTE) for the North Dakota Forest Service. The recommendation includes $62,080 to reinstate salaries and fringe benefits for permanent and temporary staff eliminated in the 95% budget request. It further includes $16,775 for costs to continue salary increases authorized in the 1998-99 annual budget for 17.66 FTE; $11,880 for critical salary adjustments; $17,808 for health insurance increases; and $55,232 for salary increases. The Governor's recommendation also pools 5% or $86,089 of Forest Service salaries to be allocated by the Board of Higher Education for initiatives.

Operating Expenses

The Executive budget recommends $431,776 in operating expenses such as travel, telephone and motor pool expenses associated with servicing over 1,400 field forestry requests throughout the state each year by field offices in Bismarck, Bottineau, Carrington, Lisbon and Walhalla. Operating expenses also include funds for growing 1.2 million seedlings annually at Towner State Nursery. The Executive budget reinstates $13,823 in operating funds for supplies eliminated in the five percent reduction package. It further provides $17,477 for costs to continue to keep pace with rising costs for travel, repairs and nursery/building supplies, and $5,000 to fund an inflationary increase in utilities.

Equipment

$65,011 is provided in the Executive recommendation for equipment. This includes a $17,000 increase to fund greenhouse equipment needs identified in the Towner Nursery Mechanization Six-Year Plan.

Capital Improvements

The Executive budget recommends $31,061 for extraordinary repair projects at Towner State Nursery, and Forest Service field offices at Bottineau and Walhalla per the 1999-2001 request.

The Governor also provided $48,480 for two capital projects. The first is the Greenhouse Irrigation System project identified in the Towner State Nursery Mechanization Strategy ($26,780). The second project includes the third and final phase of ADA accessible outdoor restrooms on the Turtle Mountain State Forest ($21,700). The capital improvement projects will be funded using $48,480 in additional revenues from tree sales.

Grants to Centennial Trees

The Executive recommendation approved $147,486 to continue grants to public and private entities for establishing "Family Forests" and other promotional, educational and funding raising projects associated with the Centennial Trees Program. The funding is provided by the Centennial Trees Trust Fund.

ANALYSIS OF 1999-2001 EXECUTIVE RECOMMENDATION

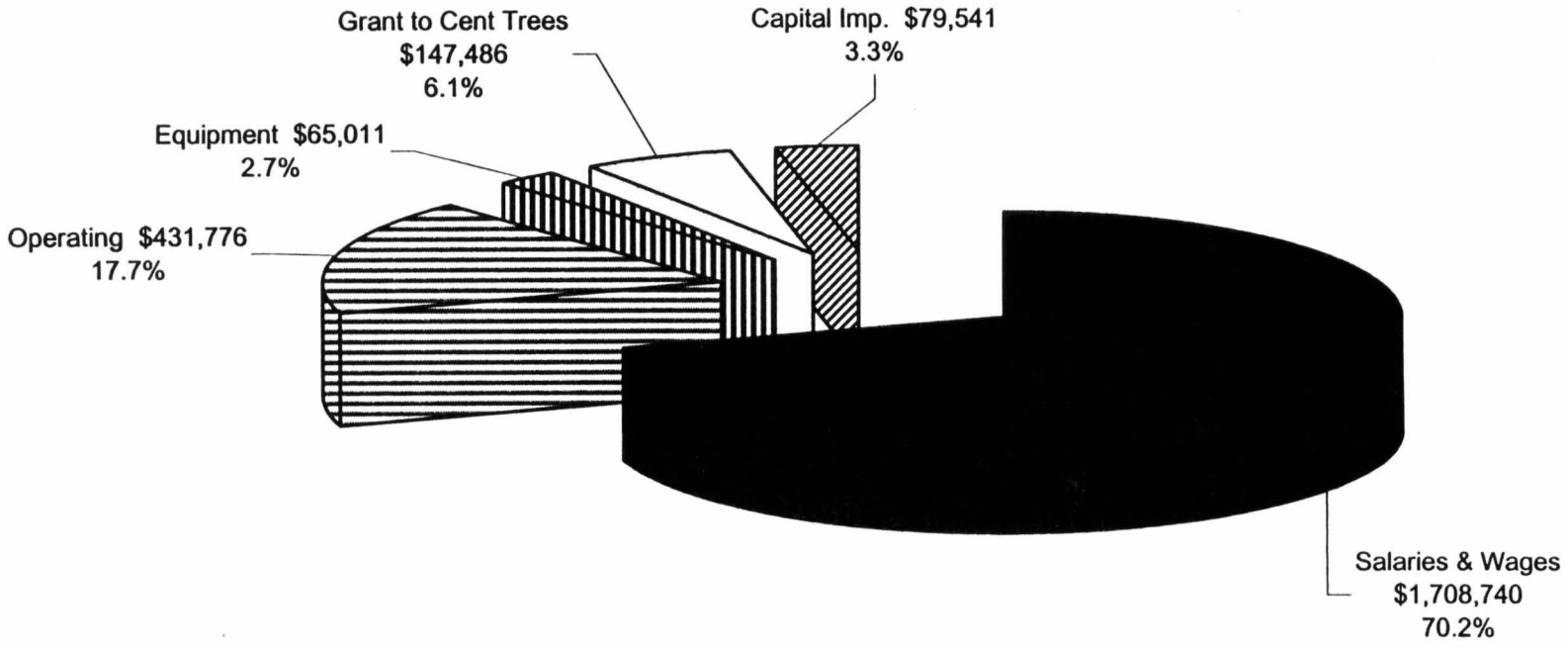
	ACTUAL 1995-1997 EXPEND	CURRENT 1997-1999 BUDGET	REQUESTED 1999-2001 BUDGET	EXECUTIVE 1999-2001 RECOMMEND	Executive Incr (decr) Current	Executive Incr (decr) Requested
BY LINE ITEM						
Salaries and Wages	1,503,926	1,692,737	1,630,657	1,708,740	16,003	78,083
Operating Expenses	385,139	409,299	395,476	431,776	22,477	36,300
Equipment	47,548	48,011	48,011	65,011	17,000	17,000
Capital Improvements	72,801	81,061	31,061	79,541	(1,520)	48,480
Grant to Cent. Tree	76,368	147,486	147,486	147,486	0	0
Local Funds	0	50,000	50,000	0	(50,000)	(50,000)
95 Biennium Carryover	0	121,628	0	0	(121,628)	0
Total	2,085,782	2,550,222	2,302,691	2,432,554	(117,668)	129,863
					-4.61%	5.64%
BY FUNDING SOURCE						
General Fund Appropriation	1,256,465	1,689,696	1,442,165	1,573,548	(116,148)	131,383
Federal Funds	0	0	0	0	0	0
Other Funds (Income)	829,317	860,526	860,526	859,006	(1,520)	(1,520)
Total All Funds	2,085,782	2,550,222	2,302,691	2,432,554	(117,668)	129,863
					-4.61%	5.64%
BY MAJOR PROGRAM						
Public Service	2,012,981	2,368,651	2,221,630	2,353,013	(15,638)	131,383
Facilities Upkeep & Maint.	72,801	131,571	31,061	79,541	(52,030)	48,480
Local Funds	0	50,000	50,000	0	(50,000)	(50,000)
	2,085,782	2,550,222	2,302,691	2,432,554	(117,668)	129,863
					-4.61%	5.64%
TOTAL FTE	17.66	17.66	17.06	17.66		

NORTH DAKOTA FOREST SERVICE
ANALYSIS OF EXECUTIVE RECOMMENDATION

	1997-99 Appropriated Budget	Adjustments	1999-01 Executive Recommendation
Salaries & Wages	1,692,737		
5% Reduction - Budget Request		(62,080)	
Reinstatement		62,080	
Cost to Continue Salary Increases		16,775	
Critical Salary Adjustment		11,880	
Other Adjustments		397	
Salary Increase		55,232	
Insurance Increase		17,808	
5% Board Pool		(86,089)	
			1,708,740
Operating Expenses	409,299		
5% Reduction - Budget Request		(13,823)	
Restoration		13,823	
Utilities		5,000	
Cost to Continue		17,477	
			431,776
Equipment	48,011		
6 Year Plan - Towner State Nursery		17,000	
			65,011
Capital Improvements	81,061		
Adjustments to the Base - Budget Request		(50,000)	
Greenhouse Irrigation System		26,780	
ADA Outdoor Restrooms		21,700	
			79,541
Grants to Centennial Trees	147486	0	147,486
95 Biennium Carryover	121,628	(121,628)	0
Local Funds	50,000	(50,000)	0
NDFS TOTAL	2,550,222	(117,668)	2,432,554
FUNDING SOURCE			
General Funds	1,689,696	(116,148)	1,573,548
Special Funds	860,526	(1,520)	859,006
TOTAL	2,550,222	(117,668)	2,432,554

EXECUTIVE BUDGET RECOMMENDATION

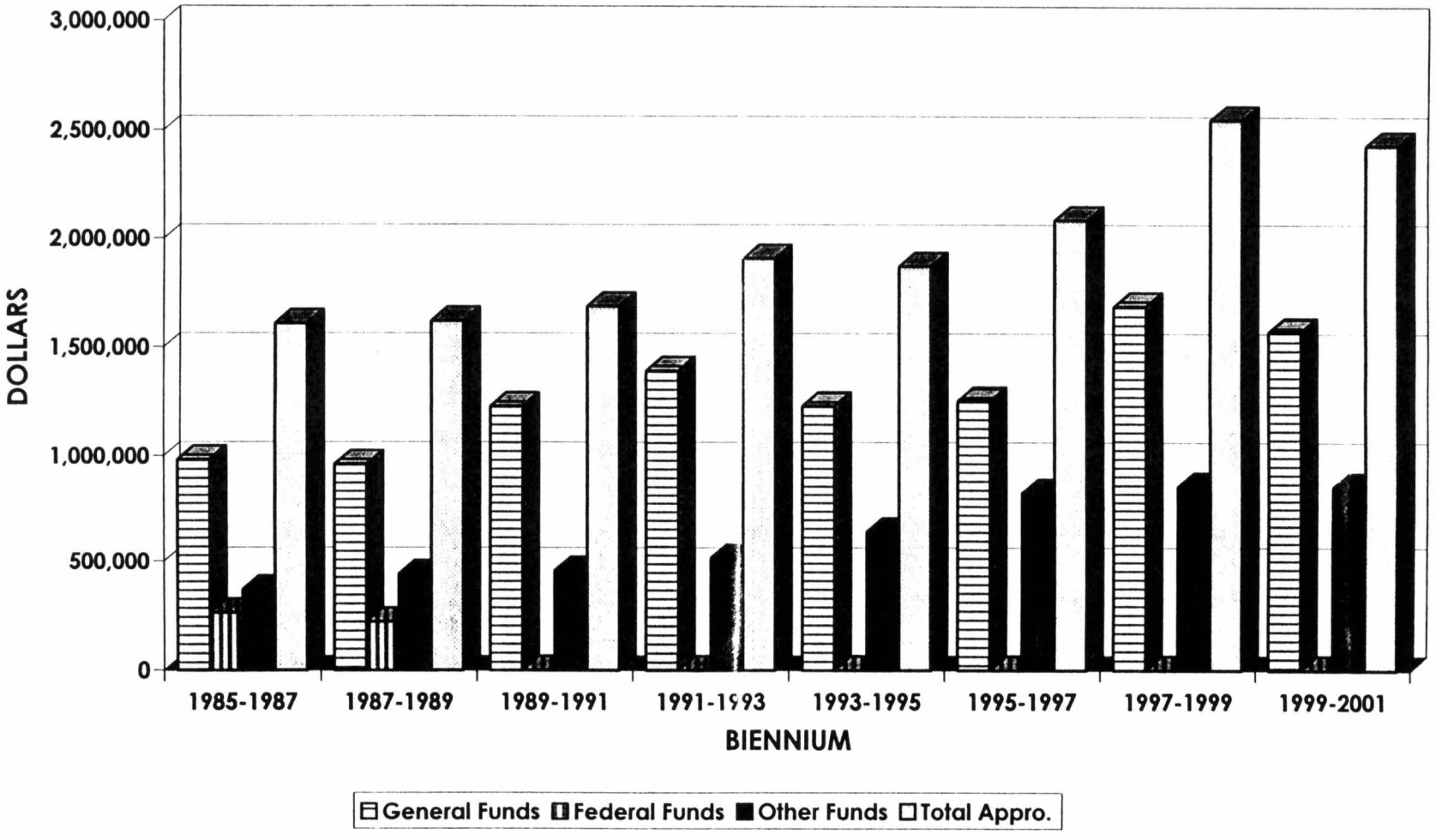
1999-2001 BIENNIUM



APPROPRIATION HISTORY

AGENCY TOTALS	ACTUAL 1985-1987	ACTUAL 1987-1989	ACTUAL 1989-1991	ACTUAL 1991-1993	ACTUAL 1993-1995	ACTUAL 1995-1997	BUDGET 1997-1999	EXEC. 1999-2001
Expenses								
Salaries & Wages	1,163,729	1,185,114	1,138,513	1,359,487	1,450,194	1,503,926	1,692,737	1,708,740
Operating	339,046	350,182	383,492	372,372	365,149	385,139	409,299	431,776
Equipment	70,035	56,035	98,176	109,267	25,941	47,548	48,011	65,011
Capital Imp.	36,835	29,819	68,116	68,492	32,163	72,801	81,061	79,541
Grant to Cent Trees	0	0	0	0	0	76,368	147,486	147,486
Local Funds	0	0	0	0	0	0	50,000	0
95 Biennium Carryover	0	0	0	0	0	0	121,628	0
Total Expenses	1,609,645	1,621,150	1,688,297	1,909,618	1,873,447	2,085,782	2,550,222	2,432,554
Funding Source								
General Funds	982,683	961,583	1,231,180	1,393,434	1,233,020	1,256,465	1,689,696	1,573,548
Federal Funds	259,617	219,113	0	0	0	0	0	0
Other Funds	367,345	440,454	457,117	516,184	640,427	829,317	860,526	859,006
Total Appropriation	1,609,645	1,621,150	1,688,297	1,909,618	1,873,447	2,085,782	2,550,222	2,432,554
FTE's	17.02	21.02	23.77	23.77	21.77	17.66	17.66	17.66

APPROPRIATION HISTORY



GUIDE TO THE NORTH DAKOTA FOREST SERVICE

AND

1999 - 2001 BUDGET REQUEST

BUDGET NUMBER 244.0

SENATE TESTIMONY WITH EXCEPTION OF PAGES TWENTY THREE AND TWENTY FOUR IS THE SAME AS PRESENTED TO HOUSE

PREPARED BY:

Larry A. Kotchman
State Forester
North Dakota Forest Service

March 1999

ANALYSIS OF 1999-2001
EXECUTIVE AND HOUSE RECOMMENDATIONS

	(1) CURRENT 1997-1999 BUDGET	(2) EXECUTIVE 1999-2001 RECOMMEND	(3) HOUSE 1999-2001 VERSION	(2)-(1) INC/(DEC) EXEC - CUR	(3)-(2) INC/(DEC) HOUSE - EXEC
BY LINE ITEM					
Salaries and Wages	1,692,737	1,708,740	1,770,118	16,003	61,378
Operating Expenses	409,299	431,776	423,601	22,477	(8,175)
Equipment	48,011	65,011	65,011	17,000	0
Capital Improvements	81,061	79,541	79,541	(1,520)	0
Grant to Cent. Tree	147,486	147,486	147,486	0	0
Local Funds	50,000	0	1,336,082	(50,000)	1,336,082
95 Biennium Carryover	121,628	0	0	(121,628)	0
Total	2,550,222	2,432,554	3,821,839	(117,668)	1,389,285
BY FUNDING SOURCE					
General Fund Appropriation	1,689,696	1,573,548	1,626,751	(116,148)	53,203
Federal Funds	0	0	0	0	0
Other Funds (Income)	860,526	859,006	2,195,088	(1,520)	1,336,082
Total All Funds	2,550,222	2,432,554	3,821,839	(117,668)	1,389,285
BY MAJOR PROGRAM					
Public Service	2,368,651	2,353,013	2,406,216	(15,638)	53,203
Facilities Upkeep & Maint.	131,571	79,541	79,541	(52,030)	0
Local Funds	50,000	0	1,336,082	(50,000)	1,336,082
	2,550,222	2,432,554	3,821,839	(117,668)	1,389,285
TOTAL FTE	17.66	17.66	17.66		

NORTH DAKOTA FOREST SERVICE
ANALYSIS OF 1999-01 BUDGET ADJUSTMENTS

	1997-99 Appropriated Budget Base	1999-01 Executive Recommendation Adj. to 97-99 Base	1999-01 House Version Adj. to Exec Rec.
Salaries & Wages	1,692,737		
5% Reduction - Budget Request		(62,080)	
Reinstatement		62,080	
Cost to Continue Salary Increases		16,775	
Critical Salary Adjustment		11,880	(11,880)
Salary Increase		55,629	(18,532)
Health Insurance Premium Increase		17,808	5,702
5% Board Pool		(86,089)	86,088
		1,708,740	1,770,118
Operating Expenses	409,299		
5% Reduction - Budget Request		(13,823)	
Restoration		13,823	
Utilities		5,000	
Cost to Continue		17,477	(8,175)
		431,776	423,601
Equipment	48,011		
6 Year Plan - Towner State Nursery		17,000	0
		65,011	65,011
Capital Improvements	81,061		
Adjustments to the Base - Budget Request		(50,000)	
Greenhouse Irrigation System		26,780	
ADA Outdoor Restrooms		21,700	0
		79,541	79,541
Grants to Centennial Trees	147,486	0	0
		147,486	147,486
95 Biennium Carryover	121,628	(121,628)	0
		0	0
Local Funds	50,000	(50,000)	1,336,082
		0	1,336,082
NDFS TOTAL	2,550,222	2,432,554	3,821,839
FUNDING SOURCE			
General Funds	1,689,696	(116,148)	53,203
Special Funds	860,526	(1,520)	1,336,082
TOTAL	2,550,222	2,432,554	3,821,839

ND Legislative Assembly

ND Legislative Assembly
P.O. Box E
Crosby, ND 58730

Phone: 701-965-6798

Members of the Appropriations Committee:

Like you, I sit in frustration on the Senate Appropriations committee, trying to figure what we can carve out of budgets to make sure the income is not exceeded by the outgo.

Still, digital public television is not an option for anyone who really cares about education in the 21st century. We've simply got to have it. The only option is when and how to fund it.

Dream with me for a minute about a television station that can simultaneously:

* Deliver sessions of both the House and Senate to every home in North Dakota, and after the session, perhaps financial management help.

* Deliver classes in Spanish to any location with a television set.

* Present classes on health issues such as smoking addiction, senior citizen care, weight control, exercise.

* Training sessions for Guardsmen, Firemen, Policemen.

* And still have space for Sesame Street

To top it off, everything on the air will have the opportunity to become interactive for anyone who has a computer. . . and in another five years, who won't?

I don't know where we can find the money. The governor left it out of his budget, not because he doesn't believe we need it, but because he thought we can afford to stretch out the time table. If we can find a way to fund it now we can be on the air in 5 years. If we can get just part of the money we can probably do it in 9 years.

But if we simply say pass, we are a legislature without vision. Please listen carefully to Kathleen Pavelko and ask her the hard questions. Then decide for yourselves if this is not a moment we must seize.

John Andrist

North Dakota Senate Appropriations Committee

Kathleen Pavelko, President
Prairie Public Broadcasting
March 3, 1999

Mr. Chairman and members of the committee, thank you for the opportunity to speak with you today about the operating and capital budget request for Prairie Public Broadcasting, North Dakota's public telecommunications network.

For the record, I am Kathleen Pavelko, president of Prairie Public Broadcasting.

In my remarks today I'd like to comment briefly on Prairie Public's current status and record of service, on the operating appropriation recommended in the Governor's budget, and, primarily, on the transition to digital television which forms the basis of a one-time capital request to the state.

North Dakota's transition to digital television is part of a federal mandated for all TV broadcasters and will provide a cost-effectiveway to reach North Dakotans at home, at work and at school. It is a technology particularly well adapted to North Dakota's challenges of distance and .

dispersed population.

But first, a brief update on Prairie Public Broadcasting's service to the state.

Prairie Public Today

- Financially sound
- Increasing television productions for and about the Prairie region--100 hours in 1999, up from 55 in 1998.
- New weekly ***PlainsTalk***, Thurs. 7:30 pm
- ***North Dakota Legislative Review,*** Saturdays at 5:30 and Sundays at 6:30

In the two years since this body last convened, Prairie Public Broadcasting has transformed its organization and its services.

Prairie Public has reduced its debt by more than $2.5 million. We are now operating in our second balanced budget year, and have re-established the sound financial footing that our viewers, listeners and supporters expect. I'd like to thank members of this committee and the legislative leadership for their encouragement and support during this process.

In the last fiscal year, Prairie Public produced 55 hours of television programming specifically for the Prairie region. In the current fiscal year, we will produce more than 100 hours of regional programming. On television, a new weekly news program called PlainsTalk has been on the air since August and a weekly review of legislative action featuring Dave Thompson premiered this weekend. Programs for regional audiences are at the top of our agenda.

Prairie Public Funding Mix

Members and Businesses	40%
Earned Income	24%
Federal--CPB	14%
North Dakota	9%
Production Grants	8%
Minnesota	5%
Total	100%

For many years, the state has done its part to support the operation of these television and radio services.

In this biennium's budget, the Governor has recommended $997,500 for the operation of Prairie Public Television and North Dakota Public Radio, a 5% increase from last biennium. We hope you will support this recommendation, as it allows us to operate the transmitters and interconnection system which brings television and radio to homes, schools and workplaces in the state.

North Dakota's contribution is part of a diversified funding base for Prairie Public. The largest source of funding by far is from members and local businesses. Other sources include earned income from productions, technical services and gaming, from the federal government and from the state of Minnesota for the broadcast service we provide in west central Minnesota.

What will DTV do?

- Dramatically increases the amount of information sent over the air.
- Can transmit 5-6 programs or one high definition TV program (HDTV).
- Adds data to the pictures, sound.
- Improves transmission quality: no "ghosts," "snow" or "lines."

My key topic today, though, is Digital Television.

I hope you were among the many legislators who accepted our invitation to a DTV demonstration on Monday of this week.

Digital Televison or TV is a high bandwidth distribution system for video, audio and data using the broadcast airwaves. In North Dakota, the public sector's access to these airwaves is provided by Prairie Public Broadcasting. As you may know, all television stations, commercial and public, are required by law must transmit a digital signal on their stations no later than 2003. Then, no later than 2006, stations must turn off their analog stations and return the frequencies to the federal government. But what is DTV and why make the change?

First of all, the amount of information, video and audio is increased almost 700 times. That means 4-6 programs can be transmitted at a time. Or one, High Defintion signal can be sent. And, most importantly, DTV has so much bandwidth that the TV signal can carry text, web pages, graphs, maps, anything that would help learners enhance the information on the screen..

A DTV monitor has remarkable resolution, depth of field, color saturation and clarity. And DTV avoids many of analog television's worst disadvantages. In today's world, the further you are from the TV tower, the worse the signal.... Ghosts, snow, lines, interference. In the digital world, you will either get the signal perfectly, or not at all. The ones and zeros of the digital signal DO NOT DEGRADE over distance.

Why DTV is Happening

- Spectrum is valuable; DTV saves it.
- The balanced budget depends on selling off spectrum.
- No later than 2003, all TV stations must broadcast a digital signal--some as early as 1999.
- By 2006, analog spectrum must be returned for sale.

Why is digital television being mandated? All of the world's communications services are going digital, from cell phones to cable to satellites. In the broadcast world, the move to digital is inevitable because DTV compresses its signals and therefore uses less of that precious broadcast spectrum than analog TV does. And Congress is planning on more than $5.5 billion in revenue from selling analog spectrum when the transition to DTV is complete.

The timeline is fixed. The biggest commercial stations must have a digital signal on the air no later than May of 1999; other commercial stations deadlines are 2000 and 2001; the smallest commercial stations, such as those in North Dakota, have until 2002. Public stations have until 2003. And by 2006, all the old analog frequencies are supposed to be turned off and returned to the federal government for sale. The return may be delayed if fewer than 85% of viewers can receive a digital signal by that point.

This seems like a long way off, but it isn't. Prairie Public, for example, must replace EIGHT television transmitters--and our statewide interconnection system--to digital in that time. It's also important to realize that the same digital equipment that will carry the signal for Prairie Public Television will be used for North Dakota Public Radio as well.

TVs Become "TeleComputers"

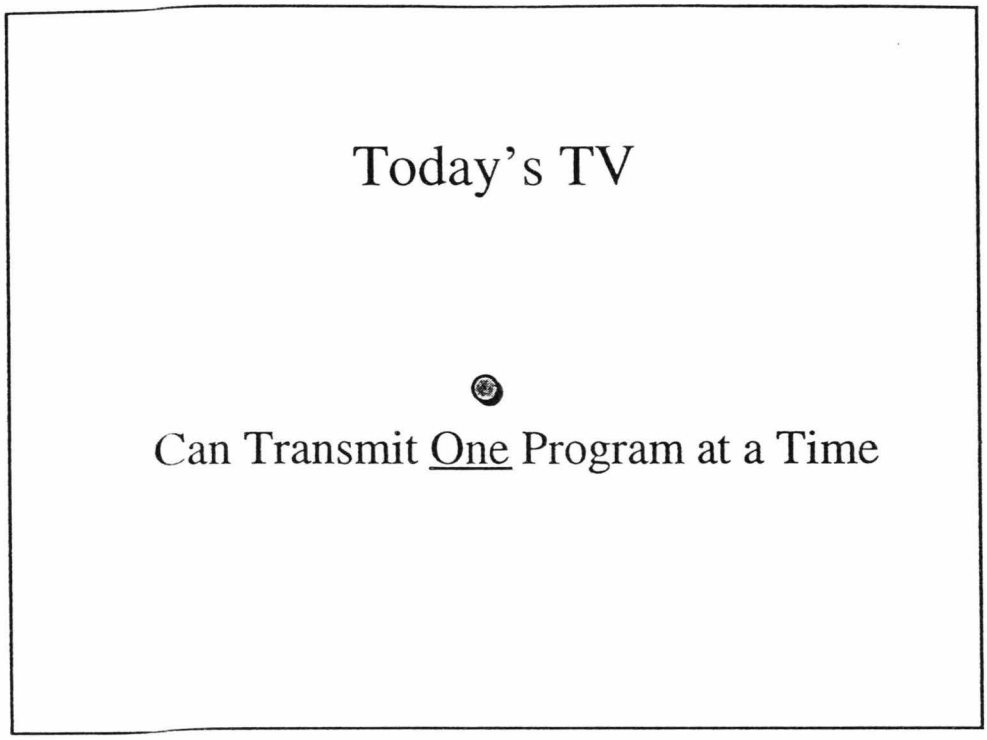
- DTV will make TV a better learning tool by adding text, web pages to your TV and computer.
- You will interact with your TV tomorrow much as you interact with your computer today.
- Like the Internet, the future uses of DTV are still being developed.

But the biggest difference between today's TV and DTV isn't how it will look or sound...wonderful as that will be.

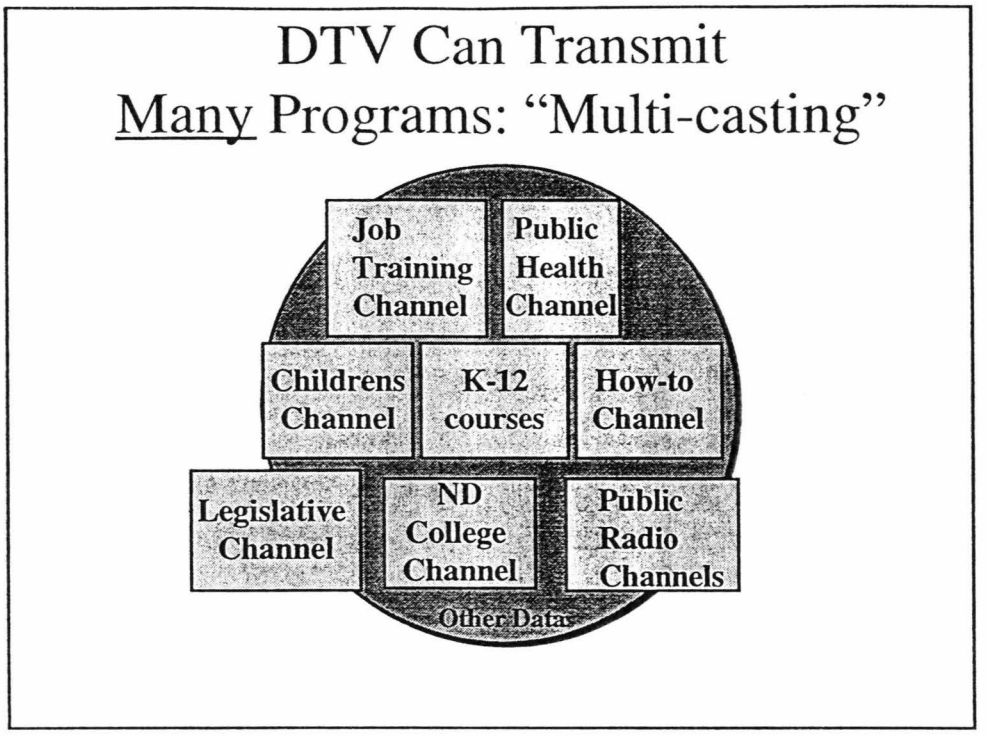
The biggest difference is that DTV will bring data as well as TV programs to your TV...your TV and computer will CONVERGE, to use the technical jargon. You'll interact with your TV much as you do your computer today.

The box which is just a television today will tomorrow have the characteristics of a computer, a phone, a training center, a mailbox--even access to a legislative hearing room like this one.

And we don't know all the future uses of DTV...they're being developed even now. How does it work?



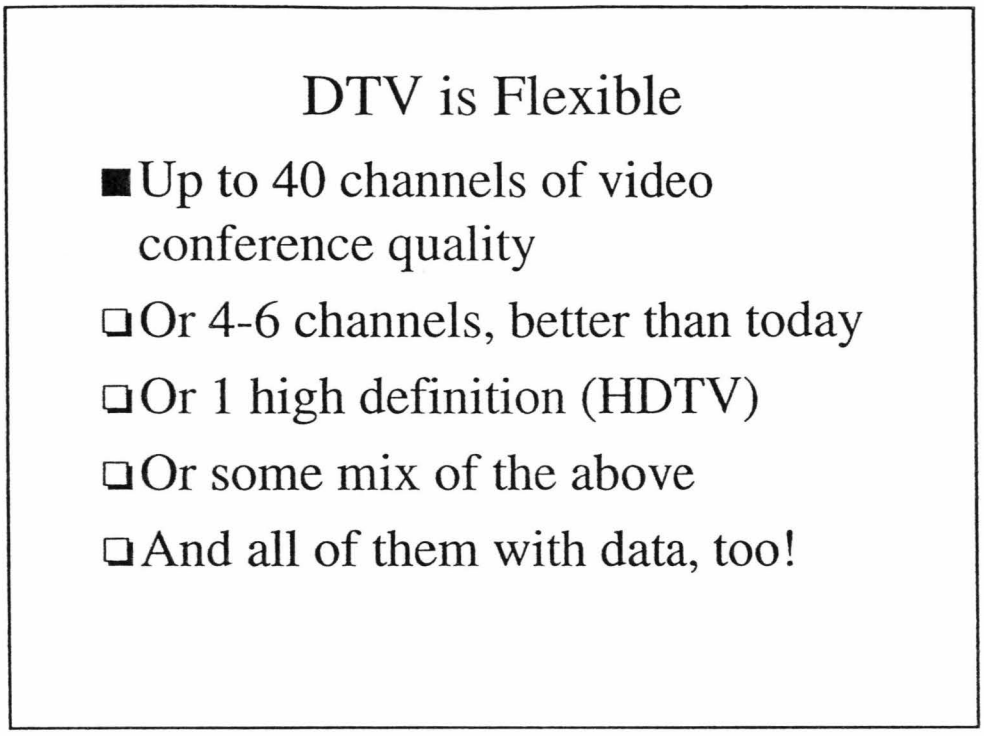
Because of its limited bandwidth, today's television has room to broadcast just one program at a time.



But digital television has so much bandwidth it can broadcast many programs at a time. That's called multicasting.

In this example, Prairie Public has a "Children's Channel" for Sesame Street;
a "How-To-Do-IT" Channel for THIS OLD HOUSE,
a channel for job training and re-training,
a channel for public health education,
a channel devoted to legislative sessions and other government meetings,
a College Course Channel and
a Channel for K-12 courses.

A teacher at Bismarck High School could be teaching a math course. Using Prairie Public's digital highway, the students for this course could be in a school far distant from Bismarck....Or, the ND College of Science in Wahpeton could train workers in Crosby in computer aided drafting.



In fact, DTV can be divided up a number of ways....up to 40 channels of IVN like quality; 4 to 6 channels of better than today's quality, one high definition signal....or some mix of the above. And all of them will have room for data, too!

The Partnership Model

- Content and curriculum provided by:
  - ND K-12 schools
  - ND Colleges and Universities
  - Businesses and government
  - Adult and pre-school educators
- Delivery and support provided by Prairie Public

The content and curriculum...the WHAT of education and training...will come from North Dakota educators and business. Courses, seminars, teacher in-service training, etc....can all be adapted for transmission on the digital highway.

Delivery, then, is Prairie Public's part of the model. We'll provide the digital highway to reach learners wherever they may be...and we'll help schools that need it to adapt courses for distance education delivery. We'll build the highway, we'll schedule the traffic, and we'll deliver the content developed by high schools, colleges and business.

DTV Extends North Dakota's Networks

- Via DTV, extend interactive clusters.
- Extend IVN, too.
- Add interactivity via Internet, phone.
- Fits with state plans for information technology.

DTV will build on, not duplicate, ND's existing networks. The interactive clusters around the state can be extended using DTV to reach schools too far away to be connected. And IVN, with its many courses and seminars, can be fed into the DTV broadcast stream, too. Interactivity can be provided by adding one of a number of simple, inexpensive technologies, such as "internet video," audio conferencing, or e-mail.

A distance education classroom isn't required. With a Digital TV or a computer and a phone line, a classroom can receive the class being broadcast and interact with the teacher.

And DTV fits in with the evolving state plan for coordinating information technology. We hope that Prairie Public will be a member of the proposed Information Technology Board, to insure that this state resource is coordinated with all the others in providing the best and most efficient service to the state.

DTV can be used to reach distant sites at an affordable cost. And as you can see, DTV is a state resource, to meet state needs. We look forward to coordinating our services and plans with the information technology plans of the state.

Who will use the DTV highway?

- National Guard--for data transmission, training at rural armories.
- Dept of Health--for anti-tobacco efforts.
- UND's Med School--for interns at rural clinics.
- K-12 education--to reach distant schools.
- ND's colleges--to expand enrollments.
- Businesses, for workforce training

There are many potential users for the digital bandwidth of DTV. The National Guard has an interactive system the federal government has funded...but it reaches just 5 of the state's 22 armories. DTV can help the remaining guardsmen continue their training without travel.

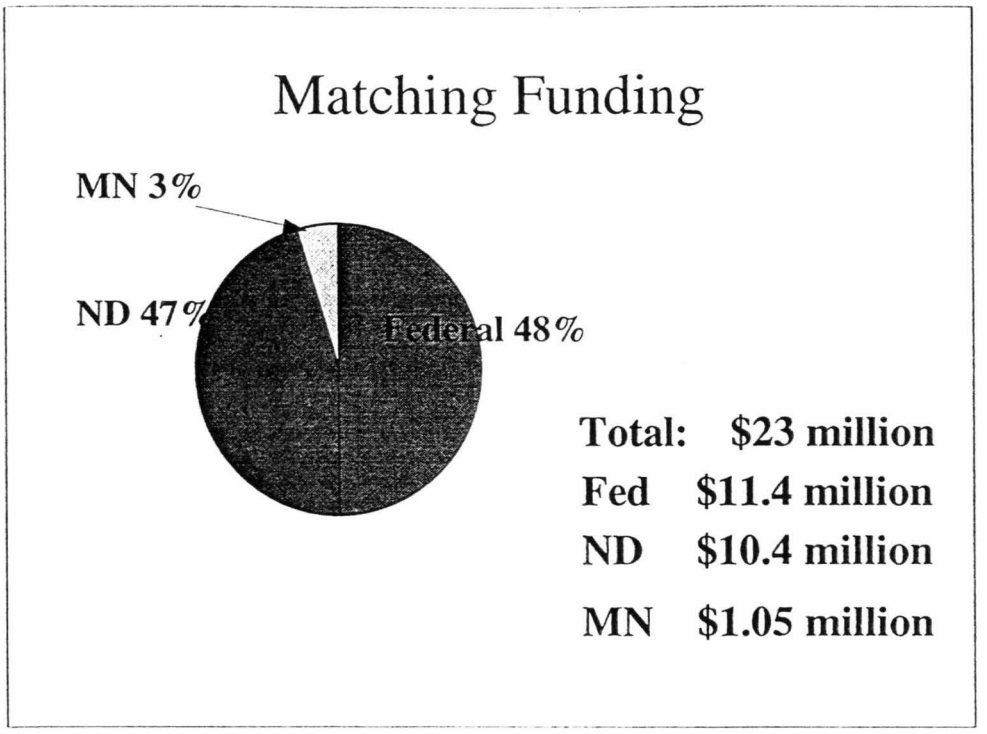
The Department of Health, which is developing its anti-tobacco strategy. DTV can be the distribution system for training health professionals, community workers and for educationg the public.

The Medical School at UND, which will increasingly place its medical residents and interns at clinics throughout rural North dakota. The Med School needs a way to continue the medical education of these students while they are training in Rolla, or Beach or Regent.

I've already mentioned how DTV can be used to build on the existing interactive clusters. DTV can reach those schools with a broadcast signal, at lower operating costs than satellite and other technologies.

DTV can extend IVN much the same way, by reaching beyond the network's current locations. Dual enrollment programs can be delivered to high schools statewide. Enrollment declines can be addressed by helping colleges reach learners who can't leave their families or their jobs.

Businesses need to communicate with customers and workers. North Dakota Blue Cross Blue Shield, for example, is thinking about how changes in insurance coding procedures could be communicated to their providers statewide. We don't know what all the uses might be.



Digital TV has a substantial capital cost but a more modest operating cost...and we've developed a plan in which the costs would be shared by the federal government, and by the states of North Dakota and Minnesota.

Converting North Dakota's public television system will cost just about $23 million, but there will be federal help. In its FY 200 budget, the administration has set aside $450 million for public television's digital conversion.

Over the past 20 years, capital equipment funding for public television has been available on a 50-50 matching funds basis. That's why we're asking for for $10.4 million in state funding, or just about 47% of the total project.

But rural stations like Prairie Public can make a good case for more federal assistance in order to keep public television free and universally available nationwide. Sometimes, a higher federal match can be secured. We'll do our best to get that higher percentage.

Prairie Public's promise...

- Minimize North Dakota's share
- Maximize the federal share
- Urge Minnesota to pay its share
- Seek cost savings and cost sharing with commercial colleagues

Here's Prairie Public's promise to North Dakota..

We will make every effort to minimize North Dakota's share of the DTV investment.

Prairie Public will seek the maximum federal match, higher than 50% wherever possible.

We'll look for commercial partnerships to share costs and reduce costs.

And we'll urge Minnesota to pay its share for the Minnesota viewers served by Prairie Public's eastern transmitters.

Why Fund DTV?

- Upgrades ND's existing investment (PPB's analog network, funded 1977)
- Links existing networks and brings technology users together
- Reaches ND's most remote learners, at low operating costs
- It's ND's only public digital bandwidth
- Congress says: Use it or lose it. It's the law.

The key question is why North Dakota should invest in digital television.

Here are the reasons.

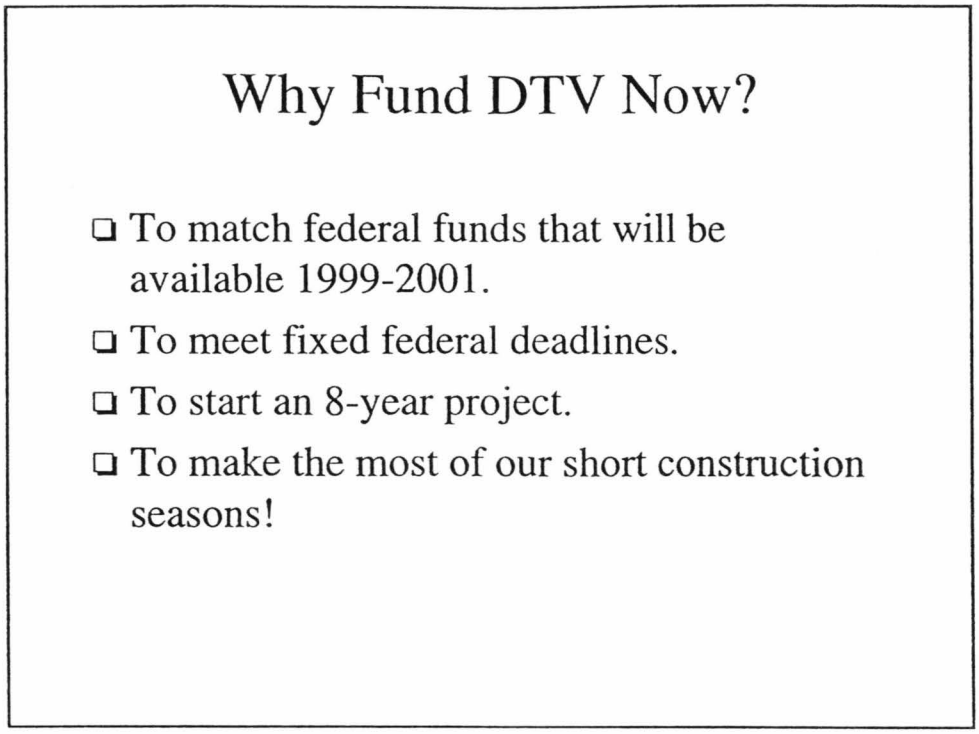
DTV is an upgrade of the existing Prairie Public network the state helped to fund in 1977, with a $4 million grant.That $4 million investment, in 1998 dollars, would be worth $11.2 million today... somewhat more than the $10.4 million request we're making.

DTV is a wise investment because it links existing interactive networks and IVN...it extends, it doesn't duplicate.

DTV makes sense because it can reach the most remote learners--as well as students close by--with a low operating cost technology.

DTV is a once in a century opportunity. Prairie Public holds the licenses for the only digital bandwidth allocated for public use. All other uses of DTV will be for commercial purposes.

And finally, it's a question of use it or lose it. If the digital frequencies are not in use by 2003, they will be reclaimed by the federal government and sold to the highest commercial bidder. If that happens, all public television and radio in the state would disappear.



And why should DTV funding begin now?

Federal funds will begin to be available starting this year. Prairie Public has already applied for federal funding for two parts of the project. If a minimum of $2.2 million in state funds is not available in this beinnium, those possible federal grants will have to be refused.

The federal government has said Prairie Public must have digital transmitters on the air no later than May 2003. No waivers to any deadlines have been granted so far, and we know the total project will take about eight years to complete.

Much of the work to be done involves television and radio towers and outside equipment. We all know how short and precious our warm weather months are. Unlike our colleagues in other states, we must do more work in less time...and it's important to get started now.

Funding Option #1

- Fund the project now.
- Issue revenue bonds for $10.4 million. Capital investment has a 20+ year life.
- This option meets federal timeline and guarantees federal funds will be matched.

Here are three options for funding this important project.

Option #1 is to fund the project now by issuing revenue bonds for the project's cost of $10.4 million.

Like the state's initial investment of $4 million in 1977, these transmitters and interconnection system has a 20 plus year lifespan.

This option meets the federal deadlines of 2003 and 2006 and guarantees that federal dollars will be matched.

Funding Option #2

- Divide project into three phases.
- Fund first phase at $4.2 million. Funding in 2003 and 2005 to finishes the project.
- This option meets federal timeline and guarantees federal funds will be matched.

Option two divides the project itno three phases and funds them separately.

The first phase would be $4.2 million, with the remainder funded in 2003 and 2005 beinnia.

This option also meets federal deadlines and guarantees that federal funds will be matched.

Funding Option #3

- Divide project into five phases. Fund first phase at $2.2 million--minimum needed to access federal funds expected in 1999-2001.
- This option takes the risk that FCC will grant extensions to build three of the 8 transmitters required to serve North Dakota.

Option #3 divides the project into five phases and funds the first phase at the minimum needed to access federal funds in 1999-2001.

This option takes a risk at the Federal Communications Commission will grant extensions to build 3 of the 8 transmitters needed to serve North Dakota.

We are all aware of the many needs facing North Dakota. What is most important now is to get started on the project. North Dakota's access to the digital highway can be assured with any of this options.

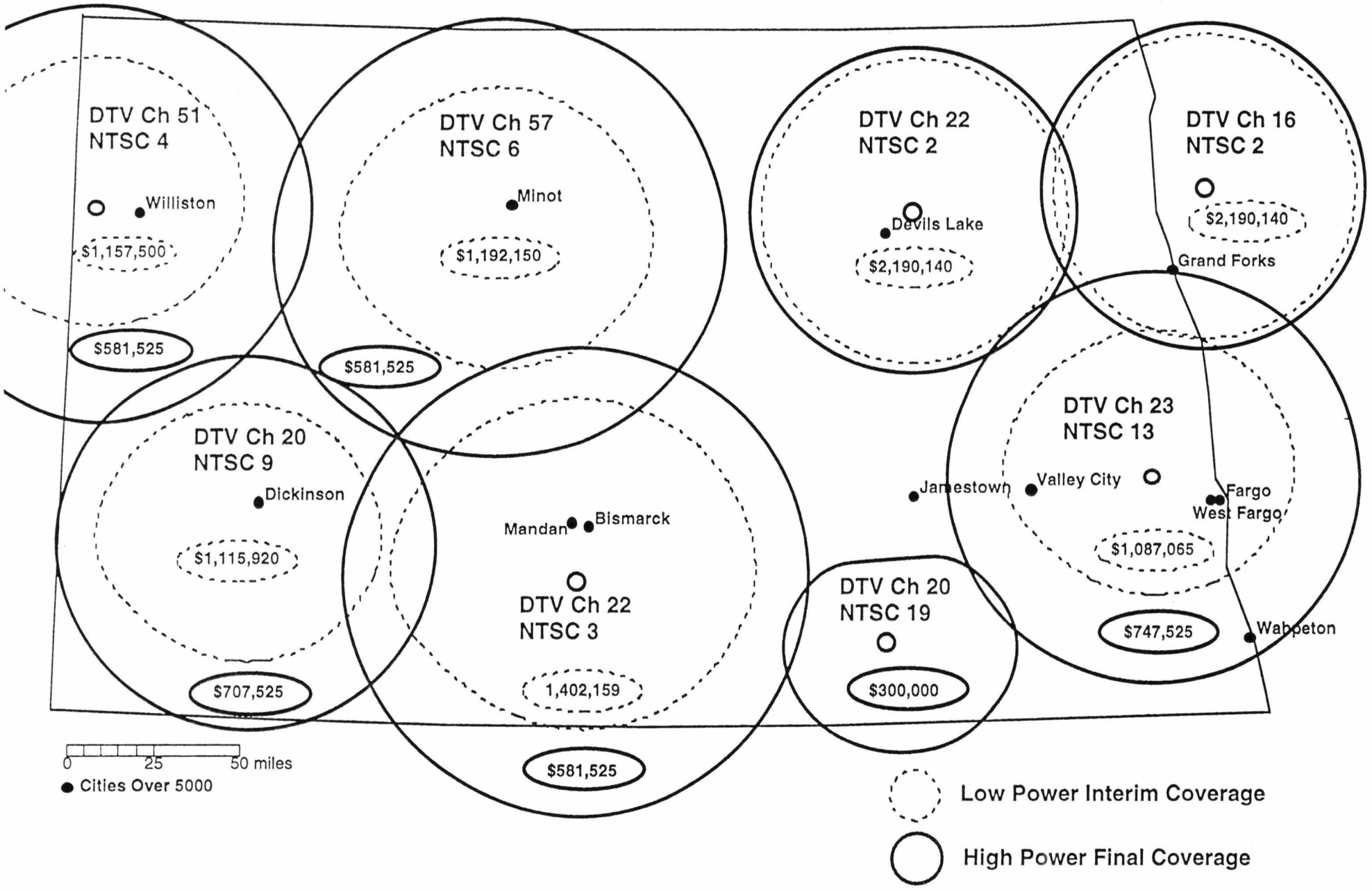
Digital Public TV Will Continue To Be:

- Locally owned and managed
- Free to all residents
- Universally available to everyone... at home, at work, at school
- One of the tools to tackle North Dakota's challenges of rurality, distance.

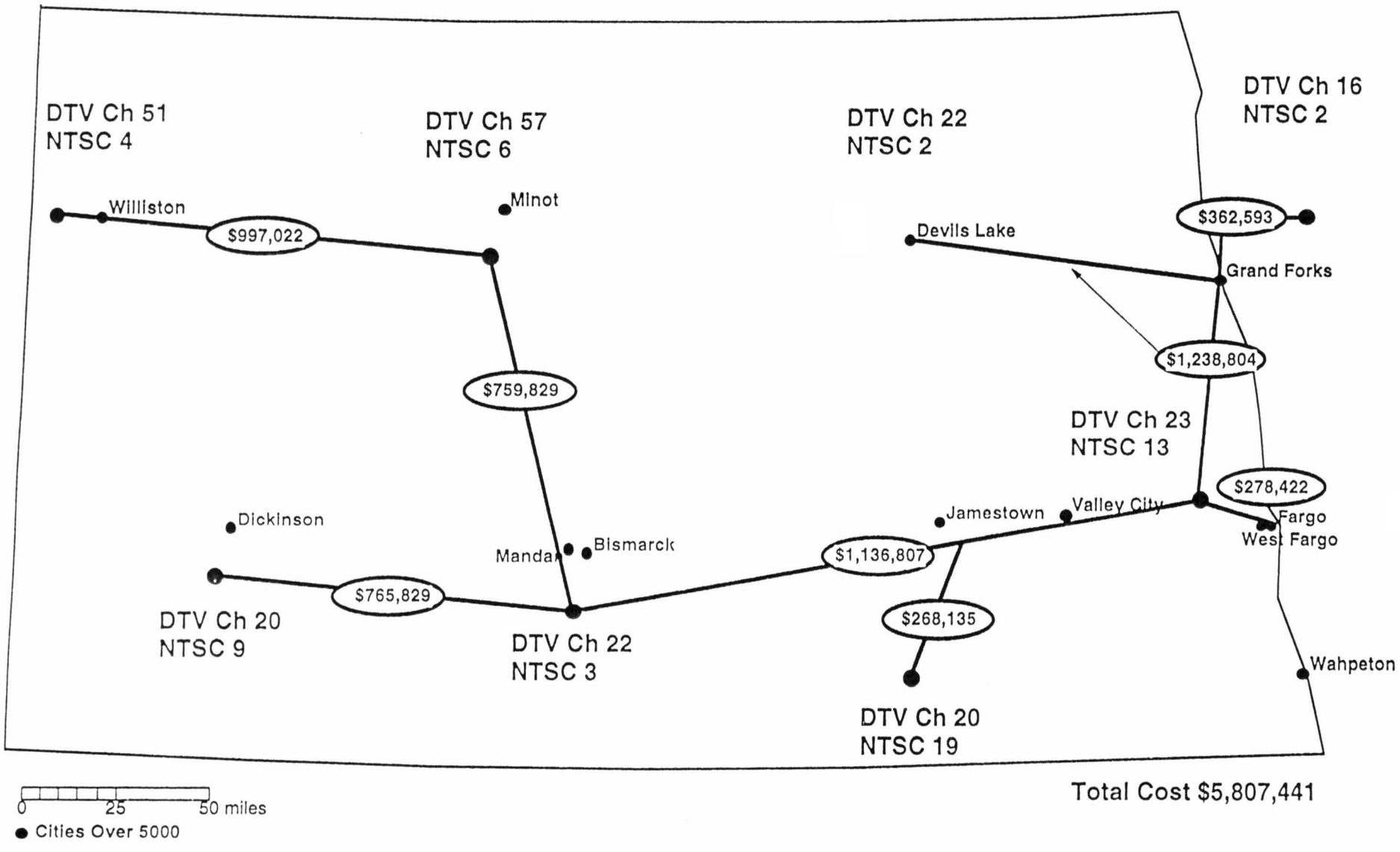
With state support for the fudning partnership, digital public television in North Dakota will continue to be a local service. It will continue to be free....and available to all North Dakotans...at home, at work and at school.

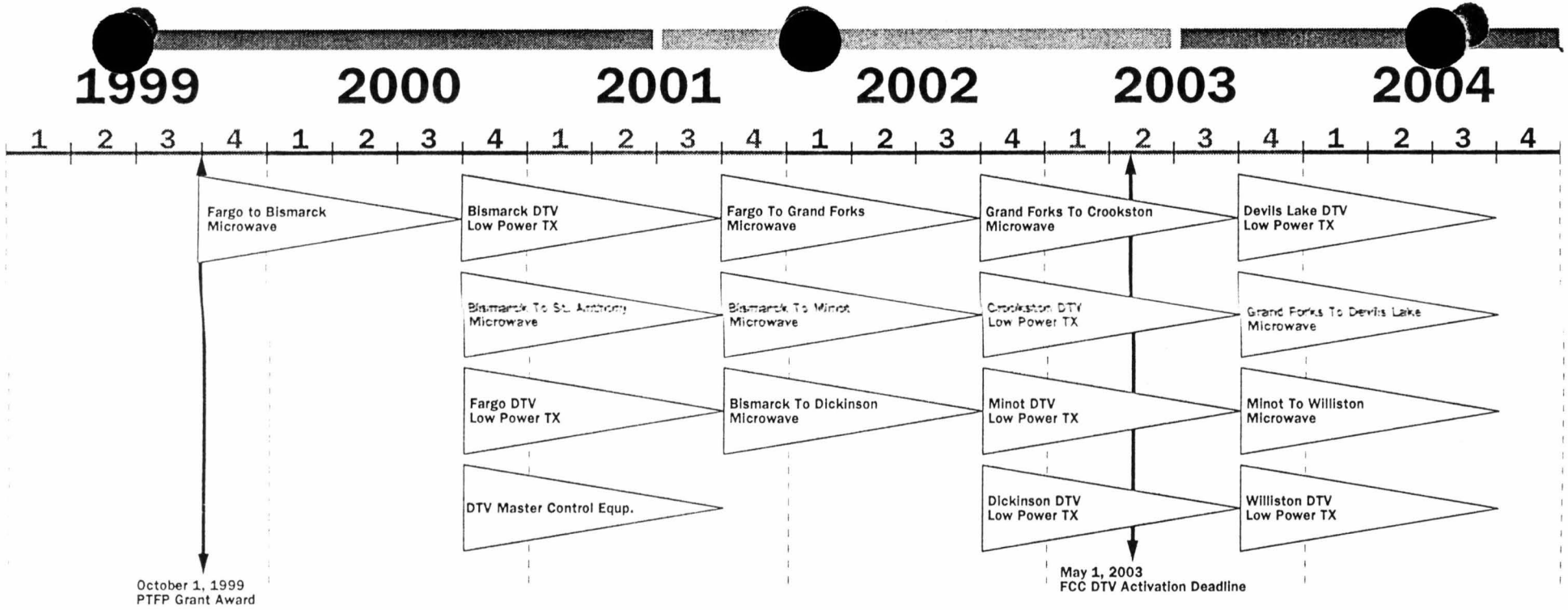
Thank you very much.

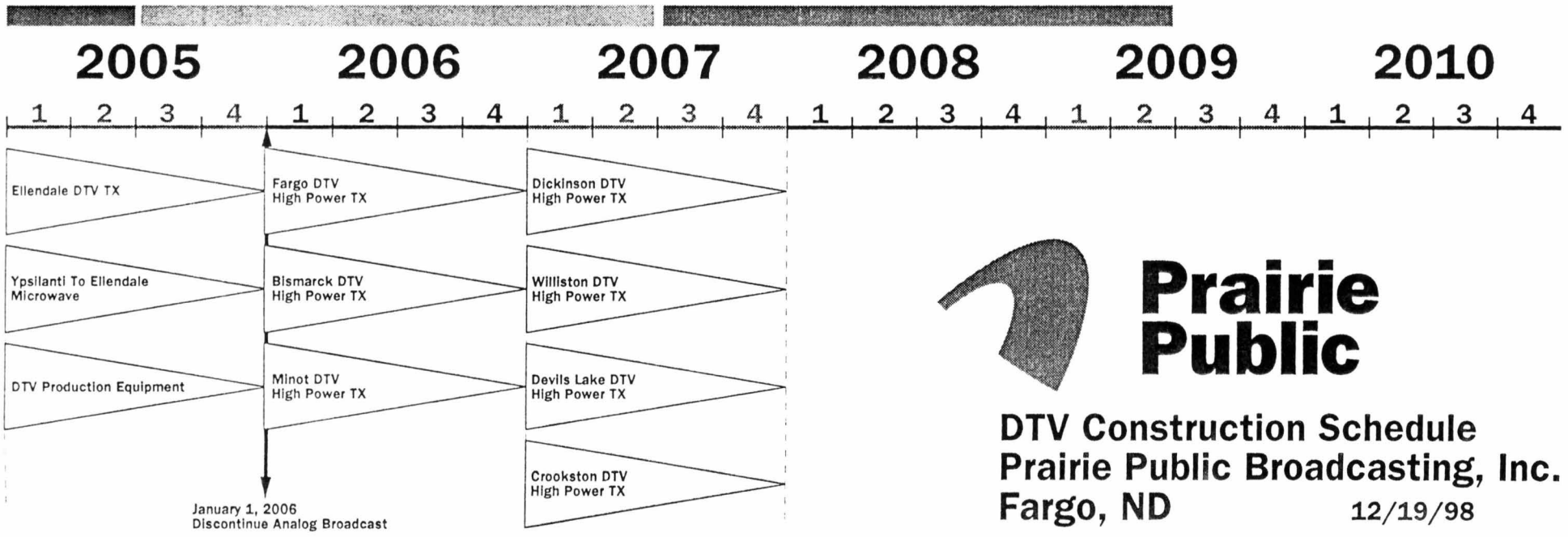
Prairie Public Broadcasting DTV Dissemination Cost



Prairie Public Broadcasting DTV Interconnect Cost







Prairie Public

DTV Construction Schedule
Prairie Public Broadcasting, Inc.
Fargo, ND

12/19/98

Prairie Public Broadcasting's 1999 Program of Action

Making Telecommunications Matter for the Prairie Region

DIGITAL TELEVISION: Prairie Public will guarantee the public sector's access to the digital broadcast spectrum.

- Over the next eight years, Prairie Public will lead the way in bringing digital television to North Dakota. No matter where they live, North Dakotans will have the same access to digital data, video and audio as other Americans.
- North Dakotans across the state and in every walk of life—from medical school students to National Guard members and from high school students to workers in small businesses—need this technology investment to keep them competitive.
- In a partnership with the federal government, Prairie Public seeks North Dakota support for the investment in DTV. Partnerships in both the public and private sectors will assure the success of this long-term funding effort.

UNIFYING PUBLIC RADIO IN NORTH DAKOTA: Prairie Public will lead the partnership effort with UND and NDSU to bring a unified public radio service to every part of the state.

- Taking a cue from legislative and community leaders, NDSU, UND and Prairie Public have joined forces to improve service and maximize resources.
- Beginning in February 1999, North Dakota Public Radio will bring North Dakota news and quality music to listeners across the state. The network's North Dakota focus will be featured weekday mornings on *North Dakota Today*, an interview/call-in program, and *North Dakota Arts,* scheduled for Saturday afternoons and featuring performances by North Dakota's classical, jazz, folk and blues groups.

PROGRAMS FOR AND ABOUT NORTH DAKOTA: Prairie Public will reach new levels of program production on television, radio, satellite and the web.

- In fiscal year 1998, Prairie Public Television produced a total of 55 hours of programs for and about the Prairie region. Programs included: *Farm Management for Profit*; *Lewis and Clark Minutes; Healthworks* programs on menopause, heart disease and diabetes; and call-ins with Governor Schafer and legislative leaders.
- In fiscal year 1999, Prairie Public Television will produce more than 70 hours of programs for and about the Prairie region. Programs in production include election coverage, the weekly series *PlainsTalk*, a documentary on the Germans from Russia, *This Week in the Legislature* and programs on small business marketing.
- In fiscal year 1998, Prairie Public Radio produced more than 2,000 hours of local programs.
- In fiscal year 1999, the 24-hour North Dakota Public Radio will increase its commitment to local programs and distribute them statewide.

BRINGING THE LEGISLATIVE PROCESS TO ALL NORTH DAKOTANS: Prairie Public will provide significant legislative coverage and the Governor's addresses on the state and budget.

- Governor Schafer's State-of-the-State Address and the Democratic response air live on Prairie Public Radio on January 5, 1999, and will be broadcast at 10:30 p.m. on Prairie Public Television.
- Beginning January 9, Prairie Public Television will air coverage of the North Dakota Legislature every Saturday at 5:30 p.m. (repeated at 6:30 p.m. Sundays) throughout the legislative session.
- Beginning January 9, legislative coverage on Prairie Public Radio will air at noon on Saturdays (repeated at 6:30 Mondays) throughout the legislative session. The coverage will be statewide on North Dakota Public Radio after February 1, 1999.

USING TECHNOLOGY TO IMPROVE EDUCATION AND HEALTH: Prairie Public can reach virtually every home, school and business in the state—cost effectively.

- More than 60,000 North Dakota public school students—and 5,400 North Dakota teachers—use the curriculum programs provided daily by Prairie School Television. From trigonometry to art, these teacher-selected programs enhance the resources available to teach North Dakota students.
- The Department of Public Instruction will use Prairie Public Television to update North Dakota teachers on changes in special education rules and procedures.
- Prairie Public will enhance public health initiatives with its continuing series *Healthworks*. With support from Dakota Medical Foundation, upcoming topics feature the state's medical experts on asthma, teenage alcoholism and other public health issues.

HELPING THE PRAIRIE PROSPER IN AGRICULTURE: Prairie Public helps farmers succeed.

- In partnership with the North Dakota State Board for Vocational and Technical Education, Prairie Public will continue the successful *Farm Management for Profit* series, focusing on crop and livestock production and financial management.
- Rural development issues will be explored by Peter Senge, author of **The Fifth Discipline**, in a program produced by Prairie Public.

HELPING THE PRAIRIE PROSPER IN SMALL BUSINESS: Prairie Public helps create value-added businesses.

- In *This Old Image*, Prairie Public will offer multimedia marketing training seminars for rural North Dakota businesses. Marketing experts will complete image "makeovers" on North Dakota businesses.
- *Start @ Home* showcases successful home-based businesses.
- *Emerging Industries in North Dakota* will help inspire new value-added businesses by indentifying the most promising initiatives across the state.

WORKFORCE DEVELOPMENT: Training increases profits, reduces costs and keeps North Dakota competitive.

- Prairie Public will partner with the North Dakota School of Science to deliver its course in industrial safety to workers in rural North Dakota.
- Entrepreneurs will learn how to market their products on the internet in a Prairie Public program that features web marketing experts evaluating web pages from North Dakota businesses.

HELPING THE PRAIRIE PROSPER IN COMMUNITY DEVELOPMENT: Prairie Public showcases community growth and change.

- Twelve profiles in *Prairie Renaissance* highlight rural community development success stories. A follow-up program brings together experts to share ideas that work for North Dakota.

Prairie Public Broadcasting • P.O. Box 3240 • Fargo, ND 58108-3240 • 701-241-6900 • 1-800-359-6900
Fax: 701-239-7650 • E-mail: ppb@prairiepublic.org • Web site: www.prairiepublic.org

March 1, 1999

FROM: PRAIRIE PUBLIC BROADCASTING
HB 1003

PROPOSED AMENDMENTS TO ENGROSSED HB 1003

On page 10, after line 10, insert:

"**SECTION 15. DIGITAL TELEVISION FUNDS.** There is appropriated to prairie public broadcasting $2,200,000 from the state's general fund, to be matched by federal funds on a 50-50 basis, for the construction of digital television transmission, interconnection and production equipment."

On page 10, line 11, change "**15**" to "**16**"
On page 10, line 16, change "**16**" to "**17**"

Renumber accordingly

PROPOSED LEGISLATIVE INTENT

Legislative intent is to provide a maximum of ~~$11,000,000~~ $10,400,000 in state funds over several biennia to build the digital television transmitters and digital interconnection system required to bring noncommercial digital broadcast services to North Dakota as mandated by the federal communications commission. State funds are to be matched by federal funds on a 50-50 basis.

Department 230 - University of North Dakota
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	916.69	$93,355,802	$56,492,071	$149,847,873
1997-99 Legislative Appropriations	963.04 *	89,324,961 **	115,716,381	205,041,342
Increase (Decrease)	(46.35)	$4,030,841	($59,224,310)	($55,193,469)

* The 1997-99 appropriation anticipated 907.37 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 963.04 FTE positions shown represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown is adjusted for allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. In addition, the 1997-99 appropriation has been adjusted for carryover authority and other funding pool allocations by the State Board of Higher Education.

Major Items Affecting the University of North Dakota 1999-2001 Budget

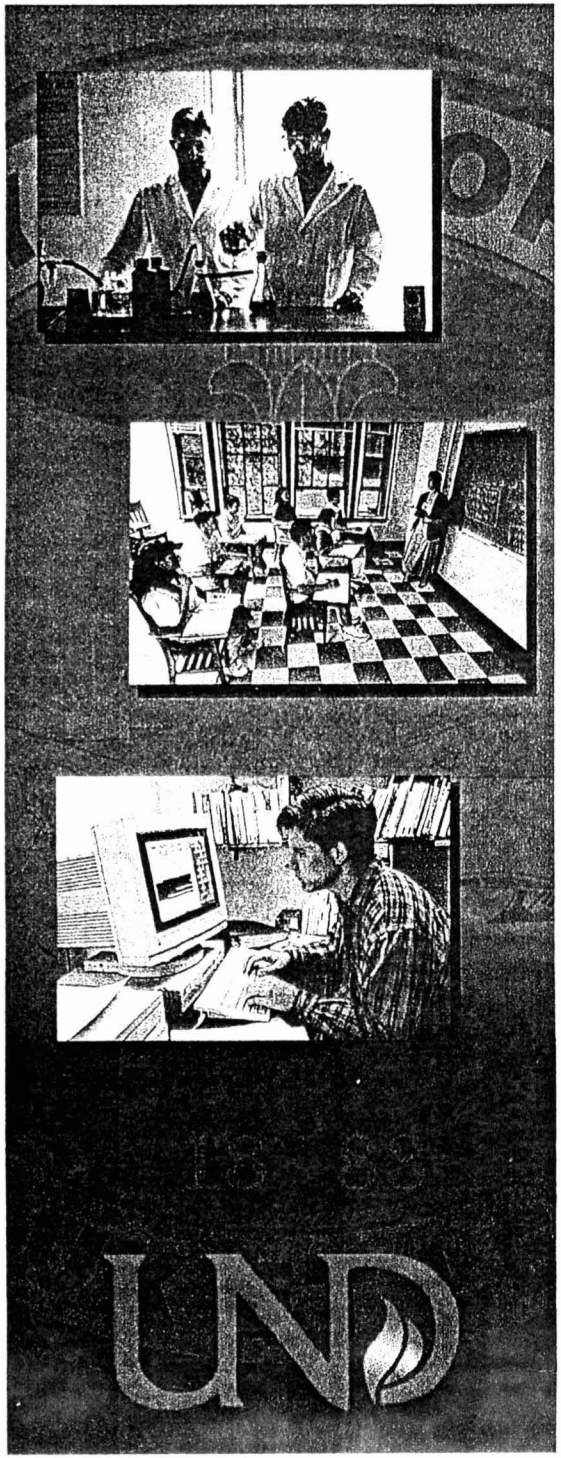
	General Fund	Other Funds	Total
1. Removes the appropriation of local funds (The House included the appropriation of local funds of $282,733,609.)		($56,720,000)	($56,720,000)
2. Adjustments made to reflect the institution's 95 percent budget request, which included reductions in master's and Ph.D. programs, Law School, student services, support staff, and plant services	($9,917,612)		(9,917,612)
3. Adds funds for restoration and reinvestment, including funds for restoring critical programs or services cut in the 95 percent budget, for adding new programs or services, or for investing in salary increases, technology, and maintenance	4,472,888		4,472,888
4. Other adjustments including funds for cost to continue including previous year salary increases, utility cost increases, and operating expenses inflationary increases (provides income from tuition rate increases of $3,682,853)	(77,837)	3,682,853	3,605,016
5. Adds funds for critical areas salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	982,347		982,347
6. Adds funds for increased capital improvements, including roof replacement, tuck-pointing, window replacement, and Americans with Disabilities Act repairs (The House reduced by $244,036.)	544,036		544,036
7. Provides a total of $2,550,000 for Phase 1 of the electrical distribution ($1,540,000) and storm sewer ($1,015,000) system projects	2,550,000		2,550,000
8. Provides funding for the Barnes & Noble bookstore project ($4.5 million is provided in Senate Bill No. 2030) (The House removed.)		4,000,000	4,000,000
9. Provides funds for technical equipment and software updates (The House removed.)	279,000		279,000
10. Removes funding for higher education salary funding pool funded in the North Dakota University System office (The House reallocated back to the institutions.)	(5,138,540)		(5,138,540)

Major Legislation Affecting the University of North Dakota

Senate Bill No. 2026 provides a general fund deficiency appropriation of $3,898,228 for costs related to the spring 1997 flood.

Senate Bill No. 2030 appropriates $4,500,000 to the University of North Dakota for construction of a building for use as a university bookstore (anticipated to be operated by Barnes & Noble, Inc.) and other retail businesses.

UNLD



University of North Dakota

Testimony Before the Appropriations Committee

North Dakota House of Representatives

January 13, 1999

University of North Dakota
Contact List

The following individuals are available to respond to questions regarding the University's biennial budget request.

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University of North Dakota
Contact List (continued)

The following individuals are available to respond to questions regarding the University's biennial budget request.

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Executive Assistant to the President

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On March 5, 1997
UND made the following points to this committee

- **The University states as its highest priority the need to bring salaries more into line with those offered in the regional and national market place, from which it must recruit and retain the faculty and expert staff who are vital to carrying out its mission as a comprehensive university.**

- **The University pledges to push ahead vigorously with the restructuring and reallocation processes now under way on the campus. The goals are to sharpen the focus of the University's programming, taking into account the needs of students and other constituents, and to shift funding internally from lower to higher priorities.**

- **The University urges a spirit of partnership in working toward long-term solutions to the challenges that confront UND and the North Dakota University System. This partnership should include the taxpayers of the State as represented by their Legislature, students and their families, external entities such as foundations and businesses, and the University itself in terms of how it manages its available resources.**

Our theme for this session

- **Support our efforts to help ourselves so we can better serve the State.**

We will discuss

- How our budget request derives from our efforts to help ourselves and to pursue the goals emphasized to the Legislature in 1997.

- **How your support of our efforts will enable us to better serve the State.**

UND's New Management Team

- **John Ettling**
  Provost and Vice President for Academic Affairs
- **Robert Boyd**
  Vice President for Student & Outreach Services
- **Peggy Lucke**
  Vice President for Finance & Operations

University Of North Dakota
99-01 Biennial Budget - Overview

09-Jan-99

Budget Base	(1) 97-99 Appropriated	(2) 99-01 Request	(3) 99-01 Exec Recommendation (breakdown)	(4) 99-01 Exec Recommendation (line item)	
Salaries	$102,237,012	$94,903,587	$95,589,995	$102,475,530	Note 1
Operating	$33,371,813	$31,627,141	$31,627,141	$33,155,561	Note 2
Equipment	$2,385,868	$2,172,200	$2,172,200	$2,527,008	Note 3
Capital Improvements	$1,907,305	$1,811,941	$1,811,941	$2,451,341	Note 4
Capital Projects	$22,769,741	$4,000,000	$6,555,000	$6,555,000	Note 5
IVN	$2,034,461	$1,932,738	$1,932,738	$2,108,224	Note 6
ODIN	$547,579	$520,200	$520,200	$575,209	Note 7
Carryover	$60,051				
Local Funds	$56,720,000	$56,720,000			Note 8
Subtotal	$222,033,830	$193,687,807	$140,209,215	$149,847,873	
Optional Adjustments					
Restoration or Reinvestment (Board Priority #1)		$4,472,888	$4,510,043		
Costs to Continue (Board Priority #2)		$3,605,016	$3,605,125		
Targeted Critical Salary Adjustments (Board Priority #8)		$945,424	$945,034		
Capital Improvements (Board Priority #9)		$544,036	$544,036		
Campus Six Year Plan Strategies (Board Priority #10)		$1,046,995			
Targeted Critical Salary Adjustments (Board Priority #11)		$945,424			
Technology Enhancements-Campus (Board Priority #12)		$739,873	$279,048		
Class II Employee Retirement Benefits (Board Priority #14)		$74,565			
Campus Six Year Plan Strategies (Board Priority #17)		$260,956			
Compensation Adjustment			$4,893,912		
Salary Pool-BHE			($5,138,540)		
Total 99-01 Biennial Budget	$222,033,830	$206,322,984	$149,847,873	$149,847,873	

University Of North Dakota
99-01 Biennial Budget - Overview (Notes)

09-Jan-99

Note 1-Salaries	
97-99 Base	$102,237,012
Reassign HECN Position	($135,929)
Enrollment Decrease	($4,370,435)
Other Income Change/Realign Costs	$390,304
5% General Fund Reduction	($3,217,365)
95% Budget Base (99-01 Request)	$94,903,587
Restoration/Reinvestment	$4,096,298
Costs to Continue	$2,139,472
Targeted Critical Salary Adjustment	$945,034
Compensation Adjustment	$4,843,223
Salary Pool-BHE	($5,138,540)
Adjust Tuition Estimate	$686,408
Technology Enhancements-Campus	$48
99-01 Exec Recommendation-Salaries	$102,475,530

Note 2 - Operating	
97-99 Base	$33,371,813
Reassign HECN Position	($27,952)
Enrollment Decrease	($1,071,227)
Other Income Change/Realign Costs	$480,927
5% General Fund Reduction	($1,126,420)
95% Budget Base (99-01 Request)	$31,627,141
Restoration/Reinvestment	$284,642
Cost to Continue	$1,243,778
99-01 Exec Recommendation-Operating	$33,155,561

Note 3 - Equipment	
97-99 Base	$2,385,868
Reassign HECN Position	($6,000)
Enrollment Decrease	($131,800)
Other Income Change/Realign Costs	($75,868)
95% Budget Base (99-01 Request)	$2,172,200
Cost to Continue	$75,808
Technology Enhancement	$279,000
99-01 Exec Recommendation-Equipment	$2,527,008

University Of North Dakota (Continued)
99-01 Biennial Budget - Overview (Notes)

09-Jan-99

Note 4 - Capital Improvements	
97-99 Base	$1,907,305
Other Income Change/Realign Costs	($95,364)
95% Budget Base (99-01 Request)	$1,811,941
Cost to Continue	$95,364
Capital Improvements Increase	$544,036
99-01 Exec Recommendation-Cap Imp	$2,451,341

Note 5 - Capital Projects	
97-99 Base	$22,769,741
Barnes & Noble	$4,000,000
Remove 97-99 Base	($22,769,741)
95% Budget Base (99-01 Request)	$4,000,000
Infrastructure	$2,555,000
99-01 Exec Recommendation-Cap Proj	$6,555,000

Note 6 - IVN	
97-99 Base	$2,034,461
5% General Fund Reduction	($101,723)
95% Budget Base (99-01 Request)	$1,932,738
Restoration of 5%	$101,723
Cost to Continue	$43,843
Compensation Adjustment	$29,920
99-01 Exec Recommendation-IVN	$2,108,224

Note 7 - ODIN	
97-99 Base	$547,579
5% General Fund Reduction	($27,379)
95% Budget Base (99-01 Request)	$520,200
Restoration of 5%	$27,380
Cost to Continue	$6,860
Compensation Adjustment	$20,769
99-01 Exec Recommendation-ODIN	$575,209

Note 8 - The Executive Recommendation removed the specific amount for local funds and substituted general language (all other funds...).

	Expenditures 1995 - 1997 Biennium	First Year Expenditures 1997 - 1998	Present Budget Balance 1998 - 1999	Total Present Budget 1997 - 1999 Biennium	Requested Budget 1999 - 2001 Biennium	1999 - 2001 Biennium Incr. (Decr.)
MAJOR PROGRAMS						
INSTRUCTION	82,301,712	45,257,671	45,535,622	90,793,293	84,686,381	(6,106,912)
SUPPORT SERVICES	19,418,769	10,338,453	12,115,176	22,453,629	20,286,368	(2,167,261)
FACILITIES UPKEEP AND MAINTENANCE	31,224,599	25,763,819	25,964,726	51,728,545	31,864,928	(19,863,617)
RESEARCH/SERVICE	292,516	168,781	169,582	338,363	130,130	(208,233)
LOCAL FUNDS	0	28,360,000	28,360,000	56,720,000	56,720,000	0
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**193,687,807**	**(28,346,023)**
LINE ITEMS						
SALARIES AND WAGES	94,696,667	50,801,449	51,435,563	102,237,012	94,903,587	(7,333,425)
OPERATING EXPENSES	26,220,648	16,017,178	17,354,635	33,371,813	31,627,141	(1,744,672)
EQUIPMENT	2,727,956	1,174,831	1,211,037	2,385,868	2,172,200	(213,668)
CAPITAL IMPROVEMENTS	7,881,705	12,338,523	12,338,523	24,677,046	5,811,941	(18,865,105)
LOCAL FUNDS	0	28,360,000	28,360,000	56,720,000	56,720,000	0
INTERACTIVE VIDEO NETWORK	1,710,620	964,490	1,069,971	2,034,461	1,932,738	(101,723)
ODIN	0	232,253	315,326	547,579	520,200	(27,379)
95 BIENNIUM CARRYOVER	0	0	60,051	60,051	0	(60,051)
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**193,687,807**	**(28,346,023)**
FUNDING SOURCES						
GENERAL FUND	79,040,965	43,620,663	46,029,730	89,650,393	84,794,888	(4,855,505)
FEDERAL FUND	0	0	0	0	0	0
SPECIAL FUND	54,196,631	66,268,061	66,115,376	132,383,437	108,892,919	(23,490,518)
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**193,687,807**	**(28,346,023)**
FULL TIME EQUIVALENT EMPLOYEES	945.47			963.04	913.75	(49.29)

	Expenditures 1995 - 1997 Biennium	First Year Expenditures 1997 - 1998	Present Budget Balance 1998 - 1999	Total Present Budget 1997 - 1999 Biennium	Requested Budget 1999 - 2001 Biennium	1999 - 2001 Biennium Incr. (Decr.)
MAJOR PROGRAMS						
INSTRUCTION	82,301,712	45,257,671	45,535,622	90,793,293	91,962,380	1,169,087
SUPPORT SERVICES	19,418,769	10,338,453	12,115,176	22,453,629	21,933,722	(519,907)
FACILITIES UPKEEP AND MAINTENANCE	31,224,599	25,763,819	25,964,726	51,728,545	35,741,634	(15,986,911)
RESEARCH/SERVICE	292,516	168,781	169,582	338,363	210,137	(128,226)
LOCAL FUNDS	0	28,360,000	28,360,000	56,720,000	0	(56,720,000)
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**149,847,873**	**(72,185,957)**
LINE ITEMS						
SALARIES AND WAGES	94,696,667	50,801,449	51,435,563	102,237,012	102,475,530	238,518
OPERATING EXPENSES	26,220,648	16,017,178	17,354,635	33,371,813	33,155,561	(216,252)
EQUIPMENT	2,727,956	1,174,831	1,211,037	2,385,868	2,527,008	141,140
CAPITAL IMPROVEMENTS	7,881,705	12,338,523	12,338,523	24,677,046	9,006,341	(15,670,705)
LOCAL FUNDS	0	28,360,000	28,360,000	56,720,000	0	(56,720,000)
INTERACTIVE VIDEO NETWORK	1,710,620	964,490	1,069,971	2,034,461	2,108,224	73,763
ODIN	0	232,253	315,326	547,579	575,209	27,630
95 BIENNIUM CARRYOVER	0	0	60,051	60,051	0	(60,051)
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**149,847,873**	**(72,185,957)**
FUNDING SOURCES						
GENERAL FUND	79,040,965	43,620,663	46,029,730	89,650,393	93,355,802	3,705,409
FEDERAL FUND	0	0	0	0	0	0
SPECIAL FUND	54,196,631	66,268,061	66,115,376	132,383,437	56,492,071	(75,891,366)
TOTAL	**133,237,596**	**109,888,724**	**112,145,106**	**222,033,830**	**149,847,873**	**(72,185,957)**
FULL TIME EQUIVALENT EMPLOYEES	945.47			963.04	916.69	(46.35)

NORTH DAKOTA UNIVERSITY SYSTEM
ALLOCATION OF 1999-2001 BIENNIAL BUDGET PRIORITIES
IN SUPPORT OF THE BHE'S SIX YEAR PLAN
(ASSUMES GF BASE AT 95% = $17.2 MILLION REDUCTION)

Priorities	
1	Restoration or reinvestment
2	Costs to continue
3	Common course #ing
4	ODIN replacement
5	SAGE
6	HECN Tech enhancements
7	MHEC dues
8	Targeted critical sal adj-all entities
9	Capital improvements increase
10	Campus Six Year Plan-Campus Strategies
11	Targeted critical sal adj-all entities
12	Tech enhancements-campuses
13	SPARC
14	Class II employee retirement benefit
15	Equity adjust.-NDSU
16	SBAR Initiatives
17	Campus Six Year Plan-Campus Strategies
18	Increased state grant funding-$600 to $800
19	Board Initiatives
20	Capital improvements increase
21	Increased state grant funding-$800 to $1,000
22	SBAR Initiatives
23	Equity adjust.-NDSU
24	SBAR Initiatives

Division of Academic Affairs

Vice President for Academic Affairs & Provost John Ettling

Associate Vice President for Academic Affairs

Academic Colleges

- Arts & Sciences
- Law
- Education & Human Development
- Nursing
- Business & Public Administration
- Engineering & Mines
- Aerospace Sciences
- Fine Arts & Communication
- Graduate School

Academic Support Units

- Chester Fritz Library
- Computer Center
- Registrar
- Instructional & Learning Technologies
- International Programs
- Army ROTC
- Instructional Development
- Writing Program
- Research & Program Development
- Honors Program

UND

Academic Affairs
Human Resources

• Teaching Staff	986*
• Academic Support Staff	642
Total	1,628

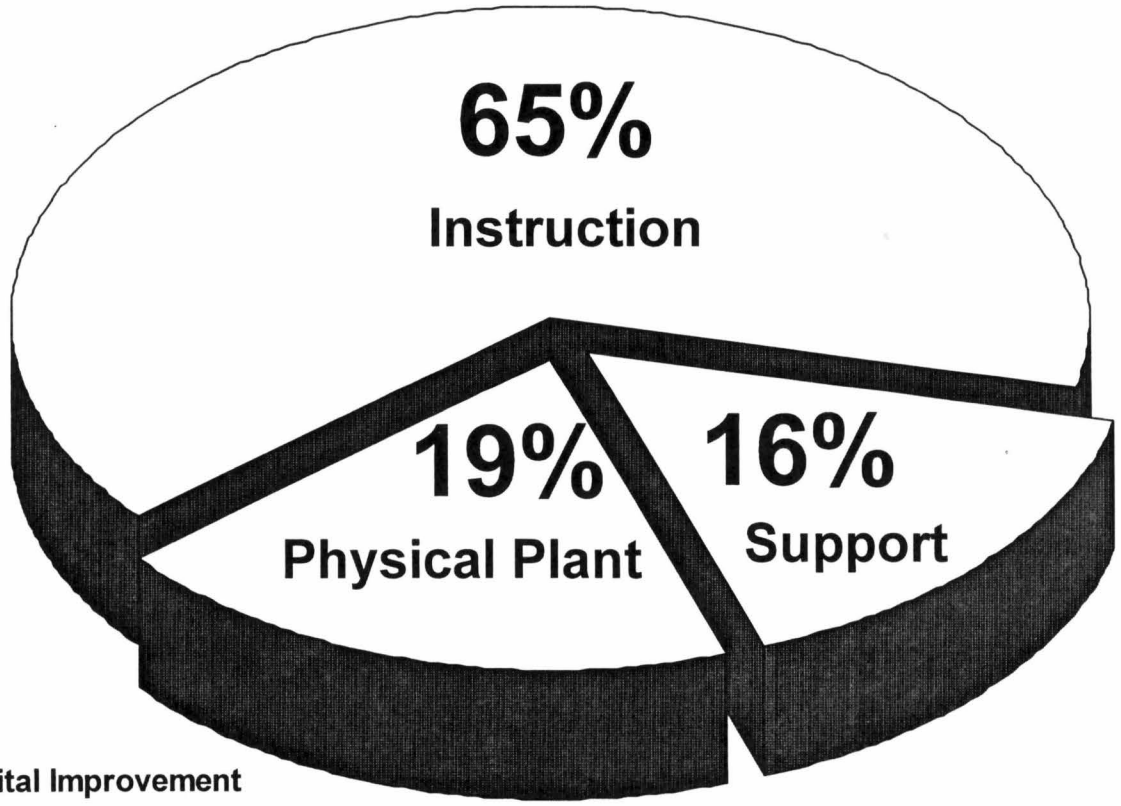
*includes medical school faculty

Academic Affairs
Financial Resources

- State Appropriation (FY 98) $44,660,530
  (65% of UND total)

- Extramural Grants & Contracts $ 9,500,000

Functional Breakdown of 97-99 Budget



Excludes Capital Improvement

Annual Reinvestment Plan
Academic Programs

• Academic Program Investment Pool	$320,000
• Annual Academic Innovation Pool	$180,000
• Strategic Investment Pool	$100,000
Total	$600,000

Reinvestment Plan
Academic Salaries

Faculty

$1,039,210/year ($2,078,420/biennium)

Graduate Teaching Assistants

$ 300,000/year ($600,000/biennium)

Total

$1,339,210/year ($2,678,420/biennium)

The Job of the Faculty Member

Teaching

- Classroom Work
- Scholarships
- Writing
  - Writing Across the Curriculum
  - Writing Center
- Honors
- Faculty Ambassadors

Teaching on IVN

- Work to Involve Students
- Visually Attractive Presentations
- Logistical Problems

New IVN Developments

- Certificate Programs
- Health Administration

Service

- Throughout the State

Research

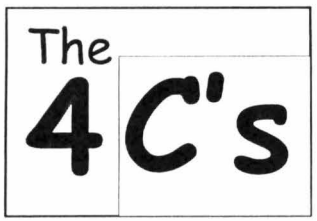
- To Keep Current
- To Share Knowledge with Others
- To Aid in Economic Development

College of Business & Public Administration

College of Business & Public Administration

- Vision
- Mission
- Educational/Entrepreneurial
  - Solid Foundation
  - AACSB - Recertification

College of Business & Public Administration



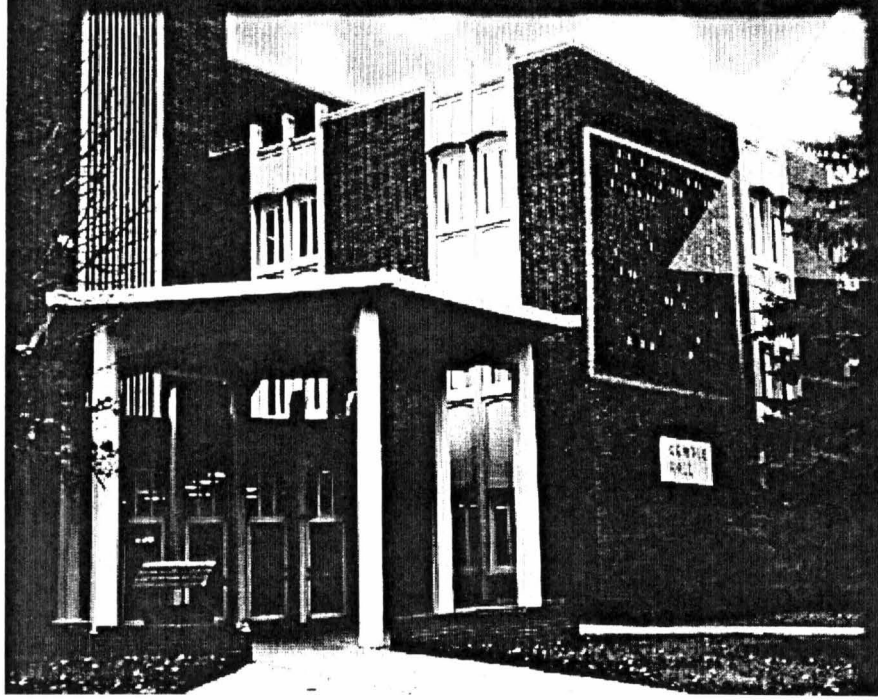
- Change
- Curriculum
- Communication
- Community

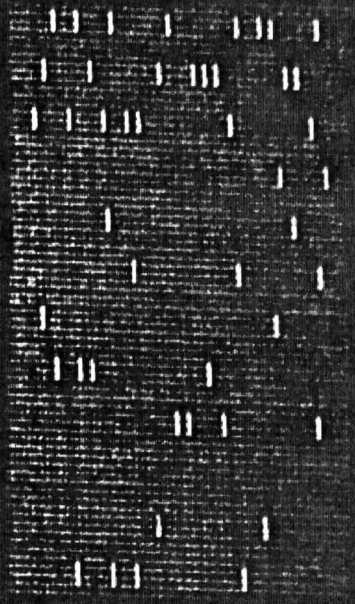
The 4 C's

✓ Change

- Reorganization of the College
- Small Business Development Center
- Center for Innovation/Rural Technology
- Bureau of Governmental Affairs
- Bureau of Business & Economic Research
- 75th Anniversary of College - 1924
- 30th Birthday of Gamble Hall - 1968

Hollerith Code on Gamble Hall





University of North Dakota

Reorganization of the College

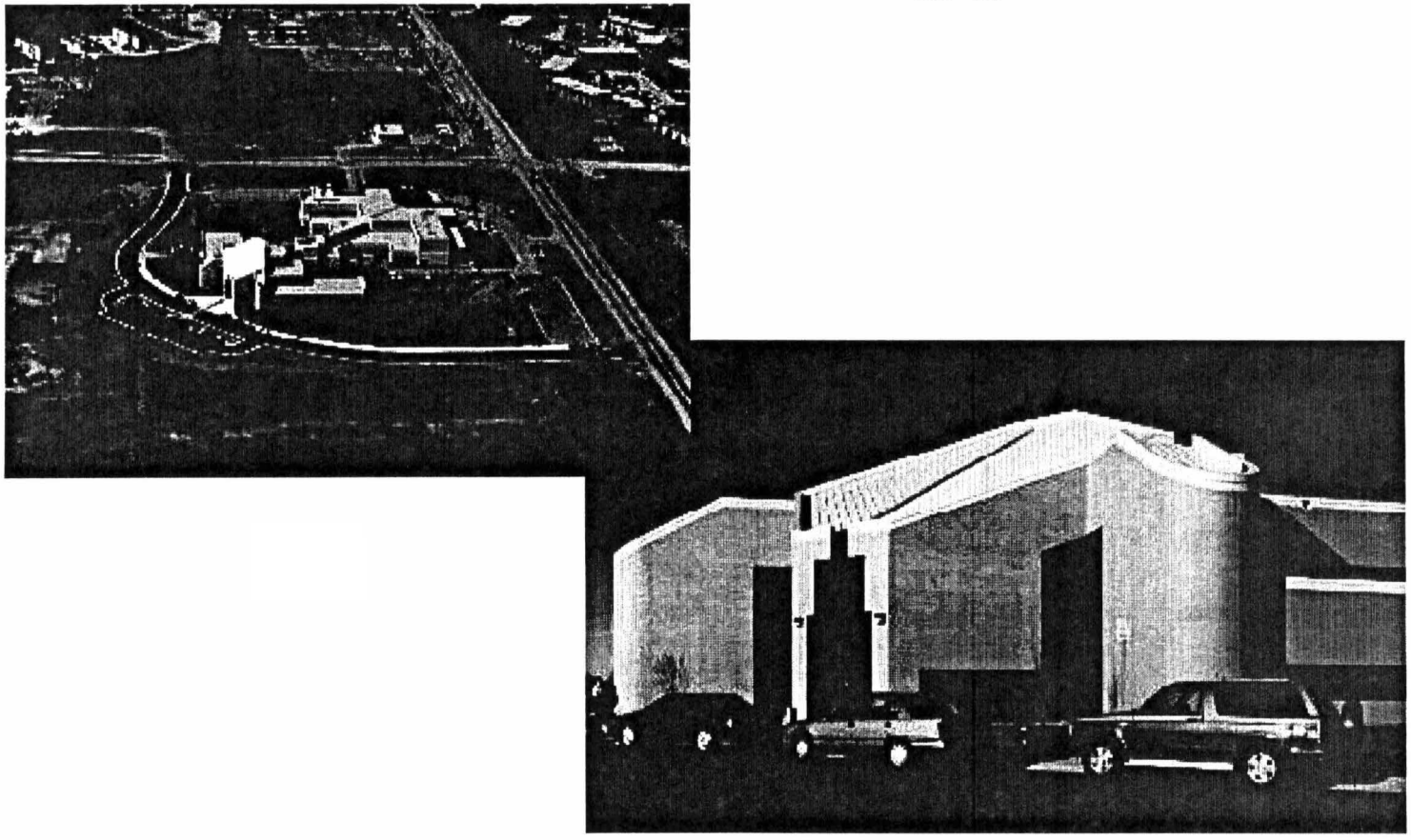
8 Departments

- Accounting
- Economics
- Management
- Political Science
- Finance
- Industrial Technology
- Marketing
- Business & Vocational Education

3 Academic Divisions

- Accounting & Finance
- Economics & Public Affairs
- Organizational Systems & Technology

Center for Innovation
Rural Technology Center



UND

✓ Curriculum

- Entrepreneurship Certificate
- Management Information Systems
- Review Total Business Core
- Interdisciplinary
  - Recertification 1996 – 10 years
  - AACSB - The International Association for Management Education

✓ Communication

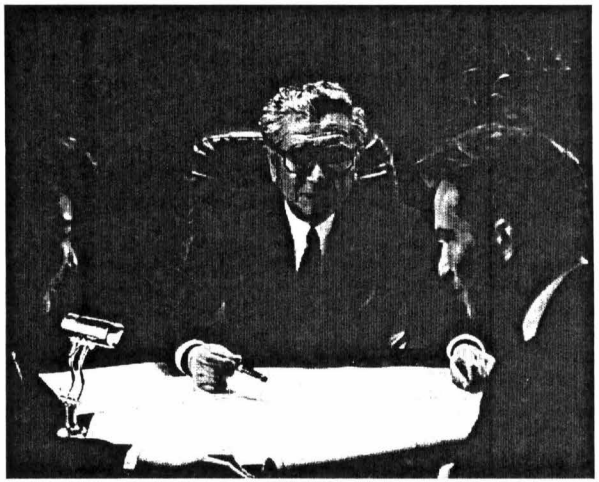
- Internal and External
- Revised Mission
- Core Values
  - We Serve Students
  - We Serve Faculty
  - We Serve Business, Industry, Government
  - We Serve Society

✓ Community

- Involved in City, Region, State
- Role in Economic Development
- Growth Opportunities for Business & North Dakota
- Continuing Education & Work Force Development

College Goals

- Positive Outlook
- Excited About Future
- Leadership Role
- Partnerships



Facing the Future

- Excited
- Entrepreneurial
- Enthused
- Educators
- We Serve Students!

The 4 C's

- **Change**
- **Curriculum**
- **Communication**
- **Community**

5. C

Student & Outreach Services

Division of Student & Outreach Services

Vice President for Student & Outreach Services

Administrative & Support Staff

Associate Vice President for Student Services and Dean of Students

Associate Vice President for Outreach Services and Dean of Outreach Programs

Student Programs and Services

- Career Services/ Cooperative Education
- Counseling Center
- Disability Support Services
- Judicial Affairs/ Crisis Coordination
- Student Health

Student Life Resources

- Memorial Union
- Multicultural Student Services
- Native American Programs
- Women's Center

Student Enrollment Resources

- Admissions
- Enrollment Services
- Student Academic Services
- Student Financial Aid
- Summer Session
- TRIO Programs

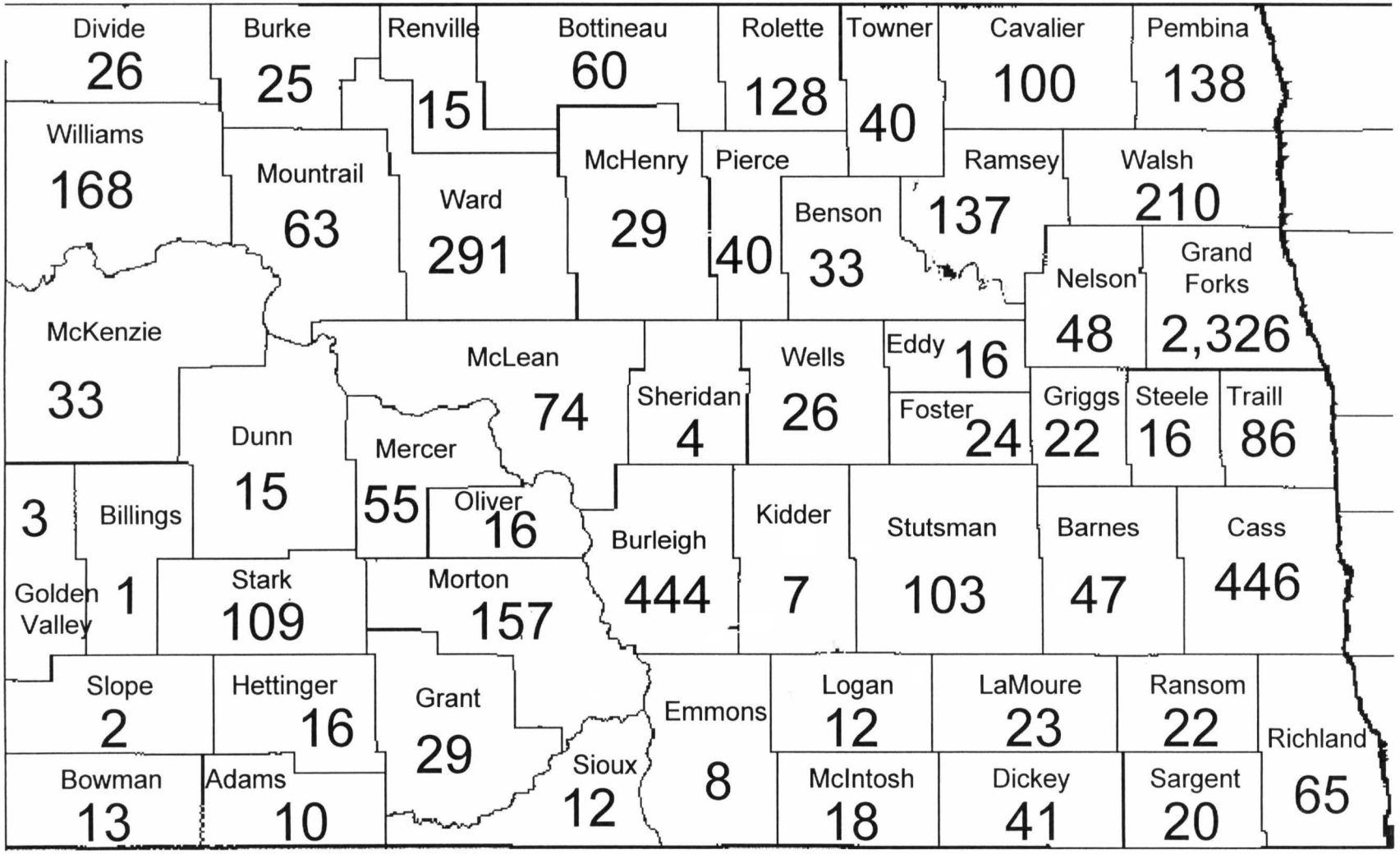
Outreach Programs and Services

- Conferences
- Correspondence Study
- Extended Degrees
- Extension
- KUND
- Off-Campus Centers
- Television Center
- UND IVN
- University Relations
- University within the University
- Work Force Development

Benefits of Creating the Division of Student & Outreach Services

- Expand UND's long-time commitment to student learning both on and off the campus
- Make UND more responsive to the increasingly diverse educational needs of its prospective and current students
- Bring new focus to UND's efforts to build partnerships within private and public sectors
- Ensure a more efficient and effective delivery of services to students and to citizens of the state

Fall 1998 In-State Enrollment by County of Origin

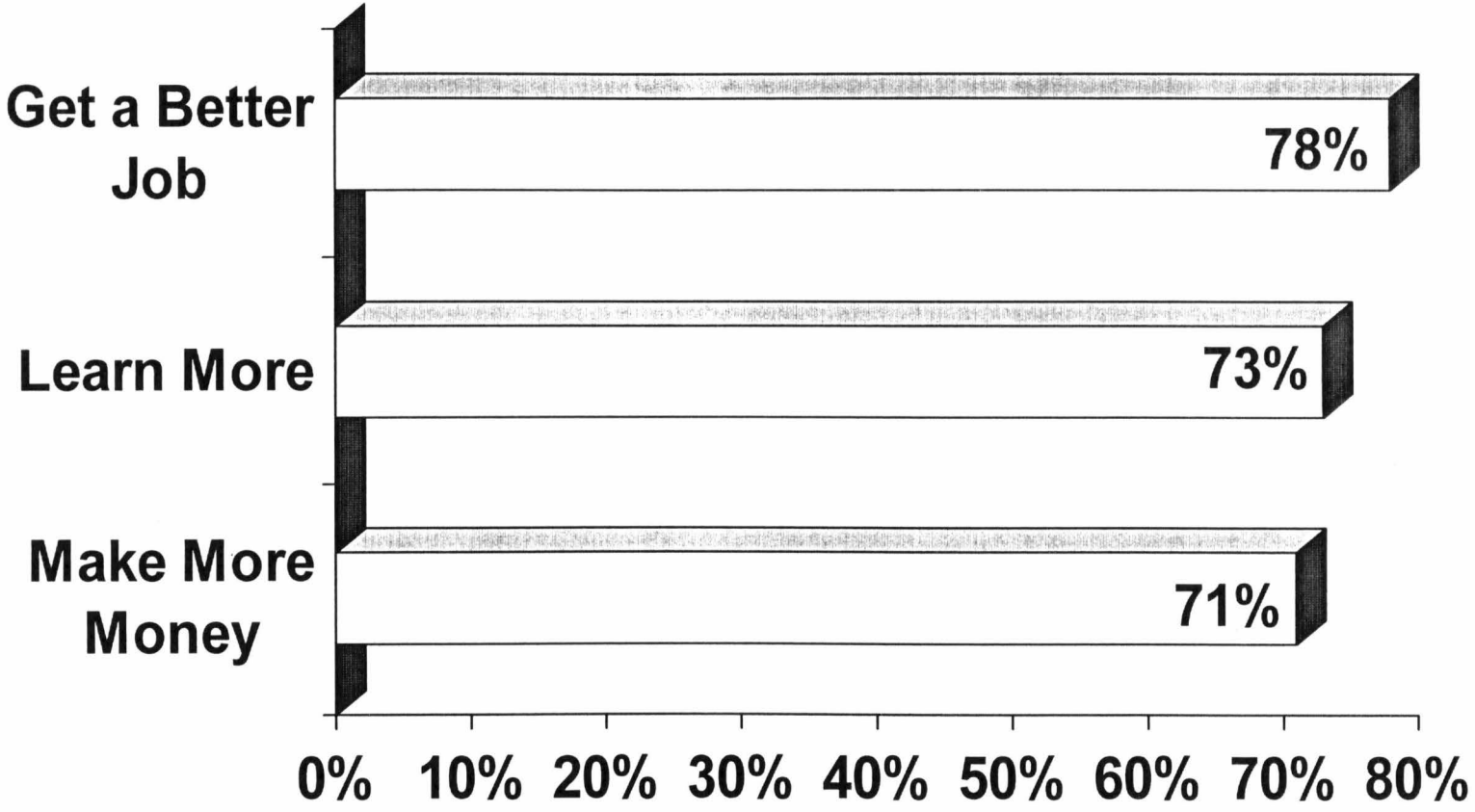


Fall 1998

UND

Total Headcount = 5,872

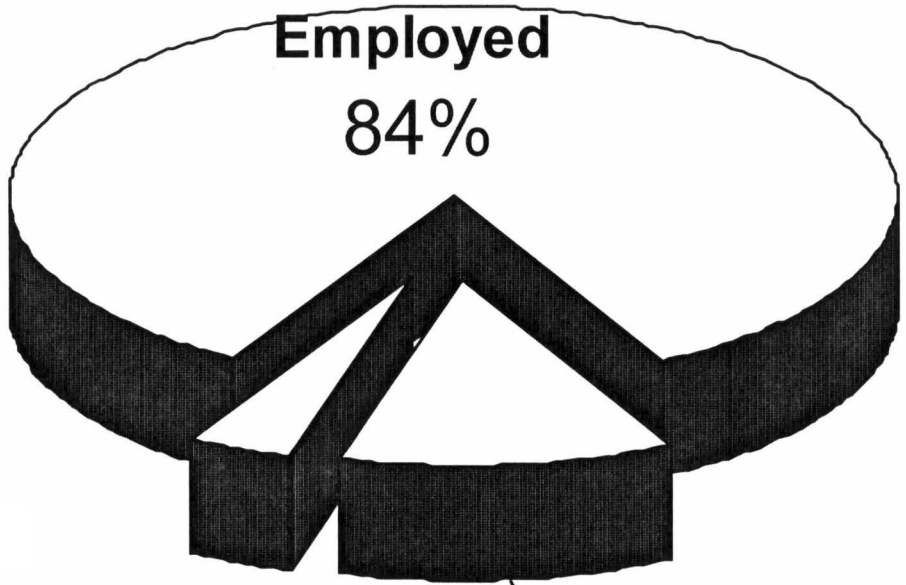
Percentage of New UND Freshmen Indicating "Very Important" as a Reason to Attend College



Source: 1997 ACE-CIRP Survey of Incoming Freshmen
Provided by: Office of Institutional Analysis

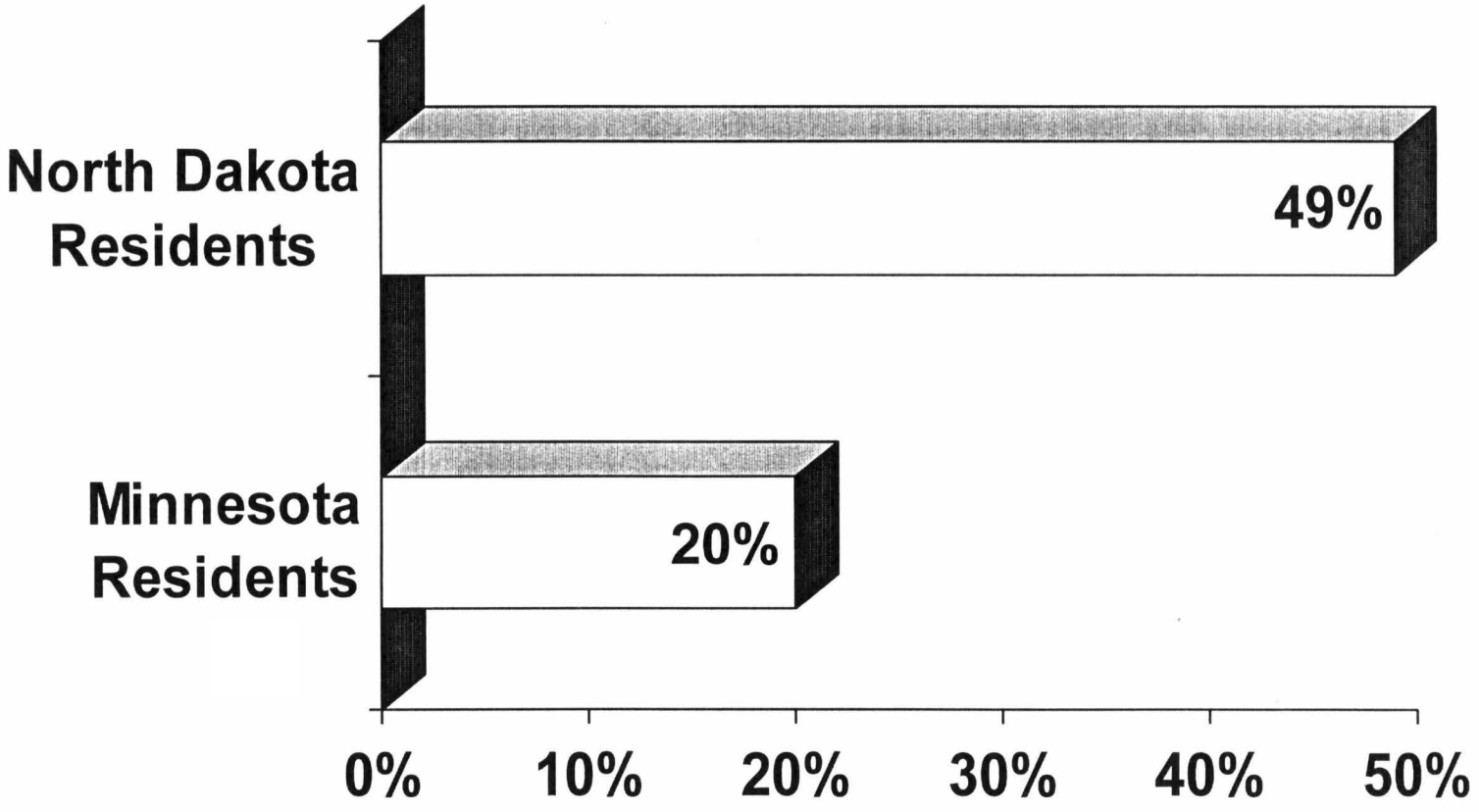
UND

Percentage of Recent UND Graduates Either Employed or Enrolled as Graduate Students



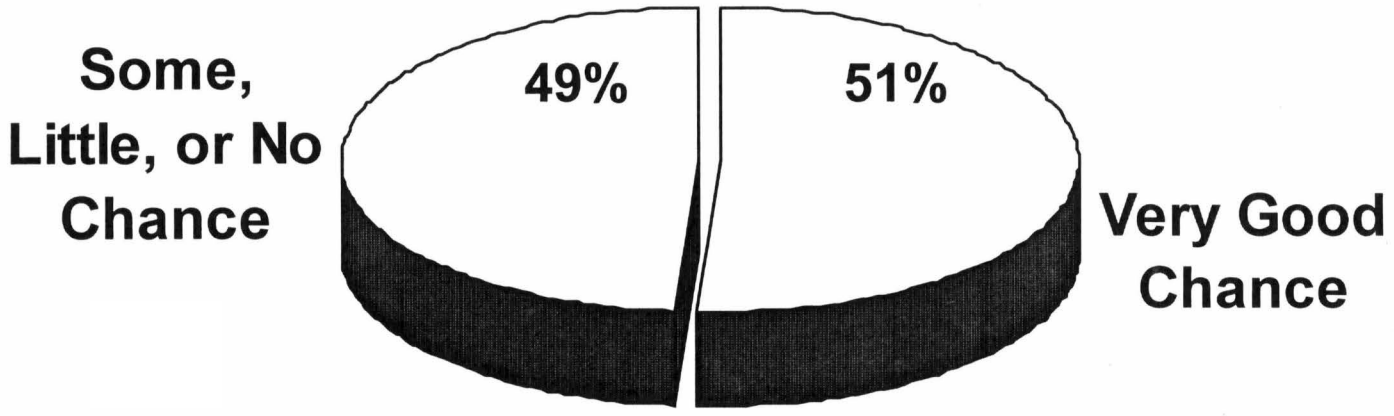
Source: 1997 Placement Survey
Provided By: Office of Institutional Analysis

UND Graduates Obtaining Jobs in North Dakota



Source: 1997 Placement Survey
Provided by: Office of Institutional Analysis

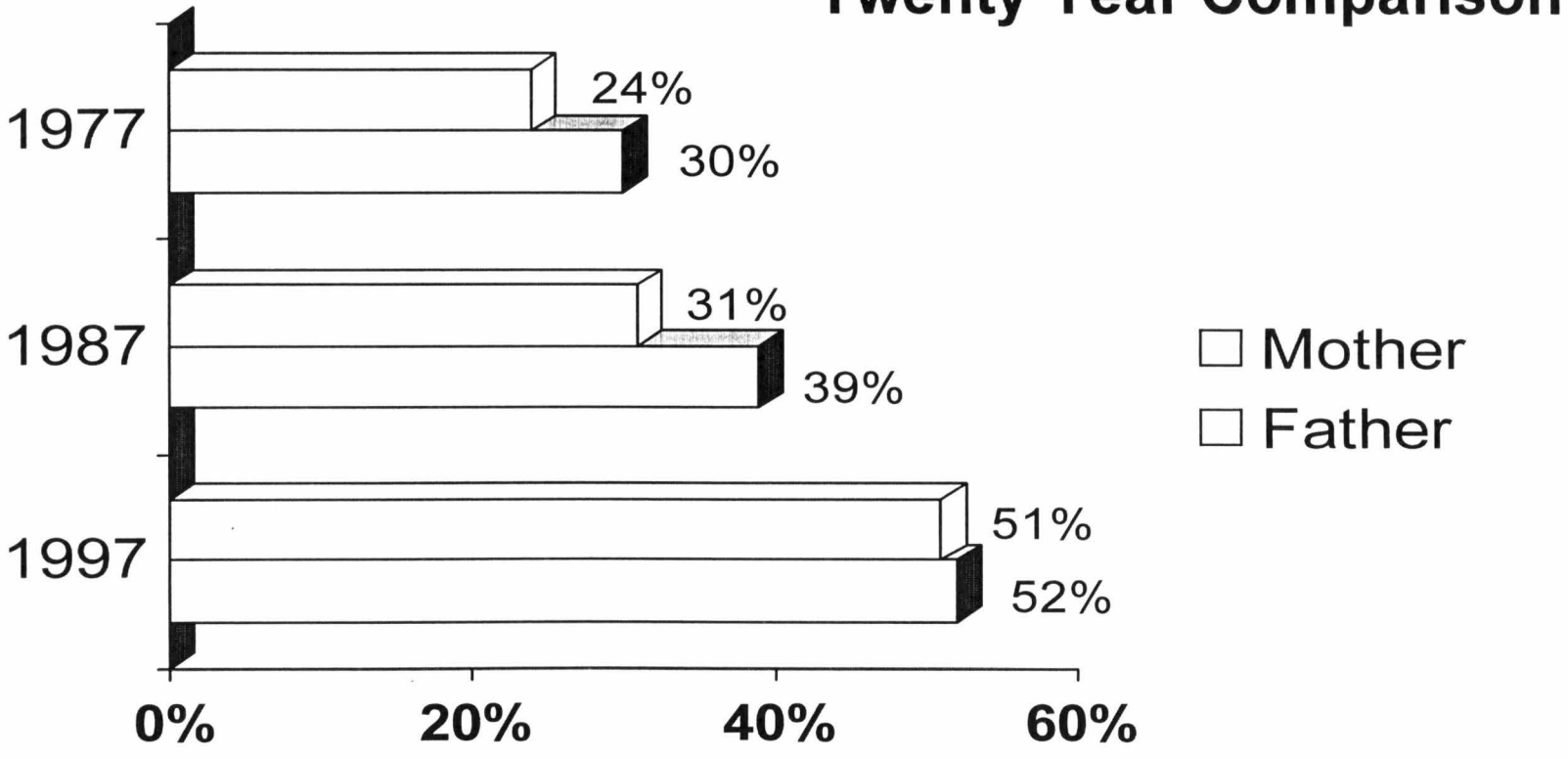
Percentage of new UND freshmen estimating the chances of getting a job to help pay for college expenses



Source: 1997 ACE-CIRP Survey of Incoming Freshmen
Provided by: Office of Institutional Analysis

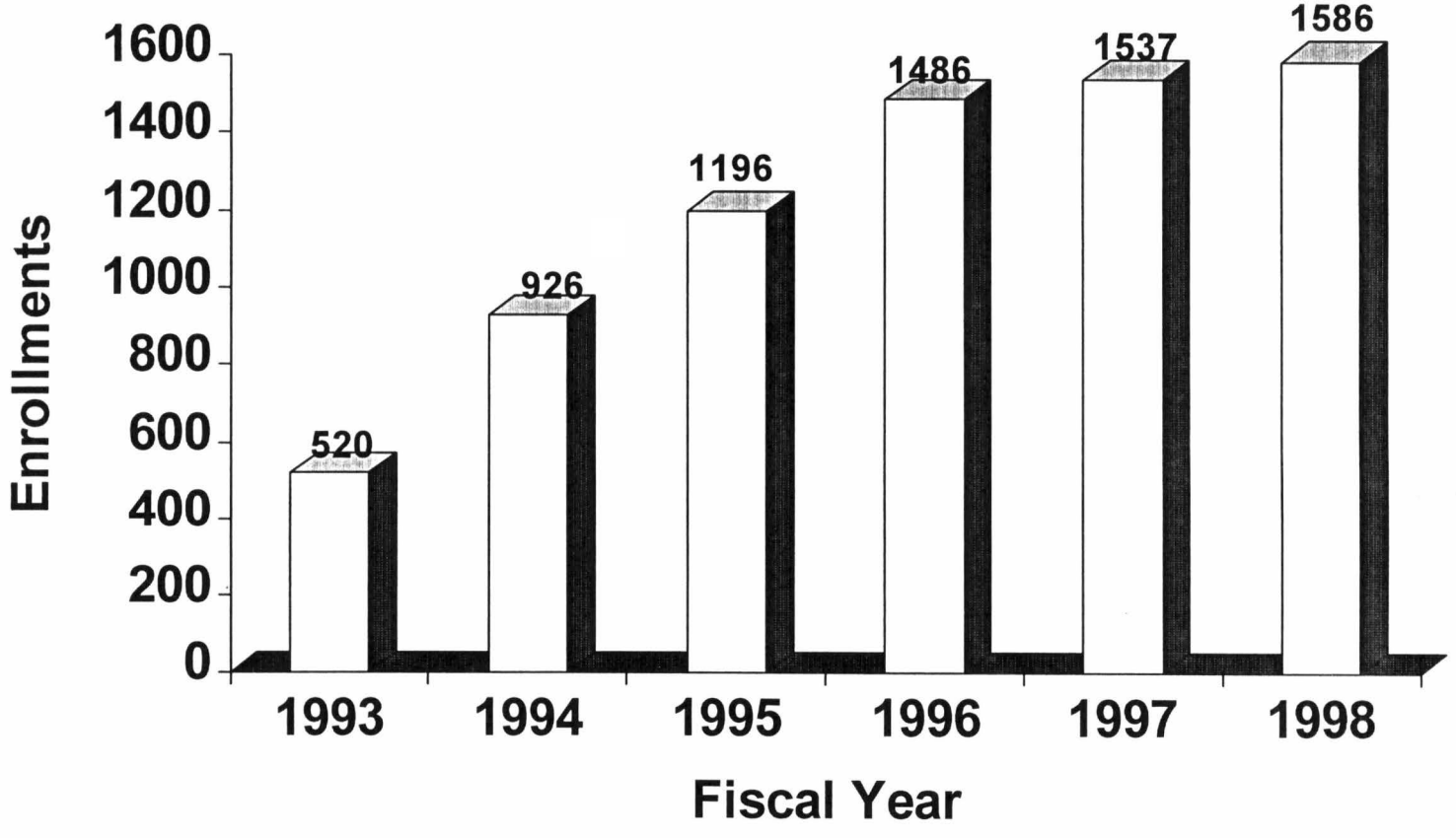
Percentage of Parents with College Degrees

Twenty Year Comparison



Source: [77, 87, 97] ACE-CIRP Survey of Incoming UND Freshmen
Provided By: Office of Institutional Analysis

Distance Education Degree Programs



Source: Division of Continuing Education FY 98 Annual report

Current Distance Education Degree Programs

Degree Programs	Method of Delivery/Sites
Undergraduate Degrees	
Bachelor of Business Administration/ Major in Management	IVN / Williston & Devils Lake
Bachelor of Science (Corporate Engineering Degree Program) Major in Chemical, Electrical or Mechanical Engineering	Delayed videotape / Nationwide to consortium members
Bachelor of Science in Elementary Education	On-site delivery / New Town
Bachelor of Science in Occupational Therapy	On-site delivery / Casper, WY
Bachelor of Science in Clinical Lab Sciences	IVN / Audio Conferencing / Internet / On-campus delivery

Degree Programs	Method of Delivery/Sites
Graduate Degrees	
Master's Degree in Business Administration	IVN / Bismarck & Dickinson
Master's Degree in Public Administration	IVN / Bismarck
Master of Education Degree in General Studies For Secondary Teachers	On-site & IVN delivery/Bismarck
Master of Education Degree in Educational Leadership (Joint program with UND & Tri-College University)	IVN / Grand Forks, Fargo, Minot, Bismarck, & Williston
Master of Education Degree in Elementary Education	On-site and IVN delivery/Belcourt
Master's Degree in Rural Health Nursing	IVN / Fargo, Minot, Jamestown, & Bismarck
Master's Degree in Social Work	IVN / Bismarck
Master's Degree in Space Studies	Internet and Delayed Videotape/ World-wide delivery

UND's Workforce Development Efforts

- A long tradition
- An energized effort

The Workforce Crisis in the Midwest

- Workforce shortages
  - North Dakota
  - The Midwest
- The 2010 workforce

UND's Presidential Initiative to Expand Services

- Creation of a special office in September 96
  - Designed to meet the needs of business and industry
  - Customer driven
  - Entrepreneurial in nature
  - Culture of quick response and flexibility
- Provision of seed money

Our WFD Mission & Vision

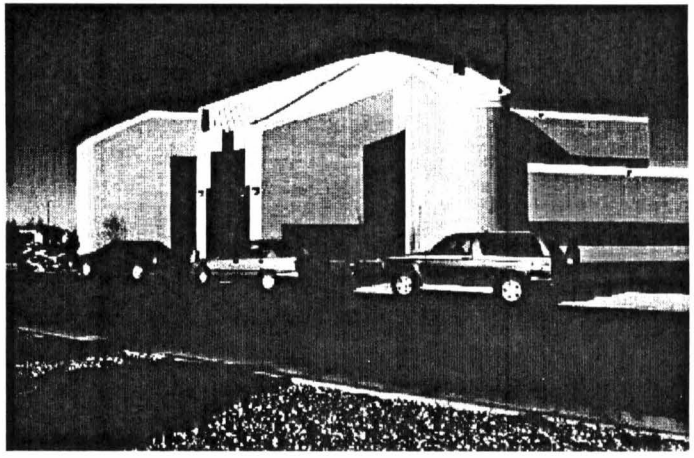
- Build long-term strategic partnerships, not short-term sales opportunities
- Network business & industry with the expertise at the University
- Provide not only workforce training but also important workforce development services

The Rural Technology Center

- Built primarily through federal funds
- Opened in October 1996
- The state's leading research technology center
- Home of UND's Office of Work Force Development

RTC Facilities & Services

- Training rooms (3 sizes)
- Big screen technology
- Video conferencing
- Satellite down-link services
- Satellite up-link services
- 250 seat auditorium



Our Financial Model

- Seed money provided
- Five year plan developed
- First year revenue analysis
  - Direct costs
    - Paid 100% by the client
  - Indirect costs
    - Seed money 20%
    - Grant funding 38%
    - Client payments 42%

First Year Accomplishments

- Developed relationships with over 25 businesses, industries and governmental agencies
- Worked closely with other state agencies such as Job Service
- Facilitated essential strategic planning services for business and industry clients
- Positioned UND faculty, staff and students in business and industry

First Year Accomplishments
(continued)

- Conducted major workforce assessments
- Started research on workforce retention issues on behalf of business and industry
- Instrumental in developing and managing a workforce system for the Grand Forks area

WFD: An Economic Development Engine

- Assisted with two industry expansions & three new startups:
  - Business Expansions
    - Conte Luna Foods
    - Marvin Windows
  - New business startups
    - Cirrus Aviation
    - Longview Fibre
    - LM Glasfiber

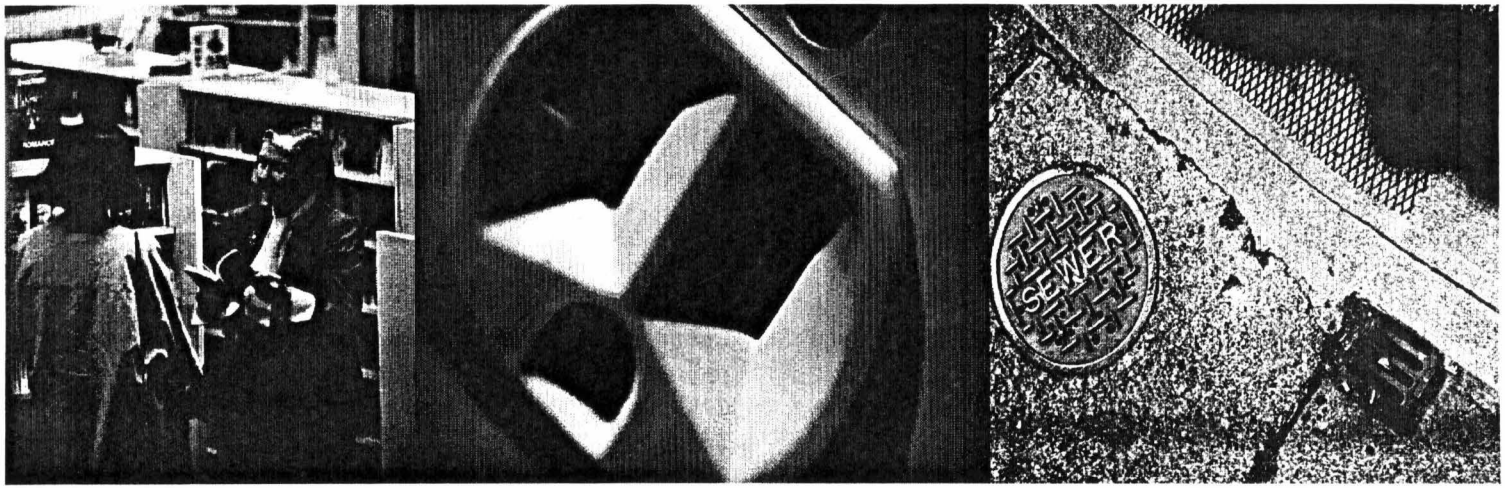
Economic Development (continued)

- Economic impact
  - 750 new jobs in 12 months
- Workforce training of over 1000 employees
- Procured training funds for businesses
  - over $500,000
  - large & small operations

Work Force Development Office

Responding to the Needs of Business & Industry

Finance & Operations



Division of Finance & Operations

Vice President for Finance & Operations

Controller

- Accounts Payable
- Business Office
- Cash & Investments
- Purchasing & Central Receiving

Payroll & Risk Management

Personnel Services

Auxiliary Services

- Chester Fritz Auditorium
- Golf Course
- Transportation
- University Police, Parking & Traffic

Residence Services

- Apartment Housing
- Dining Services
- Residence Halls
- University Children's Center

Environmental Safety

Mailing, Duplicating Services & Word Processing

Physical Plant

Printing Center

Radiation Safety

Telecommunications

CAPITAL PROJECTS SUMMARY

230 UNIVERSITY OF NORTH DAKOTA

Version: 1999-0230-R-01

Priority	Capital Project	Reporting Level	Line	Cost 1999-2001	Cost 2001-2003	Cost 2003-2005
01	Bookstore Construction-Barnes & Noble	00-230-300-00-00-00-00	50	4,000,000	0	0
02	O'Kelly Hall Renovation	00-230-300-00-00-00-00	50	0	5,000,000	0
03	Education Renovation	00-230-300-00-00-00-00	50	0	4,700,000	0
04	Category I Health & Safety	00-230-300-00-00-00-00	50	0	312,205	312,205
05	Category II ADA	00-230-300-00-00-00-00	50	0	2,264,212	2,264,212
06	CategoryIII Major Renovations-Networking	00-230-300-00-00-00-00	50	0	1,922,462	1,922,462
07	Category III Major Repairs	00-230-300-00-00-00-00	50	0	7,560,921	7,560,920
08	Elec dist/storm sewer	00-230-300-00-00-00-00	50	2,555,000	0	0
	TOTAL			6,555,000	21,759,800	12,059,799

Major Capital Projects

Executive Budget Recommendation

New construction

- **Bookstore construction - Barnes & Noble (SB 2030)** **$4,000,000**

BOOKSTORE CONSTRUCTION
BARNES & NOBLE

Bookstore Construction - Barnes & Noble ($4.5 million) Barnes & Noble has submitted a proposal to the University of North Dakota to operate and manage a Barnes & Noble Superstore on the Bronson Property as part of the development of the University Village. This building will be built and owned by the University and occupied by Barnes & Noble.

Under the terms of the proposal, the University would build a 32,000 square foot facility. The University Village location for the facility is a natural crossroads for the campus and the surrounding community. With a popular Barnes & Noble Superstore as an anchor, the University is able to proceed with further development of the University Village concept for compatible retail stores. An ample parking area will make the store convenient for students and faculty, as well as the general public. The opportunity for significantly increasing sales at this location is great, since it will serve not on the University, but the Grand Forks community and region.

The primary mission of the store will be to provide scholarly and reference books, textbooks, supplies, clothing and services to support the students and faculty of the University of North Dakota.

Funding for the project will be from local funds (reserves, proceeds from sale of inventory, Alumni Foundation bond proceeds).

Major Capital Projects

Executive Budget Recommendation (continued)

Infrastructure

• Electrical distribution (phase I)	$1,540,000
• Storm sewer & area drainage (phase I)	$1,015,000
	$2,555,000
Total major capital projects	$6,555,000

Electrical Distribution System

Phase I	$1,540,244	99-01 biennium
Phase II	$1,134,918	01-03 biennium
Phase III	$ 825,071	03-05 biennium
	$3,500,233	

Storm Sewer & Area Drainage

Phase I	$1,015,069	99-01 biennium
Phase II	$1,631,957	01-03 biennium
Phase III	$ 672,968	03-05 biennium
	$3,319,994	

Total Electrical Distribution & Storm Sewer

Phase I	$2,555,313	99-01 biennium
Phase II	$2,766,875	01-03 biennium
Phase III	$1,498,039	03-05 biennium
	$6,820,227	

ELECTRICAL DISTRIBUTION SYSTEM

Electrical Distribution ($1,540,244): This funding is for Phase I of the Ulteig Electrical Distribution Study dated May of 1994. This is a three phase project that is scheduled to be completed over a period of six years. Funding for Phase II and III will be requested in future bienniums. Following is a proposed schedule and costs for completion of the project.

Phase I	- $1,540,244	99-01 Biennium
Phase II	- $1,134,918	01-03 Biennium
Phase III	- $ 825,071	03-05 Biennium
	$3,500,233	

With the changes in the utility industry it is important that UND retains control and ownership of the system to keep our options open for future purchases of electrical energy. Proposed improvements are to enable UND to:

- meet growing electrical demands,
- continue to take advantage of low cost Western Area Power Association (WAPA) electrical rates, and
- retrofit the existing electrical distribution system to accept a second feed point to the campus from the NSP power grid

According to Ulteig's Electrical Distribution Survey, it was advised that UND fix the Western Area Power contract rate of delivery and arrange to serve all major campus loads adjacent to the core campus distribution system. WAPA rates have been fixed. Completion of this project will extend service to the Medical School, Human Nutrition Center, EERC, Clifford Hall and Ryan Hall.

Expansion of the electrical distribution system for a second feed point to have an integrated system to back feed would give the campus capabilities for redundancy during electrical outages or other maintenance requirements, eliminating the need for shutdowns in research facilities when making repairs.

The following is a part of the study from Ulteig Engineers that summarizes the project and recommendations.

In this analysis, miscellaneous costs for wheeling, transformation and transmission have not been included since they would be the same in both cases.

Additional savings may be available through negotiated contracts for supplemental power from various suppliers in the area. Negotiations should be directed at obtaining a supplemental wholesale power supply contract as opposed to service at a commercial rate.

The campus is presently served from one NSP delivery point at the southwest corner of the campus. This delivery is vulnerable in several aspects. Although delivery is from three different NSP feeders, all connections to the sources are through one manhole, A-2-4. A catastrophic fault within this manhole could conceivably interrupt service to the entire campus. One of the main priorities in updating the primary distribution system should be to establish alternate delivery points on the system. This report recommends a second delivery point in the vicinity of 6th Avenue North and Columbia road. **This delivery would be off NSP Circuit GAT 33 off the Gateway Substation near 6th St. and 9th Ave. It appears NSP does not have looping capability on this circuit at present, but should be encouraged to arrange this in the future.**

B. PRIMARY DISTRIBUTION CIRCUITS

The last major improvements to the primary distribution system were done in 1982 when the 12.47/7.2 kV circuits were added. Prior to this, service to the campus was entirely at 4.16/2.4 kV. The 12.47 kV feeders were extended to logical load centers and stepdown transformers added to tie to the existing 4.16 kv circuits. Since capacity increases as the square of the voltage, a 12.47 kV circuit has inherently 9 /times the capacity of a 4.16 kV circuit. Load current in the conductor is reduced by the ratio of the voltages, or to one third and the losses in the conductor are reduced by a factor of 9. The addition of the step down transformers introduces some additional losses and capacity constrictions.

Circuits 2 and 3 have already reached the practical limit of capacity of the stepdown transformers. It is recommended that a program of conversion to a totally 12.47 kV distribution system be initiated, starting with these circuits. Since the distribution circuits on campus are comprised of 15 kV Underground Residential Cable (URD) with concentric neutral or 15 kV shielded power cable, conversion to operation at 12.47/7.2kV should not require extensive cable replacement, except where deteriorated cable is encountered. Cable sections where replacement is anticipated include the 3 phase 4/0 AL shielded cable circuits between the steam plant and manhole C-6-4, between the steam plant and manhole

B-7-2, and the 3 phase 1/0 AL between 600 NW Drive and 700 NW Drive. The first two sections are in conduit and the last is direct buried and is known to have a failed section. These are the only sections known to need replacement at the present time.

Although the existing cable is rated for 15 kV, many of the terminations and transformer jumpers are rated at 5 kV and must be replaced at the time of conversion to the higher voltage.

Four additional 3 Phase 4/0 AL URD circuits in concrete-encased PVC conduit are proposed out of the new delivery point:

- Circuit 5 would run along 6th Avenue North to a new four way switch at Princeton. Overhead lines north, south and west of this point would be converted to underground. Circuit 5 would serve the Princeton Trailer Court, Radio Station, School for the Blind, and generally everything north of University and west of Stanford except Tulane Court and the high rise.

- Circuit 6 would parallel Circuit 5 to a new manhole G-8-1 at Cambridge, where Circuit 6 would turn south to existing Manhole D-8-1. A tap off a 3 way switch at E-8-B on the north side of University would tie to the transformer at Campus Ministries and also serve Robertson/Sayre and Nursing.

- Circuit 7 would run south along the west side of Columbia Road to Existing Switch E-9-B. The existing cables to Med Center North would be replaced with 4/0 to a new 2500 kVA transformer at this facility. The remainder of this circuit would utilize the existing conductor. Buildings served by Circuit 7 besides Med Center North would include Memorial Union, McCannel, Swanson Hall and the parking lot lighting in the vicinity of University and Columbia Road.

- Circuit 8 would parallel Circuit 7 to a point adjacent to E-9-B, extend to new manhole D-10-2, cross Columbia Road to manhole D-11-1 and then south to C-11-A. Circuit 8 would serve Human Nutrition Lab, the EERC complex, residences and all the sports facilities in the area, including Hyslop Sports Center. A normally open tie line is proposed from the Hyslop transformer to switch C-9-1.

The area west of 42nd Street from University to Demers presently contains only Aerospace Three (CAS 3) which, for the purpose of this study, is assumed to be transferred from NSP service to the campus distribution system. Additional loads anticipated in this area at present are approximately

100,000 square feet of dormitory, and a Business Incubator-/Conference Center building. Total load is estimated at about 435 kW for the projected loads and 324 kW for CAS 3. To provide distribution flexibility, a 3 ph 4/0 Al 12.47 kV loop is proposed around the perimeter with a tie across the area on the west side of 42nd.

It is recommended that all overhead 4.16/2.4 kV distribution lines be converted to 12.47/7.2 kV underground circuits. The existing pole lines have deteriorated to the point where some replacement would be necessary anyway, and the cross-arms too short to convert to 12.47 kV overhead. Replacing the pole lines with underground circuits will improve the appearance of the campus, eliminate the need to trim trees around the overhead lines, and improve the reliability of these distribution circuits.

A 15 kV concentric neutral cable with 220 mil EPR insulation and an outer PVC jacket is proposed for all new installations. This cable has an ampacity of 295 amps in underground duct.

Maintenance personnel have attempted to identify manholes in the past by painting numbers on the cast iron covers. This method was not permanent and a better method is being sought. We recommend the numbers be inscribed with an arc welder using nickel rod such as Welco #59. The lettering should be done near the perimeter of the cover to prevent possible weakening of the cover.

C. TRANSFORMERS

Since the introduction of 12.47 kV primary feeders on campus in 1982, transformer a general policy of purchasing only dual voltage transformers has been in effect. Transformers having this feature can be transferred directly to 12.47 kV operation by simply turning a switch in the high voltage compartment on the transformer. Transformers equipped with this option are at the following locations:

BUILDING	NO.	KVA	PHASE	TYPE
Old Science	3	300	3	Oil
Babcock	5	300	3	Oil
C. Fritz Lib.	7	1000	3	Oil
Museum of Art	9	300	3	Oil
Home Econ.	15	300	3	Oil
Steam Plant	19	1500	3	Oil
Hyslop Fieldh.	24	750	3	Oil
East Hall	33	167	1	Oil
Abbott Addn.	35	1000	3	Oil
Montgomery H.	42	300	3	Oil
CAS I	50	500	3	Oil
Transp. Bldg.	54	300	3	Oil
Gallery Apts				
H	94	75	1	Oil
I/J	94	167/37.5	3	Oil
K	94	75	1	Oil
Plant Svc.	107	300	3	Oil
United Campus Ministries	280	112.5	3	Oil
Laird C. Libr.	123	150	3	Oil
EERC "D"	131	300	3	Oil
"E"	131	500	3	Oil
"P"	131	225	3	Oil

Four buildings on the west side of campus are presently served at 12.47 kV. They are CAS I and II, the satellite dish and the Transportation Building. Considering these four services and the dual voltage transformers listed above, slightly over 100 transformers, single and three phase banks, must be replaced to convert to the higher voltage.

Cost estimates are based on replacing these transformers in their present locations, except in the case of transformers in outdoor underground vaults. These are to be replaced with pad mounted transformers adjacent to the vault. There may be some cases where the difficulty of replacing transformers in electrical rooms within the building may warrant replacement with a pad mount transformer outside and extending service conductors to the existing service disconnects.

Estimated replacement costs for transformers include placing the overcurrent protection at the transformer as opposed to using a fused tap switch at the feeder. This will permit extending the tap circuit to more than one transformer and will simplify coordination. Oil filled pad mount transformers are to have under-oil draw out fuses, and dry types are to have medium voltage indoor type power fuses mounted in the high voltage compartment.

D. DISTRIBUTION SWITCHING AND OVERCURRENT PROTECTION

As previously discussed, primary switches in underground vaults have created serious maintenance problems and operating hazards. It is recommended the following manhole switches be replaced with above-grade switches:

MANHOLE SWITCH	RECOMMENDED REPLACEMENT
A-8-2	4 way
A-8-3	4 way
A-9-1	3 way
B-7-2	3 way
B-7-3	3 way
B-7-4	4 way
C-6-1	3 way
C-6-4	4 way
C-7-3	3 way
C-7-4	3 way
C-8-2	4 way

Installation of the replacement switches will require extending new cable and conduit from the manhole to the above-grade switch and splicing the existing cable within the manhole.

Besides the above replacements for manhole switches, new switches are recommended at other locations as well. Cost estimates are based on 600 amp 15 kV air insulated gang-operated switches such as the S&C Company PMH series. These switches will provide the operating personnel a more convenient and safer method of switching load than the existing manhole switches. Other types of switches could be used as well. These included vacuum under oil types, such as the Cooper/RTE Company R-VAC style, or SF6 gas-insulated pad mounted switches such as the G&W Company PPI style. The latter two types have no live parts exposed to air, so cleaning is not required. The SF6 type would require stocking gas cylinders and familiarization by operators on procedures to maintain the pressures.

Some points require taps off the main feeders, but are less likely to be used as switching points on the distribution system. Multi-point modules with elbow cable terminations in pad mounted cabinets are recommended at these points.

All switches and multi-point cabinets are to be provided with concrete basements to accommodate the conduits and cables. Prefabricated pull boxes are proposed where existing pad mounted devices are removed or existing pole risers are being spliced to new underground circuits.

Existing switchgear with draw out circuit breakers in the Steam Plant is quite old and will eventually become obsolete

from a replacement parts standpoint. It is recommended this switchgear lineup be replaced with a line of eight indoor fused switchgear sections, two unfused main switches on the ends, and a center tie section with provisions to incorporate the existing generator controls and switching for load sharing with soft transfer. Fuse sizes would be selected at the time of the installation design.

E. SUMMARY AND CONCLUSIONS

Cost evaluation as tabulated in the exhibits to this report reveal that the University would be well advised to fix the Western contract rate of delivery, and to arrange to serve all major campus loads adjacent to the core campus distribution system. This includes Med Center North, Human Nutrition, EERC, Clifford and CAS III.

Total cost of distribution and transformer improvements to serve at 12.47 kV the core campus plus the above loads now served by NSP is **$2,988 560**. This includes a new delivery point with four distribution circuits.

Cost of improvements within the core area of the campus without the off campus loads is **$2,241,990**, a difference of $746,569. With this arrangement, the new delivery point would have three distribution circuits.

Comparisons of the power costs under the present arrangement and the fixed delivery scenario indicate a savings of **$335,048 per year, or payback in less than 3 years.**

Exhibits to this report include schematic diagrams showing the present and proposed circuiting. The proposed arrangement is in color to differentiate each circuit and includes the added off campus loads. Also included is a campus map showing the physical location of the existing and proposed distribution circuits.

University Of North Dakota

Primary Distribution Upgrade

Estimated Annual Expeditures

Year 1		
Circuit 5: Medical Science Delivery Point, Transformer Changes, New Cable, Switches	$165,854	
Circuit 6: EERC Delivery Point, Transformer Changes, Cable/Duct, Sect. Cab.,Generator Switch	$265,135	
Circuit 1: Overhead to Underground, West Side Stanford, Univ. to Campus Road, Cable,Duct,Transf. Switch	$226,500	
Circuit 4: Overhead to Underground, Princeton to Radio Transmitter, Cable, Duct, Transformer, Cabinet	$147,910	
Total	$805,399	
Inflation Adjustment	**$845,669**	PHASE I
Year 2		
Circuit 3: Transformer Changes, Switches, Cable/Duct, Sect. Cab, Generator Switch	$661,500	
Total	$661,500	
Inflation Adjustment	**$694,575**	PHASE I
Year 3		
Circuit 2: Transformer Changes, Switches, Cable/Duct	$232,680	
Circuit 1: Campus Core Plus Extend to Clifford Transformer Changes, Cable/Duct, Switches	$369,390	
Total	$602,070	
Inflation Adjustment	**$696,971**	PHASE II
Year 4		
Circuit 1: Rural Technology Center - Cable/Duct, Switches	$360,300	
Total	$360,300	
Inflation Adjustment	**$437,947**	PHASE II
Year 5		
Circuit 4: Dormitory Connections from Stanford to Harvard Transformer Changes, Duct/Cable	$477,750	
Total	$477,750	
Inflation Adjustment	**$609,744**	PHASE III
Year 6		
Circuit 4: Trailer Court & Residential Area Transformer Changes, Cable/Duct	$160,680	
Total	$160,680	
Inflation Adjustment	**$215,327**	PHASE III
Total (without Inflation Adjustment:)	$3,067,699	
Total (with Inflation Adjustment:)	**$3,500,232**	

STORM SEWER AND AREA DRAINAGE

Storm Sewer and Area Drainage ($1,015,069) This funding is for Phase I of a campus Storm Sewer Study that was conducted by Advanced Engineering. This is a three phase project that is scheduled to be completed over a period of six years. Funding for Phase II and III will be requested in future bienniums. Following is a proposed schedule and costs for completion of the project.

Phase I - $1,015,069	99-01 Biennium
Phase II - $1,631,957	01-03- Biennium
Phase III - $ 672,968	03-05 Biennium
$3,319,994	

The study which was done for the central campus addresses flooding problems now occurring during major five year rain falls. This survey has shown that additional hard surfaces (such as new roofs, parking lots, sidewalks, etc) added to the campus over a 50 year span have contributed to this flooding problem. The study showed that in many areas storm drains are nonexistent or undersized showing a need to have major work done within the next few years or considerable damages will result to building infrastructures.

Following is a part of the study from Advanced Engineering that summarizes the project and recommendations.

EXECUTIVE SUMMARY

INTRODUCTION

Concerns over excessive flooding and periodic property damage as a result of storm water backup prompted UND Plant Services to authorize Advanced Engineering and Environmental Services, Inc. (AE) to complete a Storm Water Management Study of the University of North Dakota East Campus area. The purpose of the study was to evaluate the existing storm sewer system, identify existing system deficiencies, establish system design criteria, prepare preliminary designs, prepare preliminary cost estimates, prioritize the improvements, and prepare a phasing plan for the improvement implementation.

EXISTING STORM WATER SYSTEM

The East Campus study area terrain is very flat with a high concentration of impervious surfaces such as paved areas and roofs. The ultimate destination for and runoff from the one hundred thirty-two acre watershed is the English Coulee. The existing storm water collection and transmission system is constructed of a combination of vitrified clay pipe (VCP), polyvinyl chloride (PVC), and reinforced concrete pipe (RCP). Pipe diameters range from six inches to twenty-four inches. Many roof drains are directly connected to the storm water system which contribute considerable hydraulic loads on the system.

Video inspection performed by Viking Pipe Services of Bemidji, Minnesota of the storm sewer on Cornell Street indicated disintegrating pipe sections and debris obstruction.

A sanitary sewer cross connection exists in the parking lot east of the Armory south of Centennial Drive. A cross connection exists when storm water is allowed to enter the sanitary sewer system.

ANALYSIS OF STORM WATER SYSTEM

Extensive field data surveys were conducted in the fall of 1995. The field data collection process consisted of three phases: (1) the surface utility survey; (2) the subsurface utility survey; and (3) the photogrammetric control survey. The surface utility survey provided elevations and locations of all visible utility features. The subsurface utility survey involved opening all manholes and inlets to measure depth, pipe sizes, and record condition. The subsurface utility survey revealed the extent of the piping system that contributes storm water flow to the discharge point. The photogrammetric control survey was necessary for creation of a digital surface model used to delineate watersheds and determine storm water runoff.

Data from the surface and subsurface utility surveys were used to build the computer model of the existing storm sewer system. *Storm Sewers*, an Eagle Point software module was utilized for this process. Data from the photogrammetric control survey were entered into *Watershed Modeling,* another Eagle Point software module for use in computing storm water runoff quantities. The existing system was analyzed using peak flows from a ten year and a five year frequency storm. Computer models indicated that the existing pipe network was greatly undersized. Pipes were surcharged throughout the system and the hydraulic gradient was well above the ground surface for both five and ten year storm events. A system analysis based on a theoretical two year storm yielded similar results.

IMPROVEMENT ALTERNATIVES

Alternatives were considered to address the need for adequate storm water protection in the study area. The alternatives considered included a blend of storm events and alternate routing of storm water transmission lines and discharge points. Storm event alternatives included five and ten year protection design. Alternate routing of storm water lines included the following:

1. Interceptor main along railroad tracks
2. Centennial Drive interceptor/ upgrade University Avenue
3. Mall area interceptor/ upgrade University Avenue

Preliminary designs were completed using two different scenarios; the ten year and five year storm events. The hydraulic profile (level of the water during peak flow) was designed at critical depth and also at higher levels. Due to lack of available grade and ground cover constraints, the critical depth (optimal flow capacity depth) design yielded exceptionally large pipe sizes, too large to be economically feasible. Meetings were held with City of Grand Forks Engineering Department personnel to discuss design alternatives. The City Engineering Department indicated that a design allowing the hydraulic profile to rise within two feet of the ground surface during peak flow is very often the only economically feasible alternative in the flat terrain of the Grand Forks area. Based on the above discussions, the critical depth at peak flow designs were eliminated from further consideration.

Based on factors of economic feasibility, constructability, City of Grand Forks policies, safety, and concerns expressed by UND officials, AE recommends the Mall area interceptor/ upgrade University Avenue alternative. The total costs for all improvements within this alternative are approximately four percent higher than the Centennial Drive interceptor/ upgrade University Avenue alternative, but allow for a lower cost alleviation of immediate problem areas in the short term. The proposed system should be designed for a ten year storm event protection in all areas with the exception of the large parking area east of Columbia Road and south of University Avenue. The cost difference between the five year and ten year storm design was not significant enough to warrant a lower level of protection. A ten year event protection is consistent with City of Grand Forks policy and appropriate for property values on the UND campus

PRIORITIZED IMPROVEMENT PLAN

A prioritization plan for the proposed improvements was developed based on the severity of the problems, construction phasing constraints, and conversations with City of Grand Forks Engineering Department and UND officials. Projects were placed in three priority positions, level 1,2, and 3.

Level 1 projects are recommended for construction within two years. These projects were proposed to alleviate areas of major flooding and to preserve threatened capital resources.

Level 2 projects, located in less problematic areas are recommended for construction within five to ten years to preserve the integrity of the infrastructure.

Level 3 projects were considered low priority projects. They were included for long term planning purposes and consisted of parking lot areas and residential areas that the University may eventually purchase. Level 3 projects are recommended for construction within fifteen years to preserve the integrity of the infrastructure

Each priority level includes specific sub-projects. Sub-projects are presented for more detailed planning and budgeting purposes. The sub-projects from each level are as follows:

LEVEL 1
- 1A - UPSON AREA WEST THROUGH MALL AREA
- 1B - CORNELL STREET FROM CAMPUS ROAD TO SECOND AVE N
- 1C - MEDICAL SCIENCE SOUTH AND MEMORIAL STUDENT UNION
- 1D - TWAMLEY AREA UPGRADE

LEVEL 2
- 2A - UNIVERSITY AVE FROM THE ENGLISH COULEE TO COLUMBIA ROAD AND CORNELL ST FROM UNIVERSITY AVE TO SECOND AVE N
- 2B - NORTH OF UPSON ONE AND UPSON TWO
- 2C - MEDICAL SCIENCE NORTH AREA

LEVEL 3
- 3A - PARKING LOT EAST OF STARCHER HALL
- 3B - CHESTER FRITZ LIBRARY AND MERRIFIELD AREA
- 3C - OXFORD STREET
- 3D - HARVARD STREET AND FIFTH AVENUE NORTH
- 3E - PRINCETON STREET
- 3F - UPSON PARKING LOT

CAPITAL COSTS

A summary of estimated capital costs and estimated amortized costs for the proposed improvements is presented in the table below. Color coding is keyed to Figure 6-1 - PROJECT PRIORITIZATION. The capital cost estimates were based on recent comparable construction projects and presented in 1996 dollars. It should be noted that an inflation rate of three to five percent per year can be anticipated. The estimated amortized cost was based on the estimated capital cost, a term of twenty years, and an interest rate of seven percent.

Color Key	Priority Level
	PRIORITY LEVEL ONE PROJECTS
	PRIORITY LEVEL TWO PROJECTS
	PRIORITY LEVEL THREE PROJECTS

PROJECT	ESTIMATED CAPITAL COST	ESTIMATED AMORTIZED COST
1A - UPSON AREA WEST THROUGH MALL AREA	$ 475,722	$ 44,905
1B - CORNELL STREET FROM CAMPUS ROAD TO SECOND AVE NORTH	$ 242,226	$ 22,864
1C - MEDICAL SCIENCE S. AND MEMORIAL STUDENT UNION	$ 159,354	$ 15,041
1D - TWAMLEY AREA UPGRADE	$ 137,767	$ 13,004
TOTAL PRIORITY ONE PROJECTS	**$ 1,015,069**	**$ 95,814**

Table EXSUM-1: Total Estimated Cost for Priority One improvements

PROJECT	ESTIMATED CAPITAL COST	ESTIMATED AMORTIZED COST
2A - UNIVERSITY AVE FROM THE ENGLISH COULEE TO COLUMBIA ROAD AND CORNELL ST FROM UNIVERSITY AVE TO SECOND AVE N	$ 1,385,354	$ 130,768
2B - NORTH OF UPSON ONE AND UPSON TWO	$ 74,171	$ 7,001
2C - MEDICAL SCIENCE NORTH AREA	$ 172,432	$ 16,276
TOTAL PRIORITY TWO PROJECTS	**$ 1,631,957**	**$ 154,045**

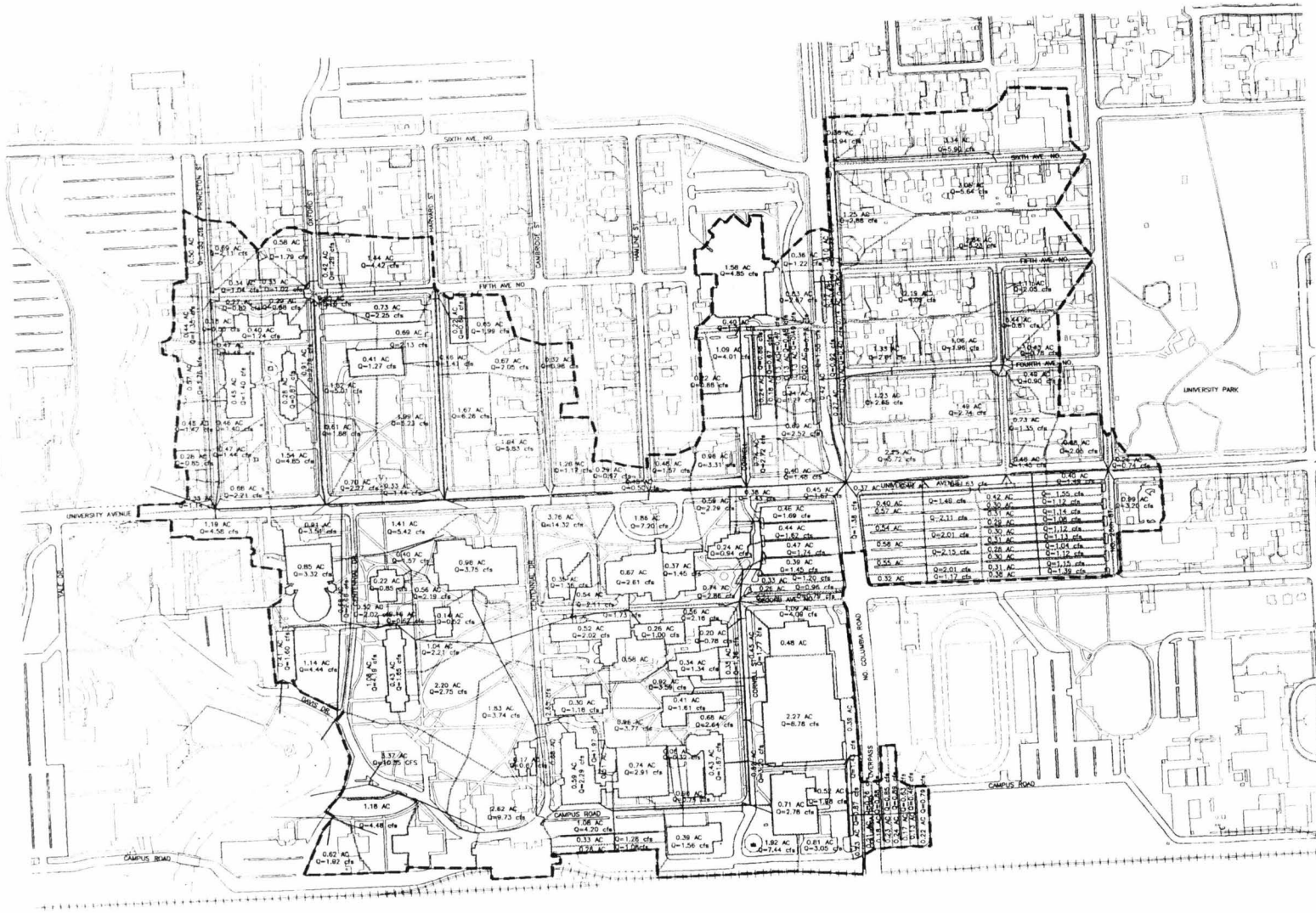
Table EXSUM-2: Total Estimated Cost for Priority Two improvements

PROJECT	ESTIMATED CAPITAL COST	ESTIMATED AMORTIZED COST
3A - PARKING LOT EAST OF STARCHER HALL	$ 82,556	$ 7,793
3B - CHESTER FRITZ LIBRARY AND MERRIFIELD AREA	$ 136,498	$ 12,884
3C - OXFORD STREET	$ 120,139	$ 11,340
3D - HARVARD STREET AND FIFTH AVENUE NORTH	$ 195,559	$ 18,459
3E - PRINCETON STREET	$ 110,110	$ 10,394
3F - UPSON PARKING LOT	$ 28,106	$ 2,653
TOTAL PRIORITY THREE PROJECTS	**$ 672,968**	**$ 63,523**

Table EXSUM-3: Total Estimated Cost for Priority Three improvements

PROJECT	ESTIMATED CAPITAL COST	ESTIMATED AMORTIZED COST
TOTAL PRIORITY ONE PROJECTS	**$ 1,015,069**	**$ 95,814**
TOTAL PRIORITY TWO PROJECTS	**$ 1,631,957**	**$ 154,045**
TOTAL PRIORITY THREE PROJECTS	**$ 672,968**	**$ 63,523**
TOTAL IMPROVEMENTS COST	**$ 3,319,994**	**$ 313,382**

Table EXSUM-4: Total Estimated Cost for all improvements



UND

STORM WATER MANAGEMENT STUDY

CONTRIBUTING WATERSHEDS

EAST CAMPUS AREA

N

AE

100 0 100

LEGEND

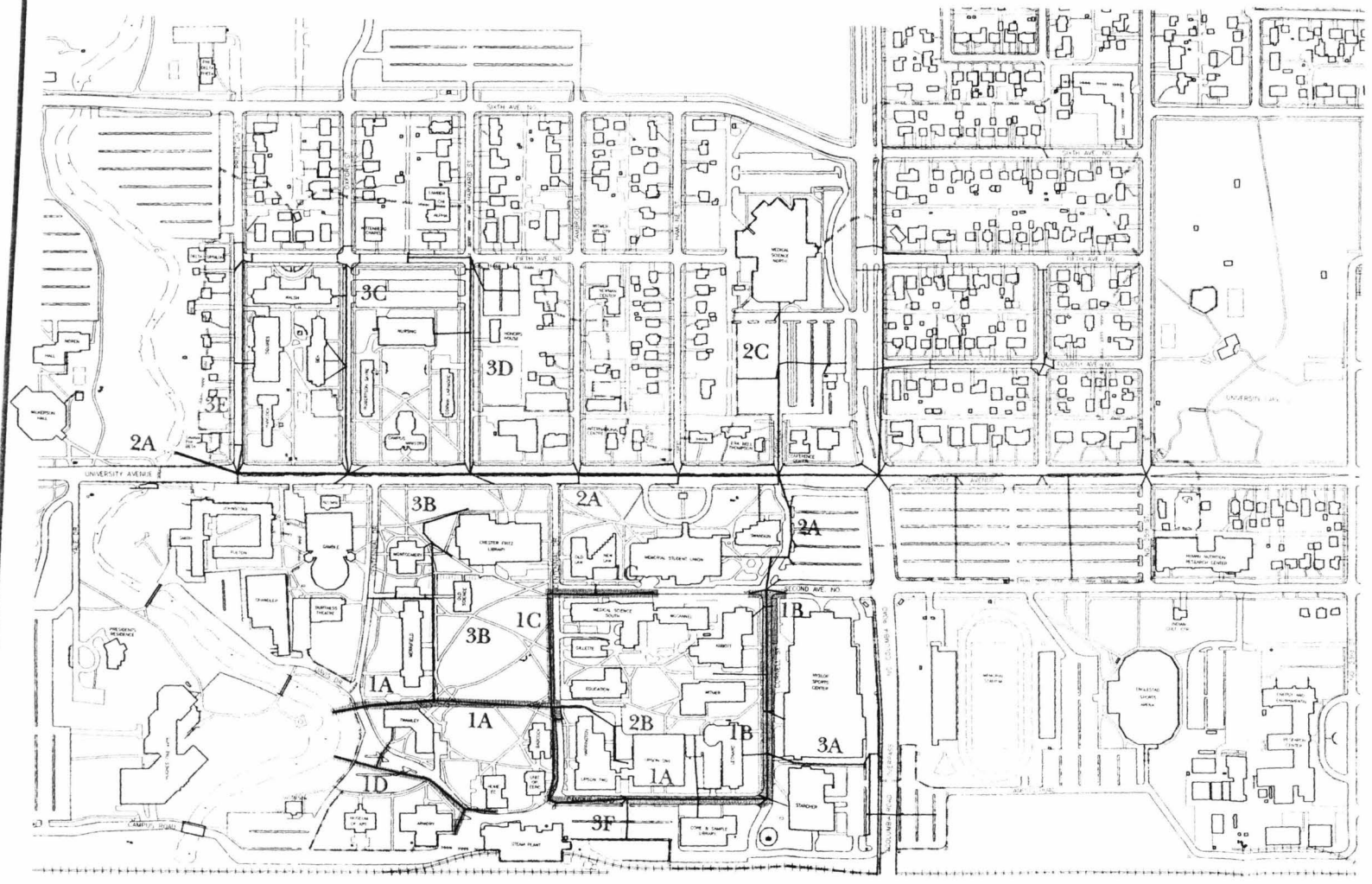
0.99 AC	SUB-WATERSHED ACERAGE
Q=3.20 cfs	SUB-WATERSHED RUNOFF QUANTITY
	SUB-WATERSHED BOUNDARY
	STUDY WATERSHED BOUNDARY
	EXISTING STORM SEWER SYSTEM

TOTAL WATERSHED AREA = 132 ACRES

September, 1996

AE ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES, INC
Grand Forks, ND Moorhead, MN Bismarck, ND

FIGURE 4-4



UND

STORM WATER MANAGEMENT STUDY

PROJECT PRIORITIZATION

EAST CAMPUS AREA

N

100 0 100

LEGEND

- PRIORITY LEVEL PROJECTS
- PRIORITY LEVEL PROJECTS
- PRIORITY LEVEL PROJECTS
- STUDY WATERSHED BOUNDARY
- PROPOSED STORM SEWER SYSTEM
- 3A PROJECT NUMBER

September, 1996

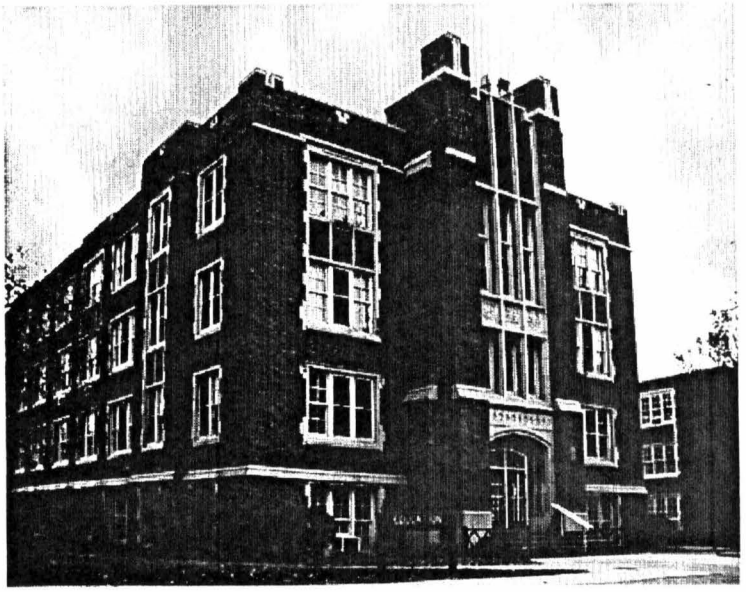
AE ADVANCED ENGINEERING & ENVIRONMENTAL SERVICES, INC.

Grand Forks, ND Moorhead, MN Bismarck, ND

FIGURE 6-1

Unfunded Priorities

O'Kelly



Education

O'KELLY HALL RENOVATION

O'Kelly Hall Renovation-($5 million, page 19, item #11 of Master Plan - Category 3,C, major revisions to existing facilities): O'Kelly Hall is a 110,084 square foot building constructed in 1945. This building does not comply with federal, state and local requirements and regulations. There is a requirement to construct bathrooms, elevators and access to the building to comply with ADA regulations. The entire building, including the ventilation, mechanical/HVAC, electrical and plumbing systems, as well as the doors and windows, require replacement to accommodate the new components. Building connections to the Law School, Education and Gillette Hall are included in the project.

The project is consistent with the University Master Plan. O'Kelly Hall, after renovation, will be assigned to the School of Communication, School of Law, departments of Social Work and Sociology and for other academic and administrative departments as required. The programs assigned to the facility are necessary to carry out the mission of the University. Departments from the School of Communication are being consolidated in this building. Centralizing this department will allow for efficiency in operation and better utilization of staff.

O'Kelly Hall was previously used to house medical research and laboratory classrooms. To use the facility for lecture and computer laboratory classrooms requires remodeling of the existing space. The structure of the building, including roofing and tuckpointing, needs to be updated to ensure quality of the facility.

Renovation of this facility will require full compliance with federal, state and local codes. The mechanical systems must be replaced to meet EPA Clean Air Standards. The fire alarms, sprinkler system installation, entrances, elevator and bathrooms must be renovated to meet ADA requirements. All of these factors will increase current operating costs of maintenance, operations, and utilities annually - 110,084 sq ft X $.25 per sq ft - $27,521.

EDUCATION RENOVATION

Education Renovation -($4.7 million, page 19, item #6 of Master Plan - Category 3,C, major revisions to existing facilities): Built in 1954, this facility is 44 years old, consisting of 49,996 sq. ft., and has had little renovation to the original structure. Due to the need to accommodate modern day teaching practices, it is necessary to renovate the facility to provide an environment that is conducive to the current and future teaching and learning process. The renovation will consist of enhancements to electrical, mechanical, structural, and fire alarm systems, improve the entry, replacement of flooring, asbestos removal and retrofits to comply with ADA. Renovations will include technology updates for video, data and voice communication systems. A building connection from Education to Ireland is included in the project.

Renovation of this facility will require full compliance with federal, state and local Codes. The mechanical systems must be replaced to meet EPA Clean Air Standards. The fire alarms, sprinkler system installation, entrances, elevators and bathrooms must be renovated to meet ADA requirements. All of these factors will increase operating costs of maintenance, operation, and utilities annually - 49,996 sq. ft. X $.25 = $12,499.

Extraordinary Repairs

Executive Budget Recommendation

Extraordinary repairs **$2,451,341**

- Health & safety
- Utility/roads/infrastructure
- Building improvements
- Networking infrastructure
- ADA

EXTRAORDINARY REPAIRS

230 UNIVERSITY OF NORTH DAKOTA

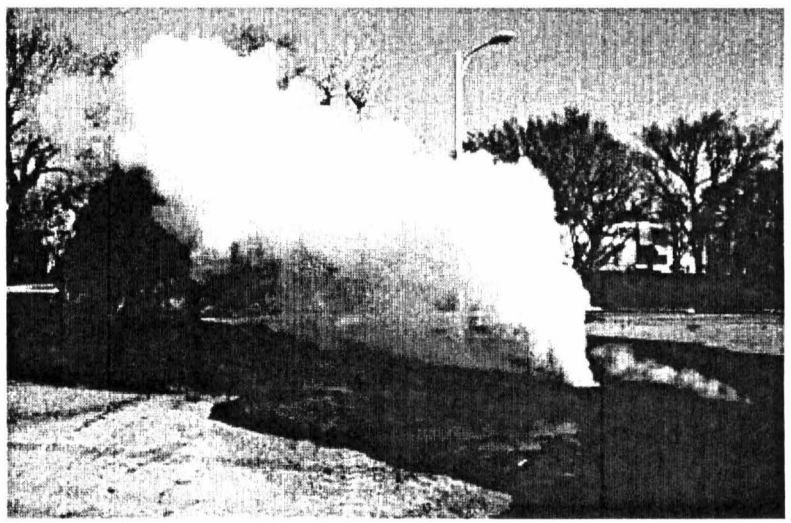
Version: 1999-0230-R-01

Priority	Project Description	Reporting Level	Line	Funding Request			
				General	Federal	Special	Total
1	Fire Alarms	00-230-300-00-00-00-00	50	40,000	0	0	40,000
2	Asbestos, Lead Abatement	00-230-300-00-00-00-00	50	135,000	0	0	135,000
3	Risk Assessment Corrections	00-230-300-00-00-00-00	50	37,000	0	0	37,000
4	ADA Remodeling	00-230-300-00-00-00-00	50	118,000	0	0	118,000
5	Mechanical System Retrofit	00-230-300-00-00-00-00	50	118,000	0	0	118,000
6	Storm Sewer	00-230-300-00-00-00-00	50	148,000	0	0	148,000
7	Roof Replacement	00-230-300-00-00-00-00	50	170,000	0	0	170,000
8	Tuck Pointing	00-230-300-00-00-00-00	50	87,000	0	0	87,000
9	Building Control/Automation	00-230-300-00-00-00-00	50	36,000	0	0	36,000
10	Building Electrical & Lighting	00-230-300-00-00-00-00	50	22,000	0	0	22,000
11	Window Replacement	00-230-300-00-00-00-00	50	150,000	0	0	150,000
12	Structural Changes	00-230-300-00-00-00-00	50	49,000	0	0	49,000
13	Water Mains	00-230-300-00-00-00-00	50	36,000	0	0	36,000
14	Sanitary Sewer	00-230-300-00-00-00-00	50	23,000	0	0	23,000
15	Sidewalks	00-230-300-00-00-00-00	50	52,000	0	0	52,000
16	Roads & Driveways	00-230-300-00-00-00-00	50	130,941	0	0	130,941
17	Campus Lighting	00-230-300-00-00-00-00	50	40,000	0	0	40,000
18	Floor Replacement	00-230-300-00-00-00-00	50	21,000	0	0	21,000
19	Classroom Furniture Replacement	00-230-300-00-00-00-00	50	29,000	0	0	29,000
20	Tree Replacement	00-230-300-00-00-00-00	50	8,000	0	0	8,000
21	Chilled Water Loops/CFC Retrofit	00-230-300-00-00-00-00	50	86,000	0	0	86,000
22	Campus Networking	00-230-300-00-00-00-00	50	211,000	0	0	211,000
23	Electrical Distribution	00-230-300-00-00-00-00	50	25,000	0	0	25,000
24	Steam Distribution	00-230-300-00-00-00-00	50	40,000	0	0	40,000
25	Deferred maintenance	00-230-300-00-00-00-00	50	544,036	0	0	544,036
26	Continue projects	00-230-300-00-00-00-00	50	95,364	0	0	95,364
	TOTAL			2,451,341	0	0	2,451,341

"Letting Off Steam"

Steam line replacement **$25,000,000**

FEMA	**90%**
State match	**10%**



UNIVERSITY OF NORTH DAKOTA

STEAM DISTRIBUTION SYSTEM
FLOOD RESTORATION ASSESMENT REPORT

Project No. 972290

Date: May 1998

EAPC Architects Engineers
3100 DeMers Avenue
Grand Forks, ND 58201
Phone: (701) 775-5507
FAX: (701) 772-3605
E-mail: eapc@eapc.net

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Attachment 1 - UND Steam Tunnel System
Microbial/Asbestos Assessment

Attachment 2 - UND Steam System Damage Report

Attachment 3 - UND Direct Bury Steam Line
Insulation Evaluation
Post April, 1997 Flood

Attachment 4 - Supporting Data for Cost Estimate

Attachment 5 - Steam Plant Drawings
M01 through M06

OBJECTIVE

The purpose of this report is to provide an assessment of the damage to the University of North Dakota steam distribution system as a result of the flood of April 1997. The basis for damage to the system is defined and a cost estimate to restore the system "in kind" is provided. The cost estimate is a budget estimate and not a firm price for restoration. To provide a firm price, detailed design documents must be prepared and issued for competitive bids. This is beyond the scope of this study.

BACKGROUND

Based on information provided by UND Plant Services Staff, the steam distribution system provides steam to a campus community of over 20,000 people and heat to over 5.5 million square feet of building space. A central steam plant generates steam which is used for heating domestic water, space heating and in some buildings, absorption type air conditioning. The steam distribution system is an underground piping network consisting of two design types; pipe in tunnels and direct buried pipe. There is an estimated 9,490 linear feet of pipe in tunnels and 49,206 linear feet of direct bury piping. The steam distribution piping system is delineated on drawings M-01 through M-06 contained in Attachment 5; these drawings were used as a basis for cost estimating.

With regard to the pipe in tunnel system, tunnels provide protection for the steam and condensate piping and allow for access to operate and maintain the system. Most tunnels are large enough for humans to walk upright, however, some are crawl spaces. Figures 1 and 2 show a typical cross-section of tunnels at UND.

Tunnels begin at the steam plant and terminate at the basement utility rooms of buildings. See Figure 3. Most of the tunnels are found in the older, central part of campus. Insulation on pipe in the tunnels is primarily fiberglass or asbestos.

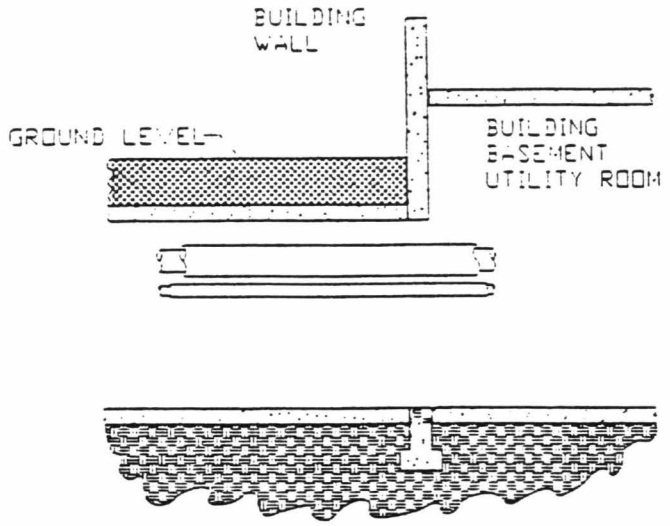


FIGURE 3

The direct bury steam distribution system uses prefabricated, preinsulated piping inside a water tight metal conduit. The pipe inside the conduit acts as a carrier pipe to supply steam to campus buildings. At various points along the pipe there are manholes which contain valves used direct steam from the header to branch lines, which in-turn carry steam to utility rooms of buildings. Each conduit has a vent pipe and drain at both the building termination and the manhole. Primary types of insulation used for the direct bury pipe are fiberglass and calcium silicate. See Figure 4. The direct bury system typically uses a fiberglass condensate return line that is buried separately from but next to the steam line.

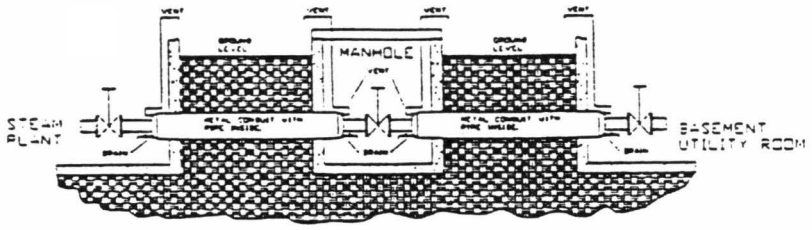


FIGURE 4

SCOPE

During the flood of April 1997, the tunnel system and direct bury system were damaged by being subjected to two weeks of flood water. The primary damage to systems was loss of the integrity of insulation.

With regard to the tunnel systems, the insulation containing asbestos broke down in the flood water which caused asbestos to be distributed throughout the tunnels. Also flood waters deposited mud and waste and promoted mold growth inside the tunnel. Before insulation can be replaced, asbestos abatement, removal of mud and waste, and sanitation activities to prevent health problems must be performed. The scope and cost of asbestos abatement insulation removal, and cleaning sanitation is estimated at $705,550.00 (see Attachment 1, UND Steam Tunnel System Microbial/Asbestos Assessment prepared by Legend Technical Services, Inc.). The scope and cost of the reinsulation of pipes inside the tunnels is $306,470.00 (supporting data is provided in Attachment 4).

In the case of the direct bury steam distribution system, flood waters filled all steam system manholes and many basement utility rooms. The steam system was flooded for approximately two weeks. Flood water entered conduit through vents and drains at manholes and utility rooms. It has been verified that all conduit piping was flooded (see Attachment 2, UND Steam System Damage Report, prepared by Advanced Engineering and Environmental, Inc.). Visual inspection of the direct bury steam system showed that two types of insulation used throughout the system, calcium silicate and fiberglass, both appeared to be damaged. Samples of each were removed and tested. The attached report by Legend Technical presents the results of these tests (see Attachment 3, UND Direct Bury Steam Line Insulation Evaluation prepared by Legend Technical Services, Inc.).

Damaged insulation or wet insulation causes excessive heat transfer to the exterior of the steam conduit. This degrades the asphalt corrosion protection of the conduit. These conditions are progressive and result in a loss of steam system function and reliability. UND maintenance records can give history of steam system conditions and performance before flood. This information has been provided to FEMA.

To restore the steam system will require complete replacement of the direct bury system at an estimated cost of $16,896,080.00. Supporting data is provided in Attachment 4. Direct bury conduit is a prefabricated factory built product which is installed as an assembly with conduit, insulation and steam carrier pipe together. There are no approved methods available to repair conduit in place therefore to replace the insulation requires replacement of the entire assembly. The flooding of the steam system also submerged all steam and condensate valves; their ability to function is in question. Therefore valves may require replacement. The cost of replacement for direct bury system and valves is $234,526.00 (supporting data is provided in Attachment 4). Valve count is based on information available from files; a walk-down of the system was not performed.

To restore the damaged system would require interruption of steam service to The University. There are two options to minimize this time. Temporary portable boilers could be operated while the existing system is replaced, however this is a relatively expensive option. Boiler rental costs are generally $4,500.00 per month. Other costs would be temporary pipe, insulation, penetration of steam and condensate lines into buildings, condensate return, temporary electrical power and costs of a boiler operator. There are other intangible problems with a temporary boiler such as permitting, safety reliability, availability of boilers and finding a contractor willing to take on responsibility of installation, operation and maintenance. Preliminary investigation indicates that temporary steam to each building would cost approximately $50,000.00 per building. This option is not deemed practical or cost effective due to the fact that there are over 100 buildings.

Logistics and economics indicate that to restore the steam distribution system, the preferred method is to install a replacement line, including retrofit manholes next to the existing line and manholes. This method would minimize steam service interruption and minimize the need for temporary boilers. The existing line could then be abandoned and left in place, saving demolition and disposal costs. Surface restoration for replacement pipe would be required at an estimated cost of $1,322,300. Supporting data is provided in Attachment 4.

COST ESTIMATE

It is anticipated that future design studies could reduce the piping, manholes and related materials required to restore the system to functional status. This in return could reduce the associated cost of the system as compared to an "in kind" installation. However, at this point, and not until detail design studies are performed, costs associated with alternate systems and mitigation cannot be provided.

The cost for an "in-kind" replacement for damaged UND steam distribution system is estimated at $26,557,069.00. The following provides the basis of the cost estimate and a summary of flood damage steam line restoration costs associated with an "in kind" system replacement. Attachment 4 provides supporting data for line items I through VII of the summary.

Purpose: This estimate represents construction trade labor, material, and equipment and is organized by major items of construction anticipated for this project. This estimate is not formatted by bid category nor is it our intent to predict low bides by category. This is a budgetary document that should be reviewed by the project team with necessary revisions duly raised and documented when working drawings are available.

Basis of Estimate: This estimate is based upon the quantity and material take-off's provided by A/E firm (EAPC). Per A/E this take-off was performed from the existing system drawings showing Steam and condensate piping in the underground as well as in the tunnels (Only reinsulation work in tunnels). These drawings were obtained by A/E from the University of North Dakota Physical Plant. Obviously, this estimate represents the expected costs if steam and condensate piping is built in place where it is now. The actual retrofit design layout could have more or less piping than the existing. Also we did not include any funds for demolition and disposal of existing piping, steam manholes, valves, insulation, etc.

Bonds: 100% performance and payment bonds are included for all subcontractor work.

Contingency: The estimate excludes any contingency that may occur during the design or construction phase.

Phase Allowance: The estimate excludes any phase allowance on this project.

Escalation: The estimate includes an escalation factor which is calculated to the midpoint of construction of all items. The escalation has been calculated at 4% per year, starting from September 1998.

Sole Source Exclusion: The estimate is based on assumption that the design documents shall specify three or more manufacturers whose product are acceptable under the base bid for each type of system.

Sales Tax: The estimate includes 6.75% sales tax on materials.

Assumptions and Clarifications: The estimate is based on prefab, pre-insulated carrier and casing piping system with 2 ½" thick mineral wool in between for steam piping. The casing pipe shall be steel with 10 gauge wall thickness, galvanized pipe. Condensate pipe shall be reinforced fiber glass pipe. The fittings shall be similar construction as piping material.

Labor Rates: The estimate is based on May 1998 labor rates.

Schedule: The estimate is based on two year construction starting from Fall 1998.

ATTACHMENT 2

UND STEAM SYSTEM DAMAGE REPORT

ADVANCED ENGINEERING AND ENVIRONMENTAL, INC.

1.0 UND STEAM SYSTEM DAMAGE REPORT

1.1 FIELD DATA COLLECTION

The backbone of a well-prepared assessment such as this is accurate field data. The initial field data collection was implemented in order to determine elevations of the steam system in relation to documented floodwater elevations. Because the entire steam system is interconnected with conduits that allow water elevations to equalize throughout the system, floodwater elevations plotted on profiles of the steam system will reveal the extent of the steam system that was submerged during the spring flood of 1997.

The initial field data collection process consisted of three phases: the surface steam structure survey, the subsurface steam structure survey, and the floodwater elevation verification survey.

The surface steam structure survey was required to determine elevations of the tops of steam manhole structures. The subsurface steam structure survey revealed pipe size and allowed the calculation of underground pipe invert elevations. The subsurface steam structure survey was also necessary to determine the extents of underground conduits contributing to the study area system.

Field data collection was initiated soon after notice to proceed on Wednesday, April 29, 1998. A detailed account of the data collection process is presented in the following sections.

1.1.1 SURFACE STEAM STRUCTURE SURVEY

The surface steam structure survey, as well as all surveys conducted for this assessment, were performed with an electronic total station and data collector. Several control points located on the UND campus were used as a basis for control. Two of these control points were established as part of the Grand Forks Flood Study project by the US Army Corps of Engineers (COE) in 1994. The COE survey control was established utilizing Global Positioning System (GPS) technology. Additional control was utilized from the 1996 UND East Campus Storm Water Management Study conducted by Advanced Engineering and Environmental Services, Inc. Both surveys and mapping coordinates were projected on the North Dakota state plane coordinate system, North American 1983 Datum (NAD83) North Zone. Elevations were referenced to mean sea level on the North American Vertical Datum 1929 (NAVD29). These mapping projection systems are consistent with the COE mapping utilized for the City of Grand Forks.

The first step in the survey was to establish a net of supplementary control points throughout the study area. Iron bars measuring 5/8 inch in diameter by 20 inch long were placed at strategic points throughout the study area. The supplementary control points were used as instrument set-up points from which to survey utility features. A control traverse was run through all points to establish coordinates and elevations. All traverses had a mathematical closure error of less than 1 part in 20,000, much better than the 1:15,000 ratio for urban surveys established by the American Congress on Surveying (ACSM).

Once the final control coordinates were established, the surface steam structure survey was completed by surveying the location and elevation of all steam structures. Maps created by the CADD department of UND Plant Services were utilized in locating steam structures to be surveyed.

The result of the surface utility survey was highly accurate coordinates and elevations on the surface of the steam structures. This information was essential in determining underground steam pipe invert elevations and the bottom of structure elevations .

1.1.2 SUBSURFACE STEAM STRUCTURE SURVEY

The subsurface steam structure survey was performed to obtain pipe diameters, pipe depths, and to determine the extents of the conduit system that connects the structures. This information was essential for determining the portions of the system that were inundated by flood waters.

The subsurface utility survey involved measuring depths and pipe diameters for each steam structure. UND operations personnel assisted in locating structures, opening the covers, and answered questions about connections and history of the system. Depths that were recorded on field report forms were subtracted from top of structure elevations obtained from the surface steam structure survey to compute invert elevations on the conduits. The structure reports were cataloged and used for the data entry portion of the study.

Of the more than sixty structures in the assessment area, fourteen were sealed and inaccessible due to microbial contamination. These fourteen structures are located in the central part of the UND campus directly east of the English Coulee, and have been documented as having been inundated with floodwaters during the spring of 1997.

1.1.3 FLOODWATER ELEVATION VERIFICATION SURVEY

A critical aspect of this assessment is the determination of the floodwater elevation on campus, and relating the floodwater elevation to the elevations of the steam conduits and structures. The floodwater elevation was determined by two methods. The first method was to compare aerial photographs taken of the campus area on April 21, 1997 to accurate topographic surface models of the same area. The topographic surface models were generated as part of the 1996 UND East Campus Storm Water Management Study. The second method of floodwater elevation verification was to survey the high flood water mark provided by UND personnel on the wall of Wilkerson Hall. The floodwater elevation determined by the aerial method is 830.3 mean sea level, NAVD 29. The high water mark that was surveyed on the wall of Wilkerson Hall is 830.16, within 0.14 feet of the value determined by the aerial method. Because the aerial method is based on an average of locations throughout campus, and because its values are documented by aerial photographs and extensive survey data, the elevation value of 830.3 was used in this report.

1.2 DATA ENTRY AND EXHIBIT PREPARATION

1.2.1 DATA ENTRY

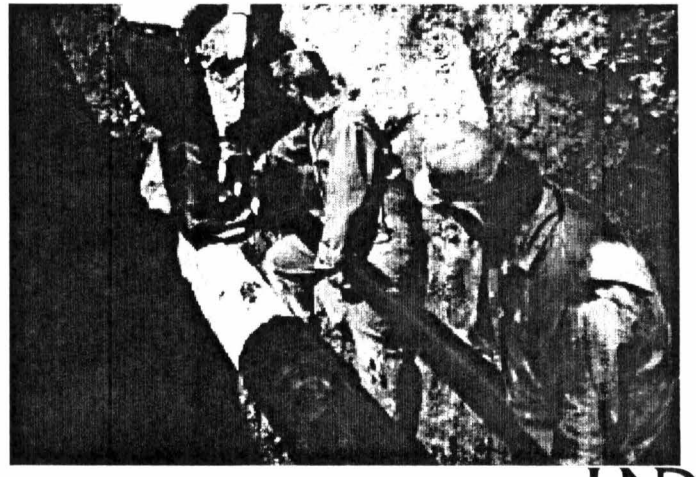
The northing, easting, elevation, and description for each field data point was downloaded from the total station data collector into an AutoCAD® based program, Eagle Point Civil Engineering Software. Data from the surface and subsurface steam structure surveys were exported into tabular form and also used within the AutoCAD® environment to produce graphical profiles of steam structures and conduit connections in relation to the documented flood water elevation. The profiles are presented as exhibits attached to this report.

1.3 CONCLUSION

As evidenced by system records and field survey, the entire UND steam system is inter-connected with conduits that allow fluid elevations to equalize throughout the steam system. A system map is depicted in the attached exhibit. Many of the steam structures were completely submerged, allowing floodwater to enter the system. As shown in the attached steam structure profile drawings, all structures and main line conduits were below or within the submergence elevation of 830.3. Because of the system-wide inter-connection, the hydraulic surface equalized within the system at the approximate elevation of 830.3. As a result, all main line conduits and steam structures were flooded. This conclusion is based on all drain valves in each of the steam structures being open, as stated by UND personnel. The conclusion is further substantiated by the fact that UND personnel pumped water out of every steam structure in the system after the flood.

Steamline

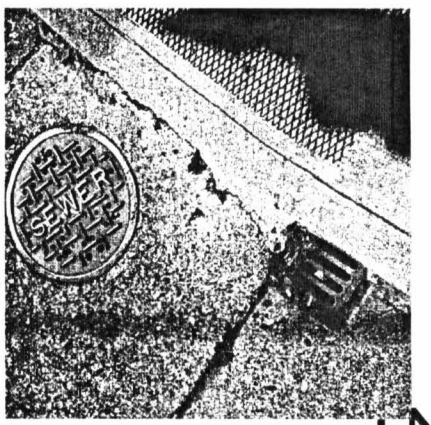
- 25 million dollars
- Three years to complete
- More efficient and less line (11.11 miles-9.5 miles) 15% less
- Entire line replacement
- FEMA paying 90%
- Two major years of construction
  - First phase bid in March 99
  - Work to start in May



UND

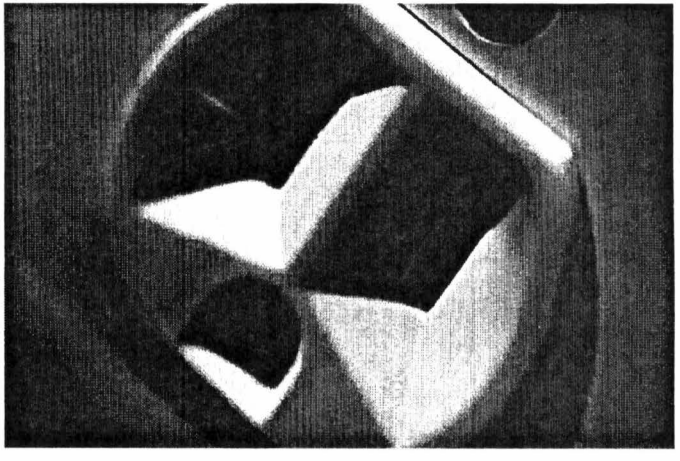
Storm Sewer

- $1,015,000 identified in phases
- Increase in hard surface area
- Pipes are too small
- Need to reduce potential for flooding
- Some cost savings once completed
- Six year plan
  - Years 3 & 4 $1,631,957
  - Years 5 & 6 $ 672,968



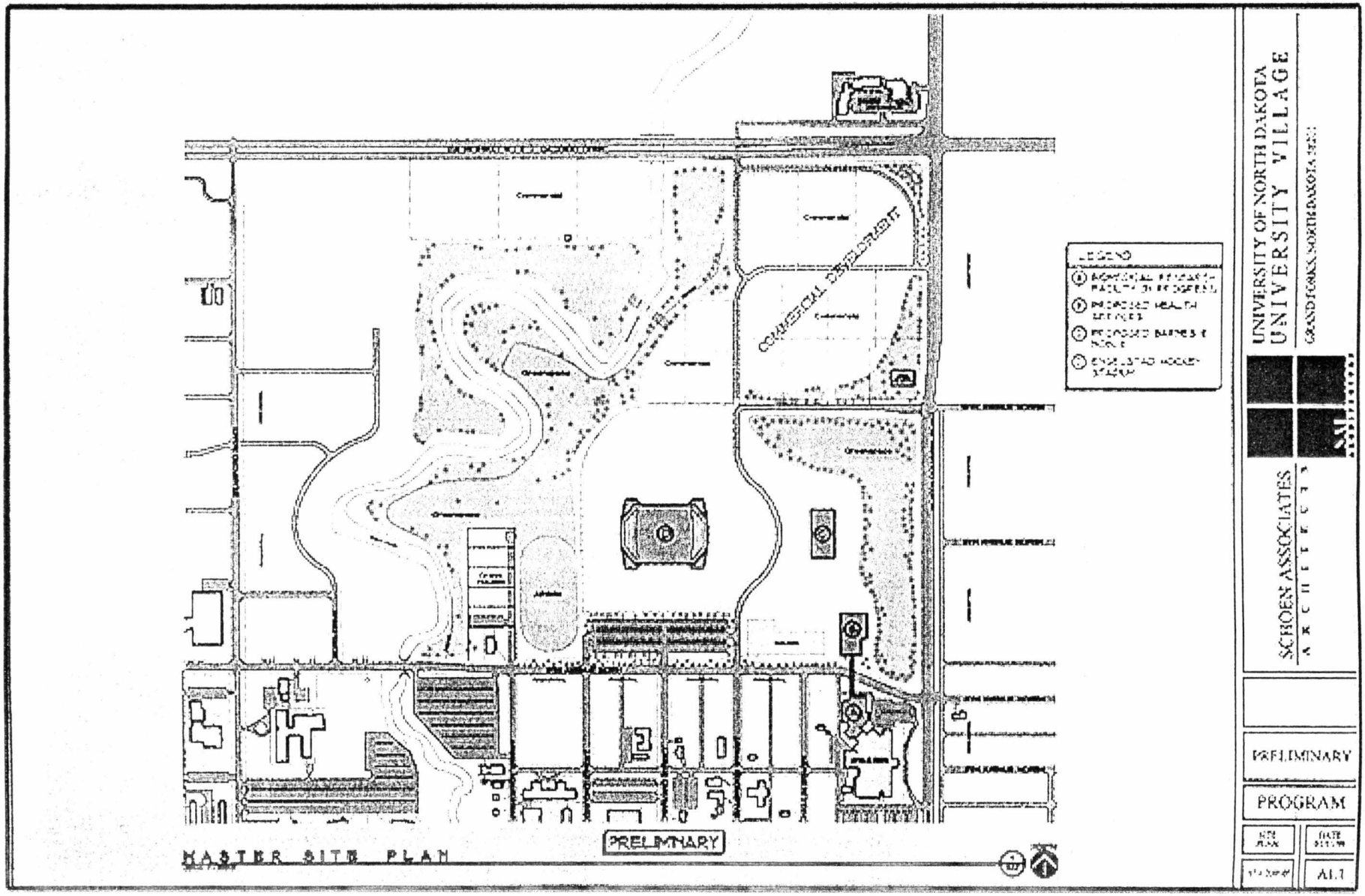
Electrical Distribution

- $1,540,000 identified as years 1 & 2 in your book
- Second feed point (take advantage of deregulation if needed)
- Reliability (research)
- Converting system to 12.5 kv
- Fixed rate (maintaining low cost)
- Meet future growth
- Six year completion
- Safety



University Village

Conceptual Site Plan



UNIVERSITY OF UND NORTH DAKOTA

OFFICE OF THE PRESIDENT
P.O. BOX 8193
GRAND FORKS, NORTH DAKOTA 58202-8193
(701) 777-2121
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January 19, 1999

Representative Janet Wentz, Chair
House Appropriations Committee
Education and Environment Division
North Dakota State Legislature
Bismarck, ND 58505

Dear Rep Wentz:

Thank you for the opportunity to testify this past week regarding House Bill 1003.

Please find enclosed copies for use by the committee of the revised budget overviews (see pages 8-10 in the University of North Dakota Testimony) which have been changed to include the amendments that have been proposed affecting HB 1003.

The first change reduces the salaries line by $1,462,223 and increases a special initiatives line by the same amount. This would set up the reinvestment initiatives as a separate line item to provide a mechanism to emphasize and separate these funds from the campus base budget. The second change removes $4,000,000 from the Capital Projects for the Barnes & Noble Bookstore since this will be addressed under separate legislation.

In addition to the budget revisions, a question was asked by Representative Monson regarding what is included in the $56,720,000 local funds. A copy of the local funds budget for the 97-99 biennium is attached which also includes reporting of actual expenditures for FY98. The top half of the report shows the line item and functional breakdown while the lower section of the report details the various sources of funds.

Please feel free to contact me or Alice Brekke if additional information is needed.

Sincerely,

K. L. Baker

Kendall L. Baker
President

cc: Larry Isaak, Chancellor
cc: Alice Brekke, Director, Budget and Grants Administration

UND is an equal opportunity/affirmative action institution

University Of North Dakota
99-01 Biennial Budget - Overview

REVISED 1/15/99

15-Jan-99

Budget Base	(1) 97-99 Appropriated	(2) 99-01 Request	(3) 99-01 Exec Recommendation (breakdown)	(4) 99-01 Exec Recommendation (line item)	(5) 99-01 Exec Recomm with proposed amend	
Salaries	$102,237,012	$94,903,587	$95,589,995	$102,475,530	$101,013,307	Note 1
Operating	$33,371,813	$31,627,141	$31,627,141	$33,155,561	$33,155,561	Note 2
Equipment	$2,385,868	$2,172,200	$2,172,200	$2,527,008	$2,527,008	Note 3
Capital Improvements	$1,907,305	$1,811,941	$1,811,941	$2,451,341	$2,451,341	Note 4
Capital Projects	$22,769,741	$4,000,000	$6,555,000	$6,555,000	$2,555,000	Note 5
IVN	$2,034,461	$1,932,738	$1,932,738	$2,108,224	$2,108,224	Note 6
ODIN	$547,579	$520,200	$520,200	$575,209	$575,209	Note 7
Carryover	$60,051					
Local Funds	$56,720,000	$56,720,000				Note 8
Special Initiatives Pool					$1,462,223	Note 9
Subtotal	$222,033,830	$193,687,807	$140,209,215	$149,847,873	$145,847,873	
Optional Adjustments						
Restoration or Reinvestment (Board Priority #1)		$4,472,888	$4,510,043			
Costs to Continue (Board Priority #2)		$3,605,016	$3,605,125			
Targeted Critical Salary Adjustments (Board Priority #8)		$945,424	$945,034			
Capital Improvements (Board Priority #9)		$544,036	$544,036			
Campus Six Year Plan Strategies (Board Priority #10)		$1,046,995				
Targeted Critical Salary Adjustments (Board Priority #11)		$945,424				
Technology Enhancements-Campus (Board Priority #12)		$739,873	$279,048			
Class II Employee Retirement Benefits (Board Priority #14)		$74,565				
Campus Six Year Plan Strategies (Board Priority #17)		$260,956				
Compensation Adjustment			$4,893,912			
Salary Pool-BHE			($5,138,540)			
Total 99-01 Biennial Budget	$222,033,830	$206,322,984	$149,847,873	$149,847,873	$145,847,873	

University Of North Dakota
99-01 Biennial Budget - Overview (Notes)

15-Jan-99

Note 1-Salaries

97-99 Base	$102,237,012
Reassign HECN Position	($135,929)
Enrollment Decrease	($4,370,435)
Other Income Change/Realign Costs	$390,304
5% General Fund Reduction	($3,217,365)
95% Budget Base (99-01 Request)	$94,903,587
Restoration/Reinvestment	$4,096,298
Costs to Continue	$2,139,472
Targeted Critical Salary Adjustment	$945,034
Compensation Adjustment	$4,843,223
Salary Pool-BHE	($5,138,540)
Adjust Tuition Estimate	$686,408
Technology Enhancements-Campus	$48
99-01 Exec Recommendation-Salaries	$102,475,530
Amendment-create special line item	($1,462,223)
99-01 Exec Recommend - Amendment Proposed	$101,013,307

Note 2 - Operating

97-99 Base	$33,371,813
Reassign HECN Position	($27,952)
Enrollment Decrease	($1,071,227)
Other Income Change/Realign Costs	$480,927
5% General Fund Reduction	($1,126,420)
95% Budget Base (99-01 Request)	$31,627,141
Restoration/Reinvestment	$284,642
Cost to Continue	$1,243,778
99-01 Exec Recommendation-Operating	$33,155,561

Note 3 - Equipment

97-99 Base	$2,385,868
Reassign HECN Position	($6,000)
Enrollment Decrease	($131,800)
Other Income Change/Realign Costs	($75,868)
95% Budget Base (99-01 Request)	$2,172,200
Cost to Continue	$75,808
Technology Enhancement	$279,000
99-01 Exec Recommendation-Equipment	$2,527,008

University Of North Dakota (Continued)
99-01 Biennial Budget - Overview (Notes)

15-Jan-99

Note 4 - Capital Improvements	
97-99 Base	$1,907,305
Other Income Change/Realign Costs	($95,364)
95% Budget Base (99-01 Request)	$1,811,941
Cost to Continue	$95,364
Capital Improvements Increase	$544,036
99-01 Exec Recommendation-Cap Imp	$2,451,341

Note 5 - Capital Projects	
97-99 Base	$22,769,741
Barnes & Noble	$4,000,000
Remove 97-99 Base	($22,769,741)
95% Budget Base (99-01 Request)	$4,000,000
Infrastructure	$2,555,000
99-01 Exec Recommendation-Cap Proj	$6,555,000
Barnes & Noble- to separate bill	($4,000,000)
99-01 Exec Recommend - Amendment Proposed	$2,555,000

Note 6 - IVN	
97-99 Base	$2,034,461
5% General Fund Reduction	($101,723)
95% Budget Base (99-01 Request)	$1,932,738
Restoration of 5%	$101,723
Cost to Continue	$43,843
Compensation Adjustment	$29,920
99-01 Exec Recommendation-IVN	$2,108,224

Note 7 - ODIN	
97-99 Base	$547,579
5% General Fund Reduction	($27,379)
95% Budget Base (99-01 Request)	$520,200
Restoration of 5%	$27,380
Cost to Continue	$6,860
Compensation Adjustment	$20,769
99-01 Exec Recommendation-ODIN	$575,209

Note 8 - The Executive Recommendation removed the specific amount for local funds and substituted general language (all other funds...).

Note 9 - New line item for reinvestment initiative pools.

UNIVERSITY OF NORTH DAKOTA

SU[redacted] OF ESTIMATED 1997-99 GRANT/CONTRACT AND OTHER FUNDS BUDGET (COMPARISON OF BUD[redacted] ACTUAL EXPENDITURES FOR FY98)

APPROPRIATED-AMOUNTS RELATED TO THE FUNDS IDENTIFIED BY THE STATE[redacted]RS OFFICE

~ TOTALS BY FUNCTION ~

SCHEDULE [redacted]

(APPROPR[redacted])

	(1) Instruction	(2) Support Services	(3) Facilities Upkeep & Maintenance	(4) Research	(5) Public Service	(6) Auxiliary Enterprises	(7) Student Financial Aid	(8) Total Budget 1997-99	(9) Actual Expenditures 1997-98	(10) Percent of Budget Expended	(11) Unexpended Budget as of 6-30-98	(12) Percent of Budget Remaining
Salaries & Wages												
Grants/Contracts								$0		ERR	$0	ERR
Other Funds	$8,710,000	$14,770,000	$1,330,000	$120,000	$140,000	$1,680,000	$20,000	$26,770,000	$11,981,570	44.76%	$14,788,430	55.24%
TOTAL	$8,710,000	$14,770,000	$1,330,000	$120,000	$140,000	$1,680,000	$20,000	$26,770,000	$11,981,570	44.76%	$14,788,430	55.24%
Operating Expenses												
Grants/Contracts								$0		ERR	$0	ERR
Other Funds	$16,900,000	$5,800,000	$830,000	$990,000	$410,000	$1,680,000		$26,610,000	$13,825,610	51.96%	$12,784,390	48.04%
TOTAL	$16,900,000	$5,800,000	$830,000	$990,000	$410,000	$1,680,000	$0	$26,610,000	$13,825,610	51.96%	$12,784,390	48.04%
Equipment												
Grants/Contracts								$0		ERR	$0	ERR
Other Funds	$2,160,000	$810,000	$100,000	$240,000	$10,000	$20,000		$3,340,000	$1,124,825	33.68%	$2,215,175	66.32%
TOTAL	$2,160,000	$810,000	$100,000	$240,000	$10,000	$20,000	$0	$3,340,000	$1,124,825	33.68%	$2,215,175	66.32%
Capital Improvements												
Grants/Contracts								$0		ERR	$0	ERR
Other Funds								$0		ERR	$0	ERR
TOTAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	ERR	$0	ERR
Debt Service												
Grants/Contracts								$0		ERR	$0	ERR
Other Funds								$0		ERR	$0	ERR
TOTAL	$0	$0	$0	$0	$0	$0	$0	$0	$0	ERR	$0	ERR
Total Projected Expenditur												
Grants/Contracts	$0	$0	$0	$0	$0	$0	$0	$0	$0	ERR	$0	ERR
Other Funds	$27,770,000	$21,380,000	$2,260,000	$1,350,000	$560,000	$3,380,000	$20,000	$56,720,000	$26,932,006	47.48%	$29,787,994	52.52%
TOTAL	$27,770,000	$21,380,000	$2,260,000	$1,350,000	$560,000	$3,380,000	$20,000	$56,720,000	$26,932,006	47.48%	$29,787,994	52.52%
Expenditures by Source												
Direct Grants and Contracts								$0		ERR	$0	ERR
Indirect Grants and Contracts	$1,620,000	$13,810,000	$580,000	$1,110,000		$640,000	$20,000	$17,780,000	$7,228,560	40.66%	$10,551,440	59.34%
Subtotal Grants and Co	$1,620,000	$13,810,000	$580,000	$1,110,000	$0	$640,000	$20,000	$17,780,000	$7,228,560	40.66%	$10,551,440	59.34%
Foodservice								$0		ERR	$0	ERR
Housing								$0		ERR	$0	ERR
Bookstore								$0		ERR	$0	ERR
Athletic						$210,000		$210,000	$37,962	18.08%	$172,038	81.92%
Other Auxiliary Operations								$0		ERR	$0	ERR
Course/Program Fees	$1,800,000							$1,800,000	$1,106,827	61.49%	$693,173	38.51%
Other Student Fees	$140,000	$4,540,000				$2,160,000		$6,840,000	$3,240,686	47.38%	$3,599,314	52.62%
Continuing Education Fees	$4,000,000							$4,000,000	$1,364,453	34.11%	$2,635,547	65.89%
Student Financial Aid								$0		ERR	$0	ERR
Donations/Bequests	$230,000							$230,000	$184,915	80.40%	$45,085	19.60%
Medical School								$0		ERR	$0	ERR
Interest/Investment/Misc. Rent		$1,050,000	$100,000					$1,150,000	$1,160,628	100.92%	($10,628)	-0.92%
Other Misc	$19,980,000	$1,980,000	$1,580,000	$240,000	$560,000	$370,000		$24,710,000	$12,607,974	51.02%	$12,102,026	48.98%
Subtotal Other Funds	$26,150,000	$7,570,000	$1,680,000	$240,000	$560,000	$2,740,000	$0	$38,940,000	$19,703,446	50.60%	$19,236,554	49.40%
TOTAL	$27,770,000	$21,380,000	$2,260,000	$1,350,000	$560,000	$3,380,000	$20,000	$56,720,000	$26,932,006	47.48%	$29,787,994	52.52%

*Nonauxiliary Sales and Services includes a variety of sales and services of educational activities such as camps, clinics, workshops and conferences, flight time, parking, rentals, library and parking fines, shop and lab production, etc.

Explanatory Footnote: The campuses have excluded expenses for internal service funds, assuming that revenues will offset the expenses. Certain campuses are continuing to work with the state auditor's office to identify what amounts can be carried forward and what rates are appropriate. The amounts and expected useages of internal service fund reserves will be disclosed when the schedule to report actual local fund expenditures is prepared subsequent to the end of the first year of the 97-99 biennium (due October 31, 1998).

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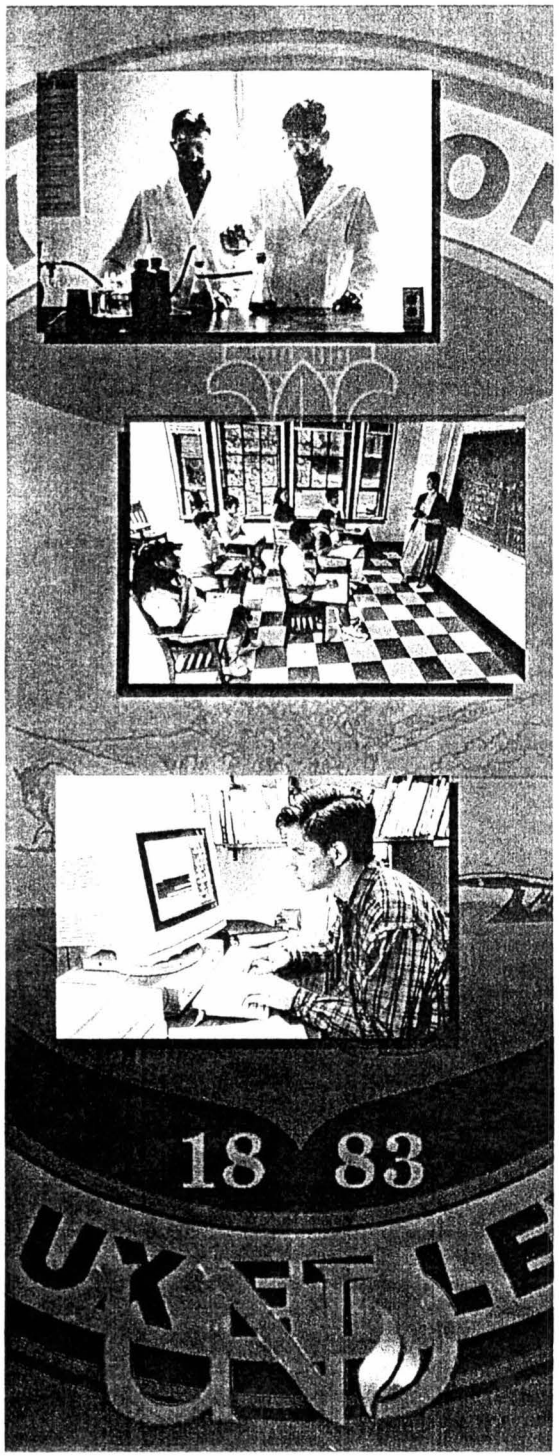


WITH EXCEPTION OF THE FOLLOWING
PAGES TESTIMONY SAME AS IN THE HOUSE

University of North Dakota

Testimony Before the Appropriations Committee

North Dakota State Senate

March 2, 1999

Alice Brekke #1

University Of North Dakota
99-01 Biennial Budget - Overview

REVISED 2/25/99

25-Feb-99

Budget Base	(1) 97-99 Appropriated	(2) 99-01 Request	(3) 99-01 Exec Recommendation (breakdown)	(4) 99-01 Exec Recommendation (line item)	(5) 99-01 House Amended HB1003 (breakdown)	(6) 99-01 House Amended HB1003 (line item)	
Salaries	$102,237,012	$94,903,587	$95,589,995	$102,475,530	$94,127,772	$104,142,630	Note 1
Operating	$33,371,813	$31,627,141	$31,627,141	$33,155,561	$31,627,141	$32,675,751	Note 2
Equipment	$2,385,868	$2,172,200	$2,172,200	$2,527,008	$2,172,200	$2,247,960	Note 3
Capital Improvements	$1,907,305	$1,811,941	$1,811,941	$2,451,341	$1,811,941	$2,207,305	Note 4
Capital Projects	$22,769,741	$4,000,000	$6,555,000	$6,555,000	$2,555,000	$2,555,000	Note 5
IVN	$2,034,461	$1,932,738	$1,932,738	$2,108,224	$1,932,738	$2,108,224	Note 6
ODIN	$547,579	$520,200	$520,200	$575,209	$520,200	$575,209	Note 7
Carryover	$60,051						
Local Funds	$56,720,000	$56,720,000			$282,733,609	$282,733,609	Note 8
Special Initiatives Pool					$1,462,223	$1,462,223	Note 9
Subtotal	$222,033,830	$193,687,807	$140,209,215	$149,847,873	$418,942,824	$430,707,911	
Optional Adjustments							
Restoration or Reinvestment (Board Priority #1)		$4,472,888	$4,510,043		$4,510,043		
Costs to Continue (Board Priority #2)		$3,605,016	$3,605,125		$3,605,125		
Targeted Critical Salary Adjustments (Board Priority #8)		$945,424	$945,034		($37,313)		
Capital Improvements (Board Priority #9)		$544,036	$544,036		$300,000		
Campus Six Year Plan Strategies (Board Priority #10)		$1,046,995					
Targeted Critical Salary Adjustments (Board Priority #11)		$945,424					
Technology Enhancements-Campus (Board Priority #12)		$739,873	$279,048				
Class II Employee Retirement Benefits (Board Priority #14)		$74,565					
Campus Six Year Plan Strategies (Board Priority #17)		$260,956					
Compensation Adjustment			$4,893,912		$3,867,042		
Salary Pool-BHE			($5,138,540)				
Across the Board Reduction 0.5%					($479,810)		
Total 99-01 Biennial Budget	$222,033,830	$206,322,984	$149,847,873	$149,847,873	$430,707,911	$430,707,911	

99-01 Biennial Budget - Overview (Notes)

25-Feb-99

Note 1-Salaries	
97-99 Base	$102,237,012
Reassign HECN Position	($135,929)
Enrollment Decrease	($4,370,435)
Other Income Change/Realign Costs	$390,304
5% General Fund Reduction	($3,217,365)
95% Budget Base (99-01 Request)	$94,903,587
Restoration/Reinvestment	$4,096,298
Costs to Continue	$2,139,472
Targeted Critical Salary Adjustment	$945,034
Compensation Adjustment	$4,843,223
Salary Pool-BHE	($5,138,540)
Adjust Tuition Estimate	$686,408
Technology Enhancements-Campus	$48
99-01 Exec Recommendation-Salaries	$102,475,530
Salary Pool-BHE	$5,138,540
Critical Salary Adjustment-to BHE Pool	($982,347)
Decrease Compnsation Adjustment	($1,026,870)
Create Special Line Item	($1,462,223)
99-01 House Amended HB1003-Salaries	$104,142,630

Note 2 - Operating	
97-99 Base	$33,371,813
Reassign HECN Position	($27,952)
Enrollment Decrease	($1,071,227)
Other Income Change/Realign Costs	$480,927
5% General Fund Reduction	($1,126,420)
95% Budget Base (99-01 Request)	$31,627,141
Restoration/Reinvestment	$284,642
Cost to Continue	$1,243,778
99-01 Exec Recommendation-Operating	$33,155,561
Across the Board Reduction 0.5%	($479,810)
99-01 House Amended HB1003-Operating	$32,675,751

Note 3 - Equipment	
97-99 Base	$2,385,868
Reassign HECN Position	($6,000)
Enrollment Decrease	($131,800)
Other Income Change/Realign Costs	($75,868)
95% Budget Base (99-01 Request)	$2,172,200
Cost to Continue	$75,808
Technology Enhancement	$279,000
99-01 Exec Recommendation-Equipment	$2,527,008
Remove Technology Enhancement	($279,048)
99-01 House Amended HB1003-Equipment	$2,247,960

University Of North Dakota (Continued)
99-01 Biennial Budget - Overview (Notes)

25-Feb-99

Note 4 - Capital Improvements	
97-99 Base	$1,907,305
Other Income Change/Realign Costs	($95,364)
95% Budget Base (99-01 Request)	$1,811,941
Cost to Continue	$95,364
Capital Improvements Increase	$544,036
99-01 Exec Recommendation-Cap Imp	$2,451,341
Reduce Capital Improvements	($244,036)
99-01 House Amended HB1003-Capital Improvements	$2,207,305

Note 5 - Capital Projects	
97-99 Base	$22,769,741
Barnes & Noble	$4,000,000
Remove 97-99 Base	($22,769,741)
95% Budget Base (99-01 Request)	$4,000,000
Infrastructure	$2,555,000
99-01 Exec Recommendation-Cap Proj	$6,555,000
Barnes & Noble- to separate bill	($4,000,000)
99-01 House Amended HB1003-Capital Projects	$2,555,000

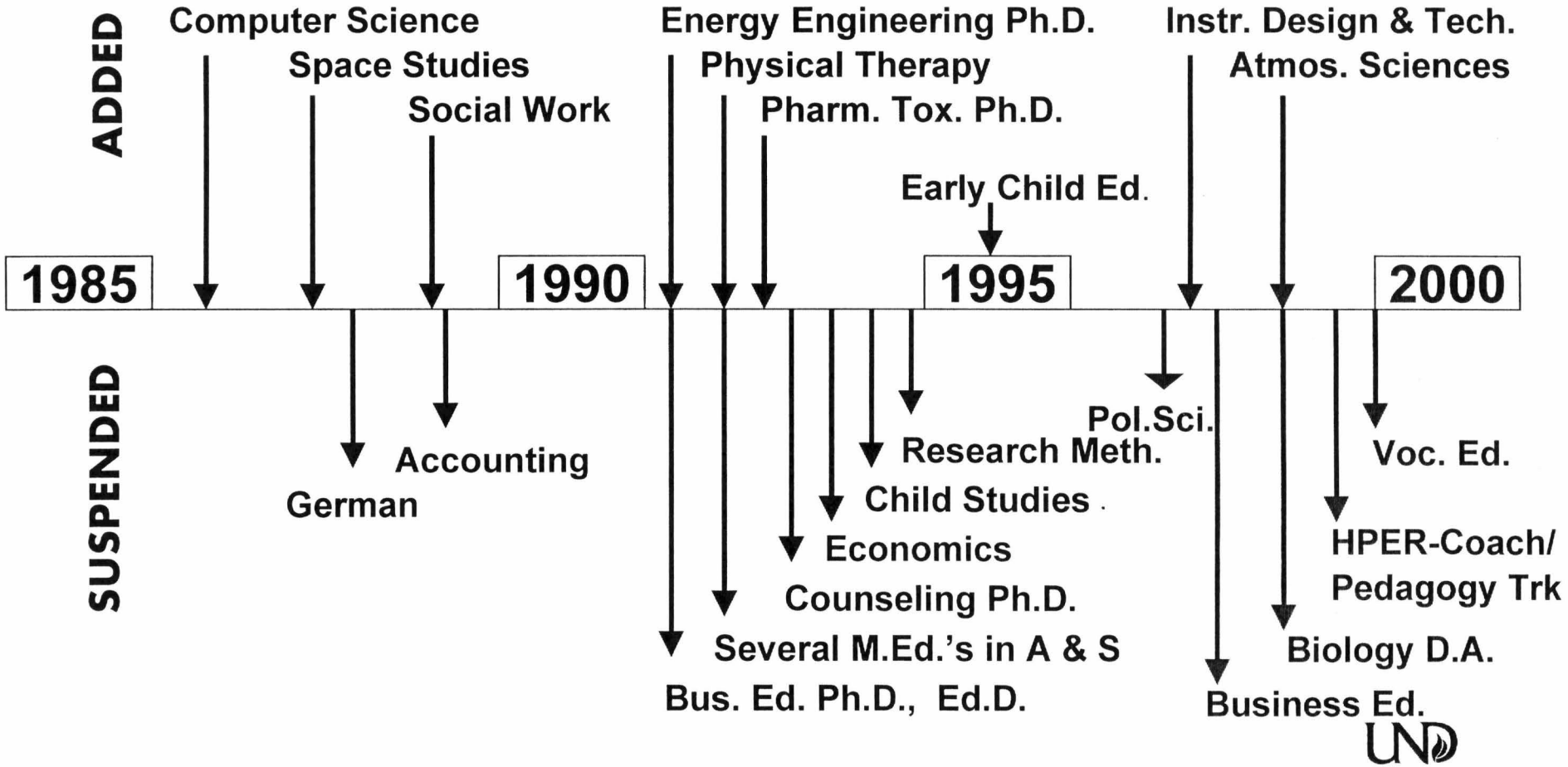
Note 6 - IVN	
97-99 Base	$2,034,461
5% General Fund Reduction	($101,723)
95% Budget Base (99-01 Request)	$1,932,738
Restoration of 5%	$101,723
Cost to Continue	$43,843
Compensation Adjustment	$29,920
99-01 Exec Recommendation-IVN	$2,108,224

Note 7 - ODIN	
97-99 Base	$547,579
5% General Fund Reduction	($27,379)
95% Budget Base (99-01 Request)	$520,200
Restoration of 5%	$27,380
Cost to Continue	$6,860
Compensation Adjustment	$20,769
99-01 Exec Recommendation-ODIN	$575,209

Note 8 - The Executive Recommendation removed the specific amount for local funds and substituted general language (all other funds...). The House amendment identifies all local fund amounts.

Note 9 - New line item for reinvestment initiative pools. Pool created by corresponding reduction in salaries line.

Graduate School
Program Additions/Suspensions



Department 232 - UND School of Medicine and Health Sciences
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	428.02	$28,223,862	$59,472,012	$87,695,874
1997-99 Legislative Appropriations	422.77 *	27,517,360	54,185,095	81,702,455 **
Increase (Decrease)	5.25	$706,502	$5,286,917	$5,993,419

* The 1997-99 appropriation is based on 444.22 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The 422.77 FTE positions shown above represent the employee positions reported to the Office of Management and Budget.

** The 1997-99 appropriation has been adjusted to include State Board of Higher Education allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the board and 1995-97 carryover authority.

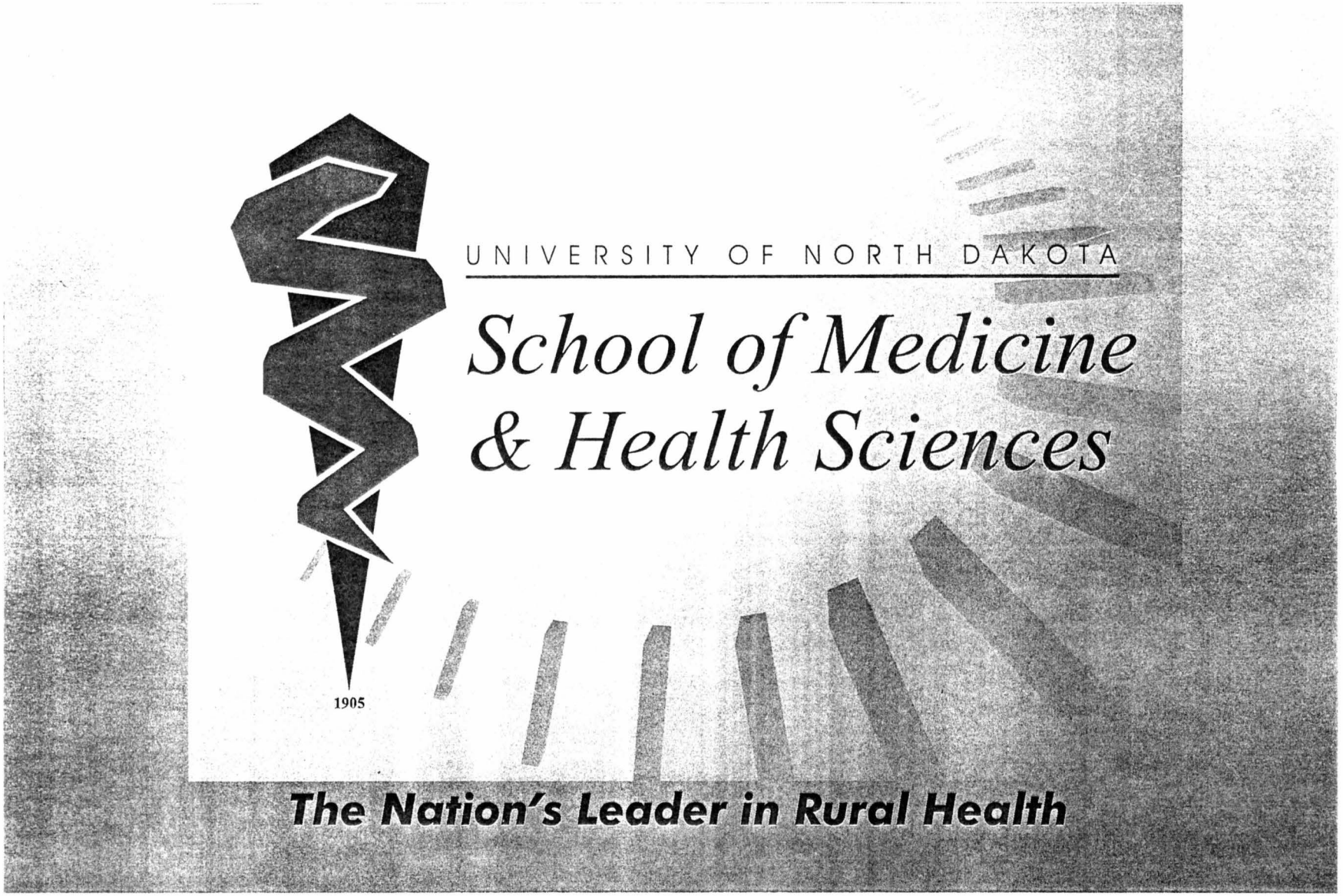
Major Items Affecting UND School of Medicine and Health Sciences 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reductions made to reflect the institution's 95 percent budget request	($1,369,228)		($1,369,228)
2. Adds funds for restoration and reinvestment for salary adjustments and costs to continue to reinstate salary pools, provide operating inflation, and additional equipment funding	2,407,938		2,407,938
3. Adds funds for critical salary adjustments to address market, compression, equity, and performance adjustments (The House removed from the institutions and pooled in the board office.)	232,320		232,320
4. Deducts salary funding transferred to the systemwide salary pool (The House reallocated back to the institutions.)	(1,569,678)		(1,569,678)
5. Reflects the following increases in special funds:			
Research/service - Estimated increased revenues		$1,714,195	1,714,195
Instruction - Estimated mill levy funds increase		147,283	147,283
Instruction - Estimated decrease in tuition revenues		(104,714)	(104,714)
Instruction - Revenues generated by annual tuition increases of 9 percent, the additional tuition is to be used to fund the following 5.25 new FTE positions:		826,547	826,547
4.00 FTE higher education faculty			
1.25 FTE higher education academic staff			
Instruction - Revenues generated by taking 4 additional medical students (the 4 additional students would be from Alaska)		444,376	444,376
Instruction - Tuition adjustment for junior and senior students in the clinical lab science program		100,000	100,000

Major Legislation Affecting the UND School of Medicine and Health Sciences

There is no major legislation affecting the UND School of Medicine and Health Sciences.

UND med school


UNIVERSITY OF NORTH DAKOTA
School of Medicine
& Health Sciences
1905
The Nation's Leader in Rural Health

University Of North Dakota-Medical Center
99-01 Biennial Budget - Overview

09-Jan-99

	(1) 97-99 Appropriation	(2) 99-01 Request	(3) 99-01 Exec Recommendation (breakdown)	(4) 99-01 Exec Recommendation (line item)	
Budget Base					
Salaries	$61,014,188	$62,796,725	$62,796,725	$66,413,168	Note 1
Operating	$18,049,721	$17,984,721	$17,984,721	$18,350,591	Note 2
Equipment	$2,705,045	$2,745,967	$2,745,967	$2,932,115	Note 3
Carryover	$74,247				
Subtotal	$81,843,201	$83,527,413	$83,527,413	$87,695,874	
Optional Adjustments					
Restoration or Reinvestment (Board Priority #1)		$1,369,228	$1,372,800		
Costs to Continue (Board Priority #2)		$1,038,610	$1,035,138		
Targeted Critical Salary Adjustments (Board Priority #8)		$231,687	$232,321		
Campus Six Year Plan Strategies (Board Priority #10)		$189,554			
Targeted Critical Salary Adjustments (Board Priority #11)		$231,687			
Campus Six Year Plan Strategies (Board Priority #17)		$189,553			
Compensation Adjustment			$3,097,881		
Salary Pool-BHE			($1,569,679)		
Total 99-01 Biennial Budget	$81,843,201	$86,777,732	$87,695,874	$87,695,874	

University Of North Dakota-Medical Center
99-01 Biennial Budget - Overview (Notes)

Note 1 - Salaries	(1) Total	(2) General Fund	(3) Tuition	(4) Grant/Local
95% Budget Base	$62,796,725	$18,832,175	$10,473,150	$33,491,400
Restoration of 5%	$1,372,800	$1,372,800		
Cost to Continue	$483,120	$483,120		
Critical Salary Adjustment	$232,321	$232,321		
Compensation Adjustment	$3,097,881	$938,651	$521,503	$1,637,727
Salary Pool-BHE	($1,569,679)	($1,569,679)		
99-01 Exec Recommendation-Salaries	$66,413,168	$20,289,388	$10,994,653	$35,129,127

Note 2 - Operating	Total	General Fund	Tuition	Grant/Local
95% Budget Base	$17,984,721	$7,092,664	$267,657	$10,624,400
Cost to Continue	$365,870	$365,870		
99-01 Exec Recommendation-Operating	$18,350,591	$7,458,534	$267,657	$10,624,400

Note 3 - Equipment	Total	General Fund	Tuition	Grant/Local
95% Budget Base	$2,745,967	$289,792	$71,975	$2,384,200
Cost to Continue	$186,148	$186,148		
99-01 Exec Recommendation-Equipment	$2,932,115	$475,940	$71,975	$2,384,200
Total Funding By Source	$87,695,874	$28,223,862	$11,334,285	$48,137,727

	Expenditures 1995 - 1997 Biennium	First Year Expenditures 1997 - 1998	Present Budget Balance 1998 - 1999	Total Present Budget 1997 - 1999 Biennium	Requested Budget 1999 - 2001 Biennium	1999 - 2001 Biennium Incr. (Decr.)
MAJOR PROGRAMS						
INSTRUCTION	32,347,217	18,184,842	18,504,975	36,689,817	36,659,834	(29,983)
SUPPORT SERVICES	357,270	183,397	184,182	367,579	367,579	0
RESEARCH/SERVICE	42,189,367	21,483,045	23,302,760	44,785,805	46,500,000	1,714,195
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**83,527,413**	**1,684,212**
LINE ITEMS						
SALARIES AND WAGES	55,272,093	30,066,880	30,947,308	61,014,188	62,796,725	1,782,537
OPERATING EXPENSES	16,881,578	8,924,861	9,124,860	18,049,721	17,984,721	(65,000)
EQUIPMENT	2,740,183	859,543	1,845,502	2,705,045	2,745,967	40,922
95 BIENNIUM CARRYOVER	0	0	74,247	74,247	0	(74,247)
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**83,527,413**	**1,684,212**
FUNDING SOURCES						
GENERAL FUND	25,330,208	13,668,594	13,989,512	27,658,106	26,214,631	(1,443,475)
FEDERAL FUND	0	0	0	0	0	0
SPECIAL FUND	49,563,646	26,182,690	28,002,405	54,185,095	57,312,782	3,127,687
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**83,527,413**	**1,684,212**
FULL TIME EQUIVALENT EMPLOYEES	559.65			422.77	428.02	5.25

	Expenditures 1995 - 1997 Biennium	First Year Expenditures 1997 - 1998	Present Budget Balance 1998 - 1999	Total Present Budget 1997 - 1999 Biennium	Requested Budget 1999 - 2001 Biennium	1999 - 2001 Biennium Incr. (Decr.)
MAJOR PROGRAMS						
INSTRUCTION	32,347,217	18,184,842	18,504,975	36,689,817	39,189,713	2,499,896
SUPPORT SERVICES	357,270	183,397	184,182	367,579	368,434	855
RESEARCH/SERVICE	42,189,367	21,483,045	23,302,760	44,785,805	48,137,727	3,351,922
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**87,695,874**	**5,852,673**
LINE ITEMS						
SALARIES AND WAGES	55,272,093	30,066,880	30,947,308	61,014,188	66,413,168	5,398,980
OPERATING EXPENSES	16,881,578	8,924,861	9,124,860	18,049,721	18,350,591	300,870
EQUIPMENT	2,740,183	859,543	1,845,502	2,705,045	2,932,115	227,070
95 BIENNIUM CARRYOVER	0	0	74,247	74,247	0	(74,247)
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**87,695,874**	**5,852,673**
FUNDING SOURCES						
GENERAL FUND	25,330,208	13,668,594	13,989,512	27,658,106	28,223,862	565,756
FEDERAL FUND	0	0	0	0	0	0
SPECIAL FUND	49,563,646	26,182,690	28,002,405	54,185,095	59,472,012	5,286,917
TOTAL	**74,893,854**	**39,851,284**	**41,991,917**	**81,843,201**	**87,695,874**	**5,852,673**
FULL TIME EQUIVALENT EMPLOYEES	559.65			422.77	428.02	5.25

University of North Dakota
School of Medicine & Health Sciences

Testimony Before:

House Appropriations Committee
(Education and Environment Division)
January 13, 1999

Presented by:

H. David Wilson, M.D.
Dean

e-mail: hdwilson@mail.med.und.nodak.edu
Phone: 701-777-2514

UND School of Medicine & Health Sciences

- Fully accredited by Liaison Committee on Medical Education (LCME)
- Maximum accreditation (7 years)
  - May 1992 - May 1999
    - (Accreditation visit scheduled for April 11-15, 1999)
- All components fully accredited
  - Allied Health Programs
    - Athletic Training
    - Clinical Laboratory Science
    - Cytotechnology
    - Occupational Therapy
    - Physician Assistant
    - Physical Therapy
  - Graduate Medical Education Program (Residencies)
  - Continuing Medical Education
  - Graduate Programs in Biomedical Sciences

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University of North Dakota School of Medicine & Health Sciences

Academic Programs

	Enrollments
• M.D. (M.D./Ph.D)	232/1
• M.S./Ph.D. - Basic Sciences	41
• M.P.T. Physical Therapy	145
• B.S. Medical Tech / Cytotechnology	108
• B.S. Athletic Training	30
• B.S. Occupational Therapy (GF)	131
(Casper WY)	38
• Physician Assistant	80
• Physician in Training (G.M.E.)	123
– (Family Med, Internal Med, Surgery, Psychiatry, Transitional)	
	Total 921

- Other Programs
  - Continuing Medical Education 1699
  - Lab Education for North Dakota (LEND) 1234
  - Medstar 2813

  Total 5746

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UND School of Medicine & Health Sciences

Physicians in Training (Residency) Programs

Family Medicine (three years)

Bismarck, Fargo, Minot, Grand Forks

Internal Medicine (Fargo) (three years)

Psychiatry (Fargo) (four years)

General Surgery (Grand Forks/Fargo) (five years)

Transitional (Fargo) (one year)

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University of North Dakota School of Medicine & Health Sciences

Educational Program Comparison

Traditional Curriculum

- Primary care emphasis
- Discipline based subjects
- Large learning groups
- Learning by memorization
- Passive learners
- Lecture instruction
- Student anonymity
- Lecture topics
- Paper tests
- Learning how to pass tests
- Some rural experience
- Presentation of isolated facts

Patient Oriented Curriculum

- Primary care emphasis
- Interdisciplinary subjects
- Small learning groups
- Learning by understanding
- Active learners
- Multiple methods intervention
- Student interaction
- Clinical cases
- Performance tests
- Learning how to learn better
- More rural experience
- Presentation of concepts and relationships

Dr. Janice Murphy, Dean Bis Campus

University of North Dakota School of Medicine & Health Sciences

New Medical School Curriculum

- **ROME: Rural Opportunities for Medical Education**
  - Eight month experience for rural primary care: open to third year students
  - Students live and train in non-metropolitan communities under supervision of physician preceptors
  - Training Sites:
    - Hettinger (implemented in 1998)
    - Devils Lake (implemented in 1998)
    - Williston (implementing in 1999)
    - Belcourt (implementing in 1999)

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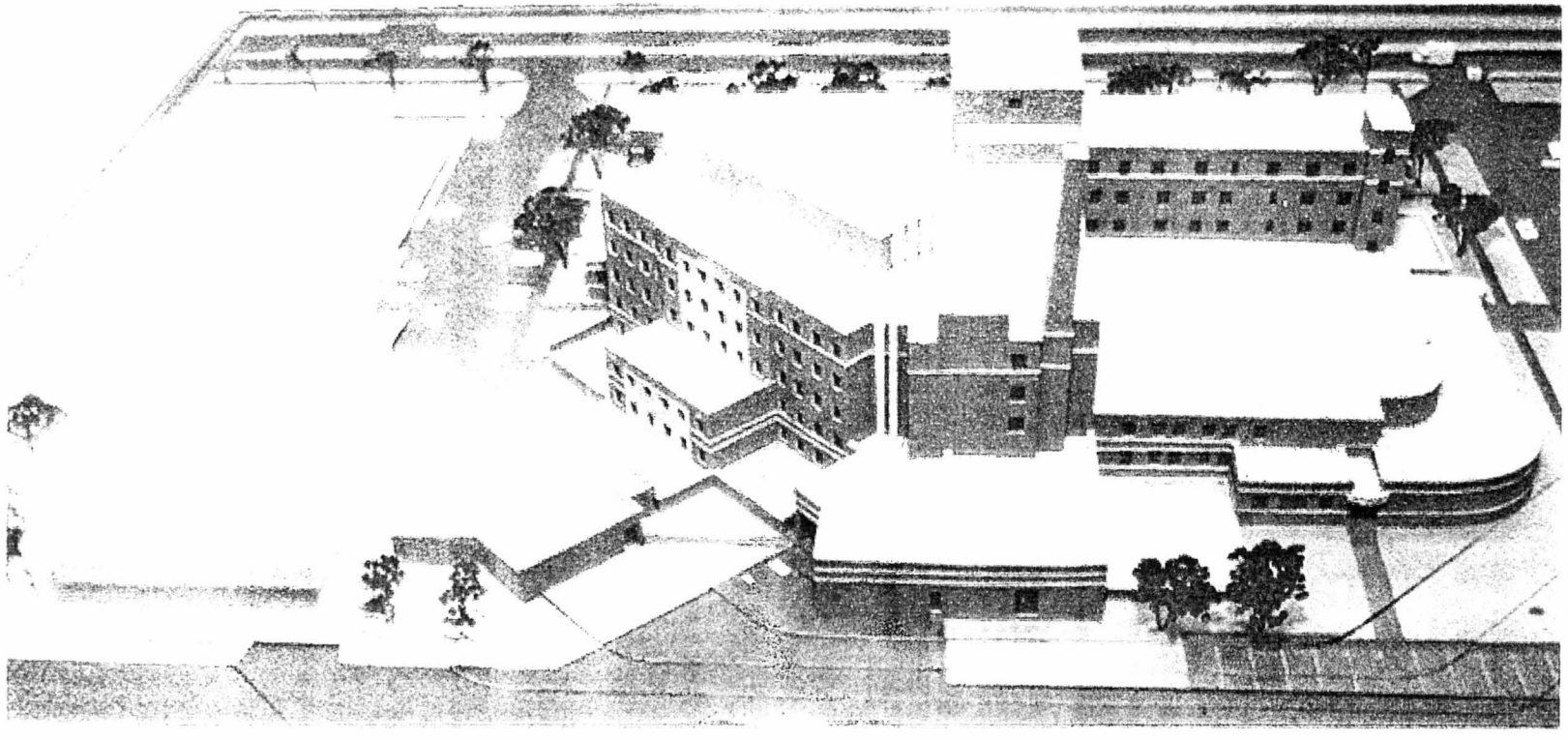
New Model of UNDSMHS Showing Animal Research Facility



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University of North Dakota School of Medicine & Health Sciences

Biomedical Research Facility Funding Sources

• State bonding	$ 3,000,000
– (Approved by 1997 Legislature)	
• UND USDA Grand Funds	$ 300,000
• UND USDA Grant Funds	$ 300,000
– (Expended on Infrastructure)	
• UND Local Funds (Rehabilitation Hospital)	$ 1,200,000
• UND Alumni Foundation Grant	$ 1,200,000
• Total Funds Currently Available for Animal Facility	$ 6,000,000

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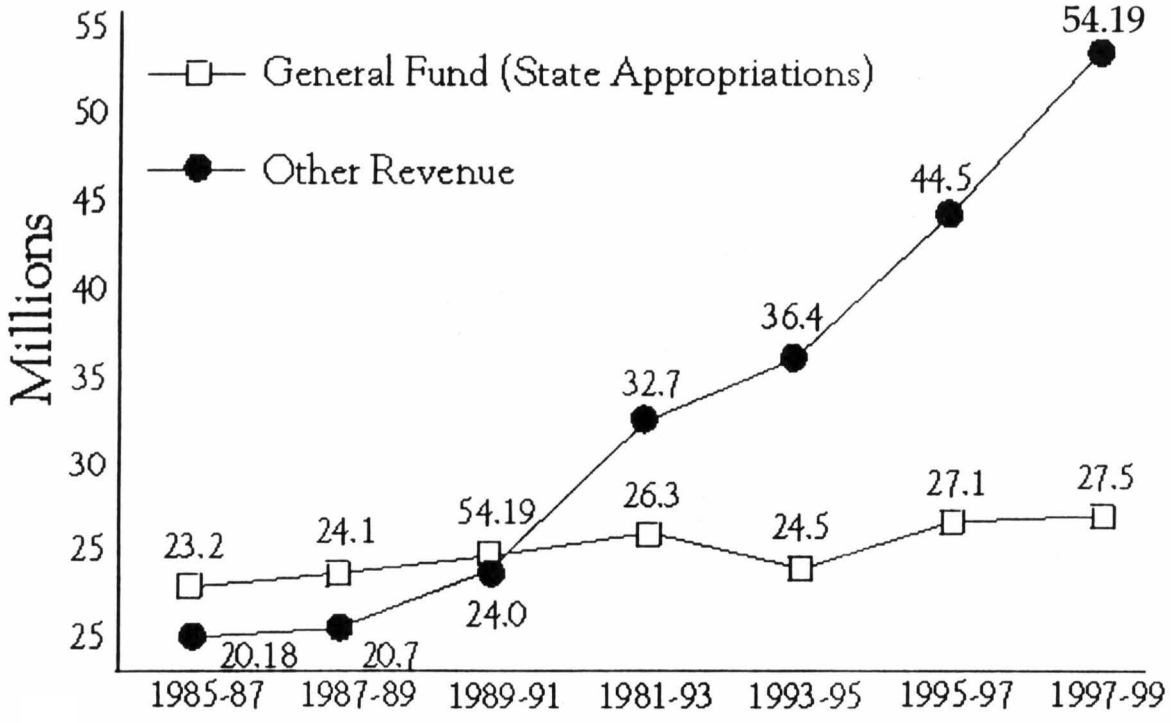
Sources of Revenue: 1987-87 to 1997-99



Other revenue includes Tuition, One-mill Levy, Grant & Contracts and Patient Services
These revenues are restricted for use to specific academic and research programs.

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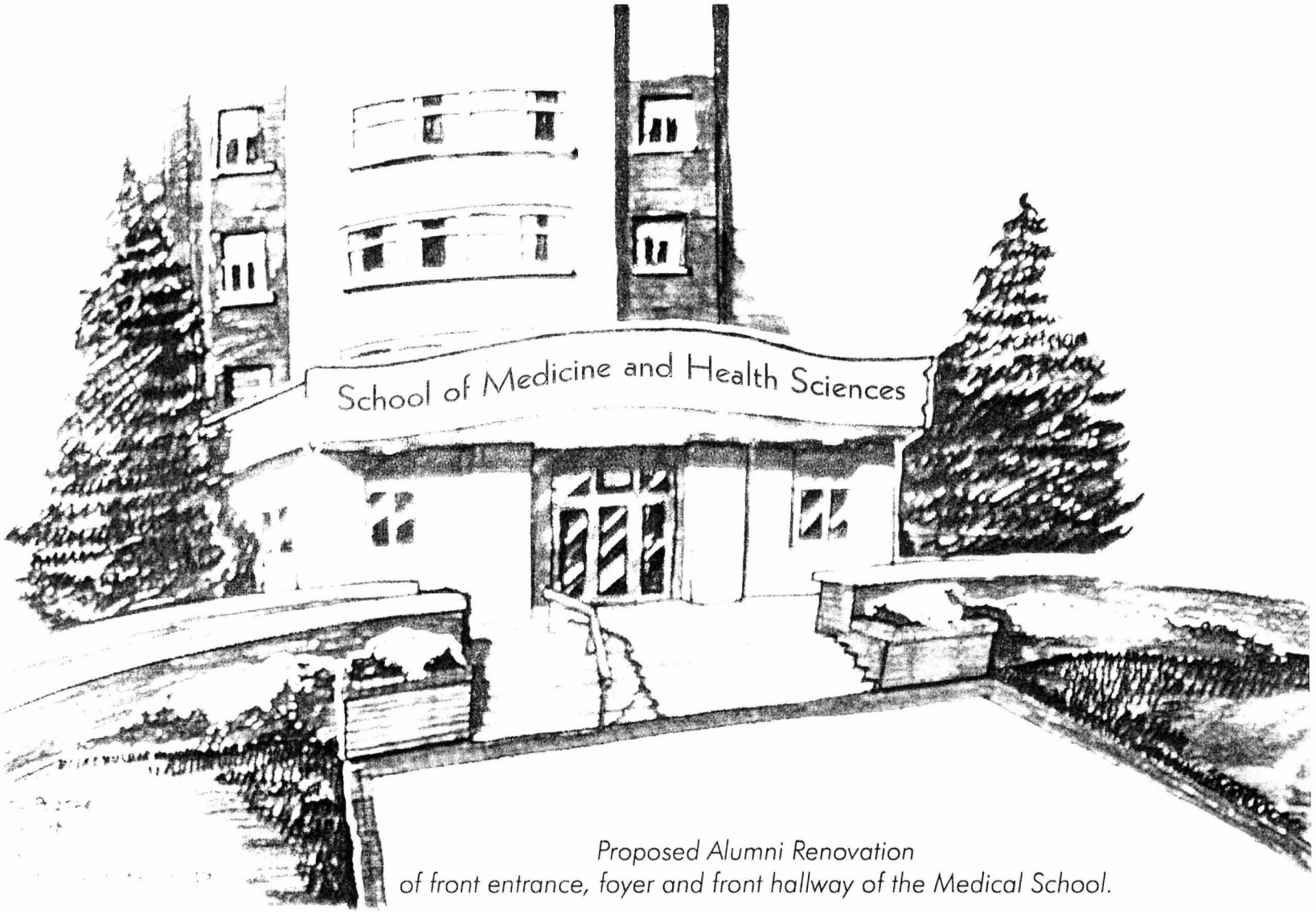
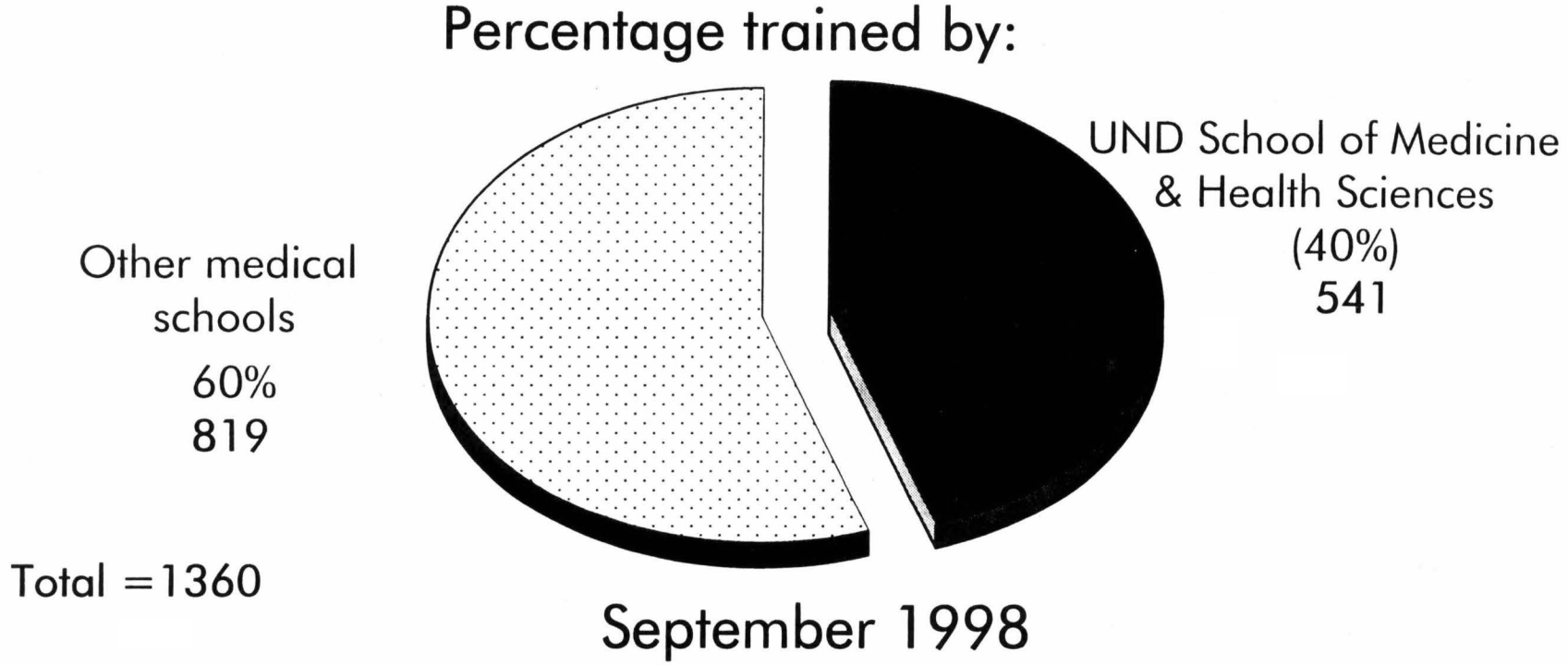
Harwood Initiative



Proposed Alumni Renovation
of front entrance, foyer and front hallway of the Medical School.

UND School of Medicine & Health Sciences
Licensed, Practicing Physicians in North Dakota



Note: Not including retired, inactive, non-practicing physicians or non-licensed first-year resident-physicians.

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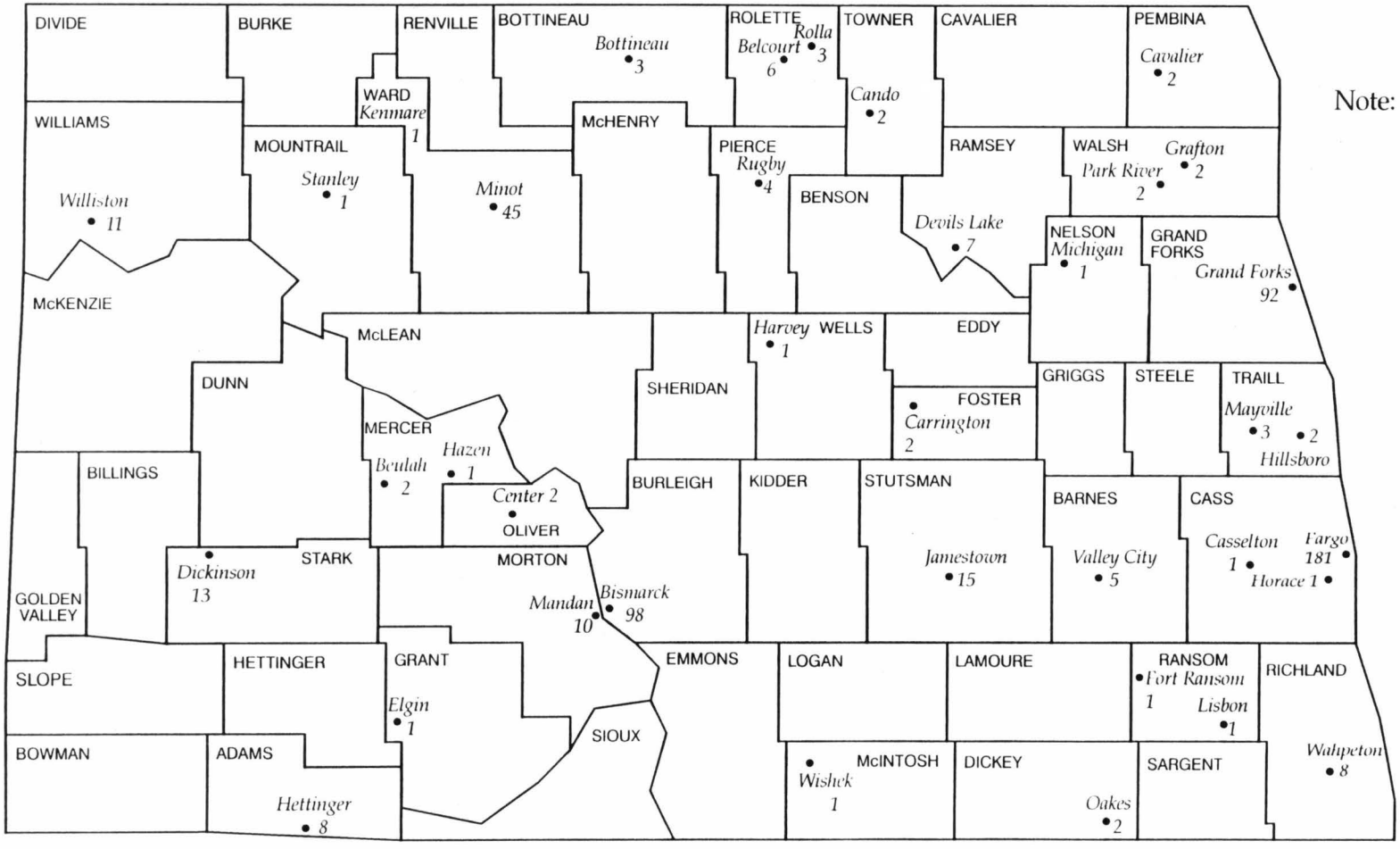
University of North Dakota School of Medicine & Health Sciences

Allied Health Sciences Programs

- Physical Therapy Program
  - Total professionals (practicing) in North Dakota: 347
  - UNDSOMHS: 79% - Other Schools: 21%
- Occupational Therapy
  - Total professionals (practicing) in North Dakota: 278
  - UNDSOMHS: 74% - Other schools 26%
- Physician Assistant Program
  - Total professionals (licensed and practicing) in North Dakota: 245
  - UNDSOMHS: 49% - Other Schools: 51%
- Medical Laboratory Sciences
  - Total professionals (licensed and practicing) in North Dakota: 623
  - UNDSOMHS: 30% - Other Schools: 70%

North Dakota Physicians Trained by UND School of Medicine & Health Sciences



Note: The numbers listed with each community indicate physicians who have earned their B.S. Med. (Bachelor of Science in Medicine) or M.D. (Doctor of Medicine) degree or have completed (or are in) residency training through the UND School of Medicine & Health Sciences. Physicians who are retired, inactive or serve at Minot and Grand Forks Air Force base hospitals are not included.

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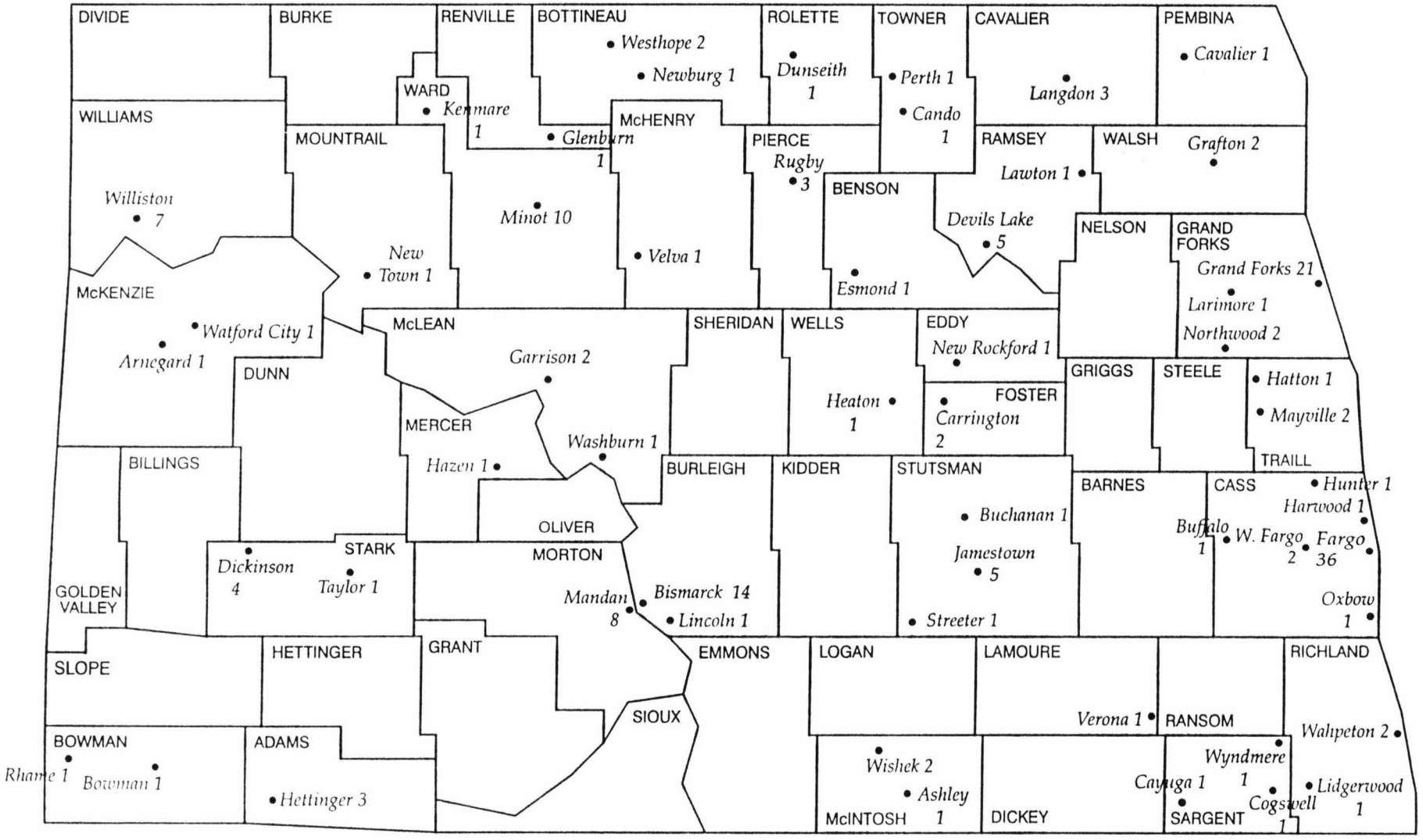
UND School of Medicine & Health Sciences
Current Medical Students' Hometowns



Source: UND School of Medicine and Health Sciences, Office of Student Affairs and Admissions

dean/medstud.cdr

ARNEGARD
Moen, RJ-2000
ASHLEY
Lang, Darin-2001
BISMARCK
Baumgartner, Marc-2001
Bosch, Kristina-2000
Choi, Young Mee-2001
Criego, Amy-1999
Decker, Gerald-1999
Dwyer-Nielsen, Dana-2002
Fortney, Aaron-1999
Graff, Jason-2000
Heringer, Dustin-2001
Hoffer, Sharnell-1999
Hovey, Sharon-2000
Renton, Douglas-2002
Talbacka, Chelsy-2001
Thompson, Eric-1999
BOWMAN
Bowman, Tara-2000
BUCHANAN
Holzwarth, Ryan-2002
BUFFALO
Grieve, Billie-2001
CANDO
Beck, David-1999
CARRINGTON
Berglund, Gregory-2000
Schaffer, Todd-2002
CAVALIER
Tareen, Basir-2002
CAYUGA
Nelson, Rose-2002
COGSWELL
Mallberg-Shaffer, Tracie-2002
DEVILS LAKE
Cox, Chaun-2000
Hansen, Rachel-2002
Jonas, Roxanne-2000
Luckenbill, Michael-2002
Roller, Matthew-2002
DICKINSON
Alonto, Kerry-2001
Baumgartner, Joel-1999
Herold, [illegible]-2002
Whiting, [illegible]ey-1999

DUNSEITH
Gunderson, Aaron-1999
ESMOND
Kamille, Bachmeier-1999
FARGO
Alley, Bethany-2001
Bahrami, Afsoon-2001
Brady, Robyn-2000
Briggs, Steve-2000
Brunsvold, Melissa-2001
Carlson, Dana-2002
Cleveland, Chris-2000
Cooke, Richard-2001
Davis, Jeffrey-2001
Foster, Heidi-2001
Gefroh, Stefanie-2000
Hartz, Matthew-1999
Hass, Brian-1999
Haugen, Eric-2000
Haugen, Gregory-2000
Hijek, David-2000
Hopkins, Matthew-2000
Howell, Michael-2001
Miller, Rachel-2002
Moen, Michael-2002
Motschenbacher, Heidi- (LOA)
Nguyen, Linh-2000
Nielson, Christopher-1999
Oseto, Matthew-2002
Pap, Diane-2000
Richard, Christen-2000
Schuster, Michael-2001
Setterberg, Mary Jane-(LOA)
Thorson, Matthew-2002
Titus, Tisha-2002
Thurlow, Brenda-1999
Vandrovec, Chad-2002
Viestenz, Anne-1999
Vick, Sarah-2001
Warner, Carleen-2001
Zurn, John-2001
GARRISON
Hill, Regan-2002
White CalfeSayler, Verlee-2001
GLENBURN
Loerzel, Maria-2002

GRAFTON
Johnson, Carol-2000
LaBerge, Thomas-1999
GRAND FORKS
Ammesmaki, Frank-2001
Arnold, William-2000
Bergom, Michael-2001
Blake, Michael-2000
Bowman, Robert-1999
Donnelly, Melanie-2002
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Hertel, Darci-2002
Hicks, Heather-2001
Ivey, Mary-1999
Knox, Stacey-2001
Lawrence, Scott-2002
LeMon, Michelle-2001
Lien, David-2001
Logie, Brent-2000
Raum, Jennifer-2001
Roy, Rosemary-2002
Saltmarsh, Jennifer-2002
Swedberg, Philip-1999
Thornton, David-1999
Tiongson, Gregory-1999
HARWOOD
Hatlestad, Davin-2002
HATTON
Mehus, James-2000
HAZEN
Henke, Melissa-2002
HEATON
Geier, Debra-2001
HETTINGER
Grossman, Jodi-2001
Mack, Zachary-2002
Marek, Paul-2001
HUNTER
Porter, Jeffrey-2001
JAMESTOWN
Hall, Katherine-2000
Kruse, Kenyon-2001
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Trinidad, Eduardo-2000
Wagner, Brian-2000
KENMARE
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LANGDON
Fetsch, Clayton-2001
Hansel, Stephanie-2002
Hansen, Chad-1999
LARIMORE
Cox, Tanya-2001
LAWTON
Swanson, Keith-2001
LIDGERWOOD
Sapp, Thomas-1999
LINCOLN
Dahl, Stephanie-1999
MANDAN
Adams, Shaun-2000
Appert, David-2000
Bell, Jason-2002
Bennett, Mike-1999
Hebert, Brian-1999
Heisler, Christine-2002
Holm, William-2000
Stein, Sherry-2002
MAYVILLE
Dornacker, Jon-2002
Severud, Robin-2001
MINOT
DeShaw, Lawrence-1999
Frey, Kory-1999
Gessner, Maxwell-2000
Matzke, Thomas-2001
Metz, Michael-2000
Raghib, Ender-2000
Trzpuc, Shelley-2000
Trzpuc, Trent-2000
Vibeto, Brett-2000
Wolsky, Chad-1999
NEWBURG
Tvedt, Heather-2000
NEW ROCKFORD
Risovi, Eric-1999
NEW TOWN
LeBeau, Michael-2002
NORTHWOOD
Gronlie, Timothy-2001
Hallanger-Johnson, Julie-2000
OXBOW
Majkrzak, Alicia-2002

PERTH
Henrikson, Jod[illegible]0
RHAME
Fischer, Tanya-2002
RUGBY
Schmidt, Wade-1999
Schmit, Michael-1999
Thiel, Chad-2002
STREETER
Princ, Lora-2001
TAYLOR
Luff, Tanya-2001
VELVA
Avery, Karilyn-2002
VERONA
Townley, Kristen-2000
WAHPETON
Crissler, MaryJo-2000
Wall, Christopher-2000
WASHBURN
Perkerewicz, Kathleen-1999
WATFORD
Jost, Aaron-2001
WEST FARGO
Huber, Darren-2002
Sahr, Sheryl-2002
WESTHOPE
Jessen, Jamey-2000
Loe, Meridith-2002
WILLISTON
Benz, Becky-2001
Leutmer, Stacey-1999
Nelson, Larissa-1999
Rudolph, Sara-2000
Rustad, Jared-2002
Skow, Brian-1999
Stenehjem, Amy-2000
WISHEK
Kosiak, Donald-2001
Schanzenbach, Stewart-2000

University of North Dakota School of Medicine & Health Sciences

Flood of 1997 Estimated Damages

- $5,200,000 total
  - $2,100,000 construction estimate
  - $3,100,00 capital estimate
    - (e.g. 500 microscopes, 2 electron microscopes)
  - Estimated FEMA reimbursement $4,700,000
  - School costs $500,000
  - Lost research productivity and lost income totaled approximately $1.5 million
  - Massive amount of work cataloging, pricing, comparative shopping and recording equipment in addition to teaching a full load - with no additional compensation

University of North Dakota School of Medicine & Health Sciences

1999-2001 FINANCIAL PLAN

A. Ninety-Five (95) Percent Plan
   - Increased tuition for PA Program ($1,500 per year to 2000-2001)
   - Increase tuition for Clinical Laboratory Science Students ($500 per semester)
   - Increased efficiencies in Family Practice Residency Programs
   - Admission of Alaska Medical Students (in discussion)
   - Increased investments in our rural mission
   - Increased medical student tuition nine (9) percent per year (until 2001) to be applied to the cost of the renewed curriculum

B. Reinvestment Plan
   - Funds saved from plan will be used to augment faculty and staff salaries (12-33 percent below market)
   - Funds for a Clinical Affairs Dean would be allocated, budget permitting

C. Non-Funded Program in the Executive Budget
   - Integrated Graduate Program in the Basic Sciences

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University of North Dakota School of Medicine & Health Sciences

SELF-HELP INITIATIVES

- Neuroscience/NRI Partnership
- Internal Medicine/MeritCare Partnership
- Trinity Medical Center Partnership
- Altru Health Systems Partnership
- Flood Recovery (i.e., alumni, Robert Wood Johnson Foundation)
- Harwood Initiative
- Efficiencies Produced by Position Restructuring
- Raising Faculty Quality and Vitality
- Critical Leadership Recruitment
- Expected Grant and Contract Applications by Faculty
- Rural Curriculum Grant (Family Medicine)
- Bismarck Campus Student Mentor Project
- Educational Partnerships (i.e. Clinical Laboratory Science, O.T. Wyoming Initiative)

University of North Dakota School of Medicine & Health Sciences

Critical Needs

Requested support in the 1999-2001 budget:

- Support for faculty market salaries
  Included in executive recommendation restoration package
- Support for the enhancement of teaching, assessment and evaluation skills
  Included in the executive recommendation under 95% budget base (9% tuition plan)
- Support for the integrated graduate education in the basic medical sciences
  Not included in the executive recommendation ($380,000 had been requested)

Support which may be requested in the future:

- University Health Services Facility
- Renovation funds for Occupational Therapy program
- Continued renovation of the current medical school facility (1951 building)
- Programs in preventative medicine, geriatrics and ethics
- Support for increased costs of books and journals at the Harley French Library of the Health Sciences
- Telemedicine and distance learning (video conferencing)
- Computer enhancement of educational programs

Mission of the School of Medicine & Health Sciences

"The mission of the University of North Dakota School of Medicine is to educate and prepare physicians, medical scientists, and other health professionals for service to North Dakota and the nation and to advance medical and biomedical knowledge through research."

University of North Dakota School of Medicine & Health Sciences

Other Programs

- Department of Veterans Affairs (VA) Medical and Regional Office Center
- Center for Rural Health
- INMED
- Laboratory Education for North Dakota
- Continuing Medical Education
- USDA Human Nutrition Research Center
- Medstar - Health Education Network

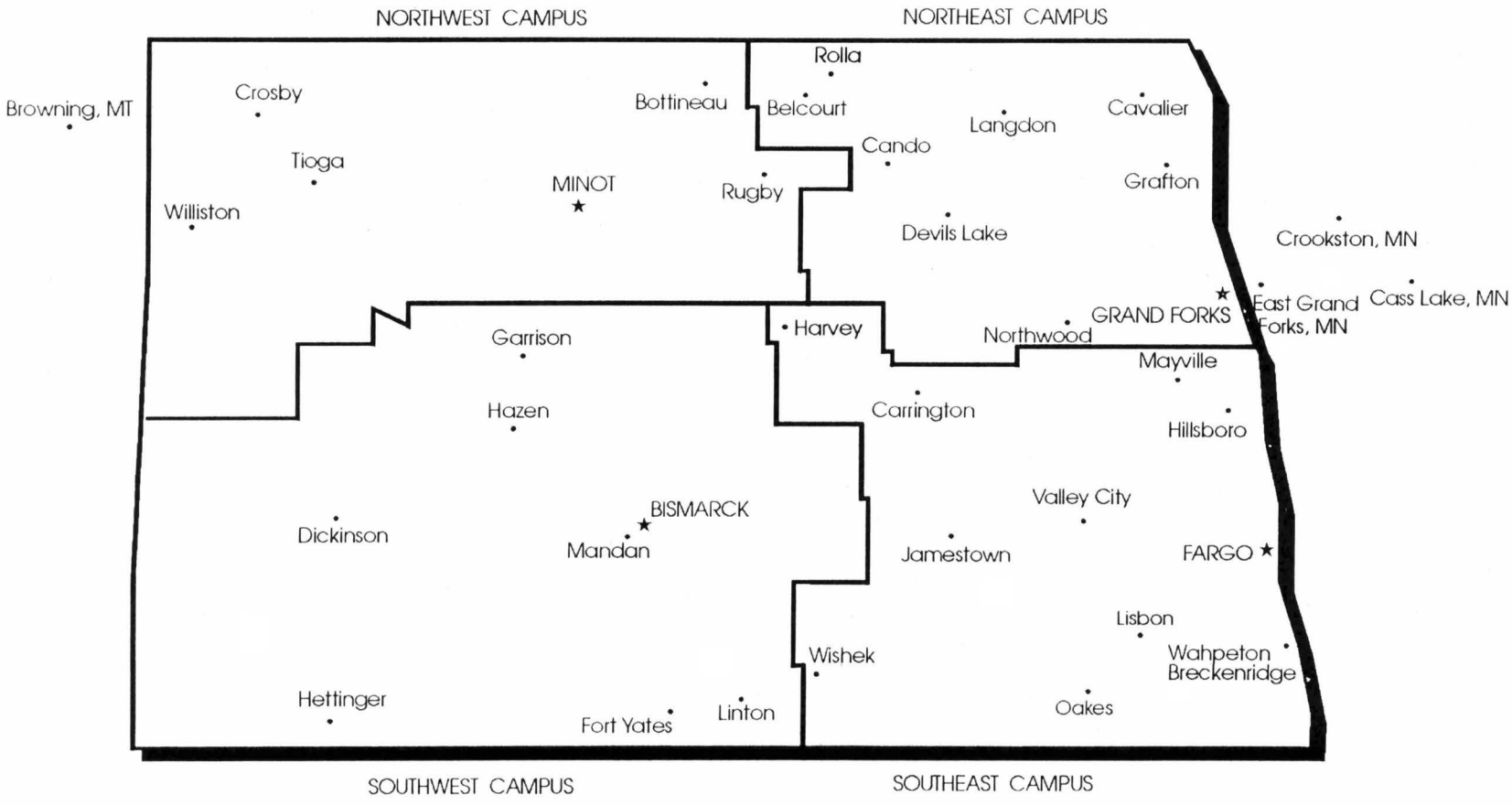
University of North Dakota School of Medicine & Health Sciences

Research Activities

- Cancer (breast, prostate, colon)
- Diabetes and other diseases of metabolism
- Cardiovascular and kidney disease
- Neuroscience (alcoholism, eating disorders vision)
- Infectious diseases
- Rural Health (Emergency Medical Services for Adults & Children)
- Environmental toxicology (agricultural pesticides & water quality)
- Clinical studies with patients to determine effectiveness of drugs and therapies
- Educational research and computing technology

University of North Dakota School of Medicine & Health Sciences

Clinical Teaching Sites



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University of North Dakota School of Medicine & Health Sciences

Old Curriculum

1 Premedical

(College or university) 4 years
Courses include:
Chemistry, Biology, Physics,
Psychology/Sociology,
Language Arts, College Algebra

2 Basic and Clinical Sciences

(Medical School) 4 years

Year 1 - 2
Basic Science
(on GF campus)

Year 3 - 4
Clinical Science
(hospitals and clinics
throughout state)

Curriculum

Lecture oriented
- Anatomy
- Biochemistry
- Microbiology
- Pharmacology
- Physiology
- Pathology
- Behavioral Science
- Intro to Clinical Medicine
- Focal Problems
- Physical Diagnosis
- Clinical Elpidemiology

- Medicine
- Surgery
- Obstetrics-Gynecology
- Pediatrics
- Psychiatry
- Family Medicine
- Other Specialities
- Electives

New Patient Centered Learning Curriculum

1 Premedical

(College or university) 4 years
Courses include:
Same as old curriculum

2 Program for Patient-Centered Learning

(Medical School) 4 years

Year 1
- Intro to Patient-Centered Learning
- Functional Biology of Cells and Tissues
- Biology of Organ Systems I, II
- Biology of the Nervous System
- Intro to Patient Care I-IV

Year 2
- Intro to Pathobiology
- Pathobiology I - III
- Intro to Patient Care V - VIII

Year 3
Option 1
Required Clerkships
- Medicine
- Surgery
- Pediatrics
- Obstetrics/Gynecology
- Psychiatry
- Family Medicine

Option 2
Required Clerkships
- Rural experience in primary care
- Co-requisites (Site specific-e.g. Medicine and Surgery or Psychiatry and Pediatrics

Year 4
Required Clerkship
- Family Medicine

Required Acting Internship
- Medicine
- Surgery

Elective Program:
Six 4-week electives are required.

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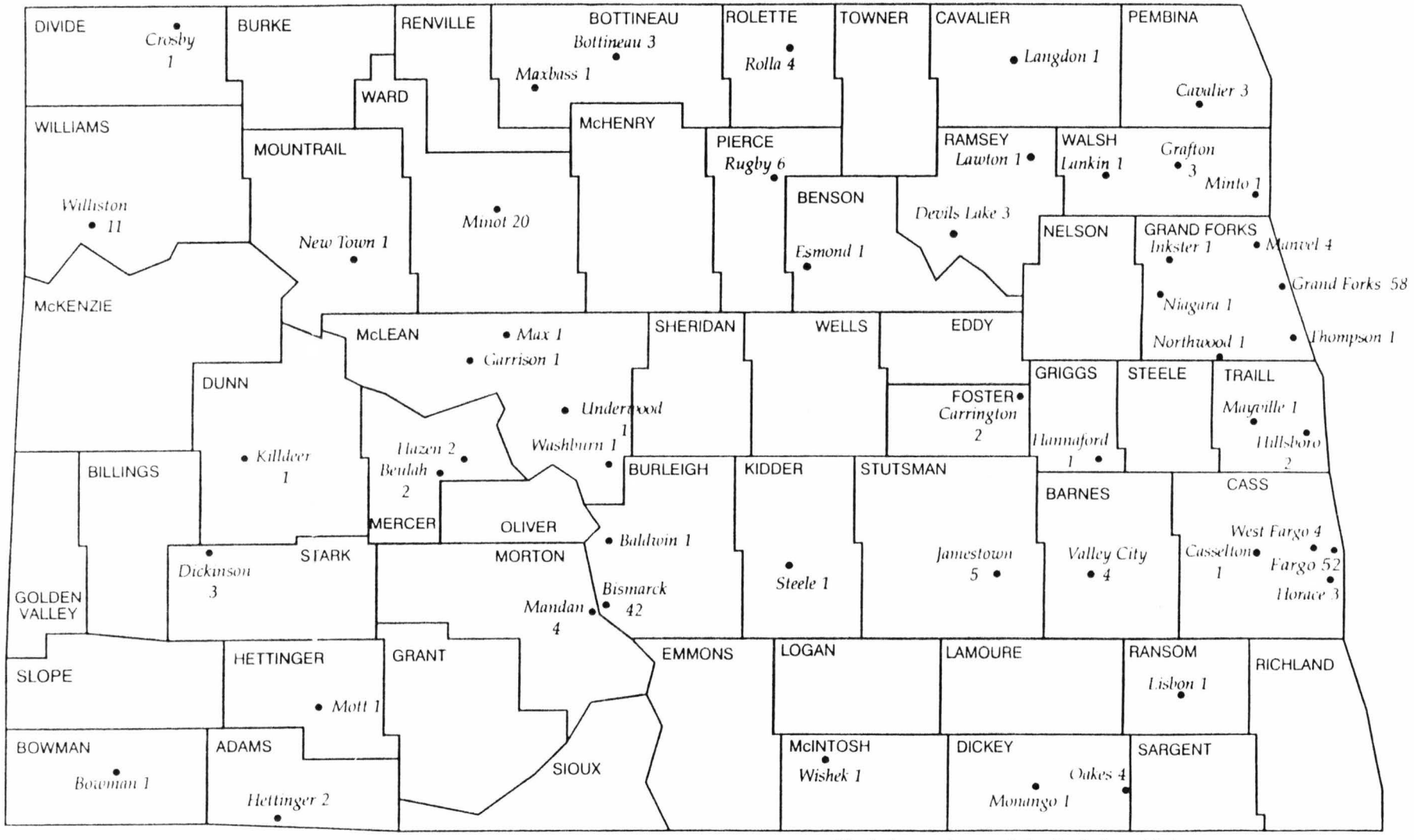
dean/curriculum.cdr

UND School of Me... & Health Sciences
Physical Therapy Program Graduates*

98 MPT and 175 BSPT = 273 degree-holders in ND
Total professionals (practicing) in this field in ND: 347
UNDSMHS: 79% - Other Schools: 21%



Sources: UND Alumni Association
UND School of Medicine and Health Sciences, Department of Physical Therapy

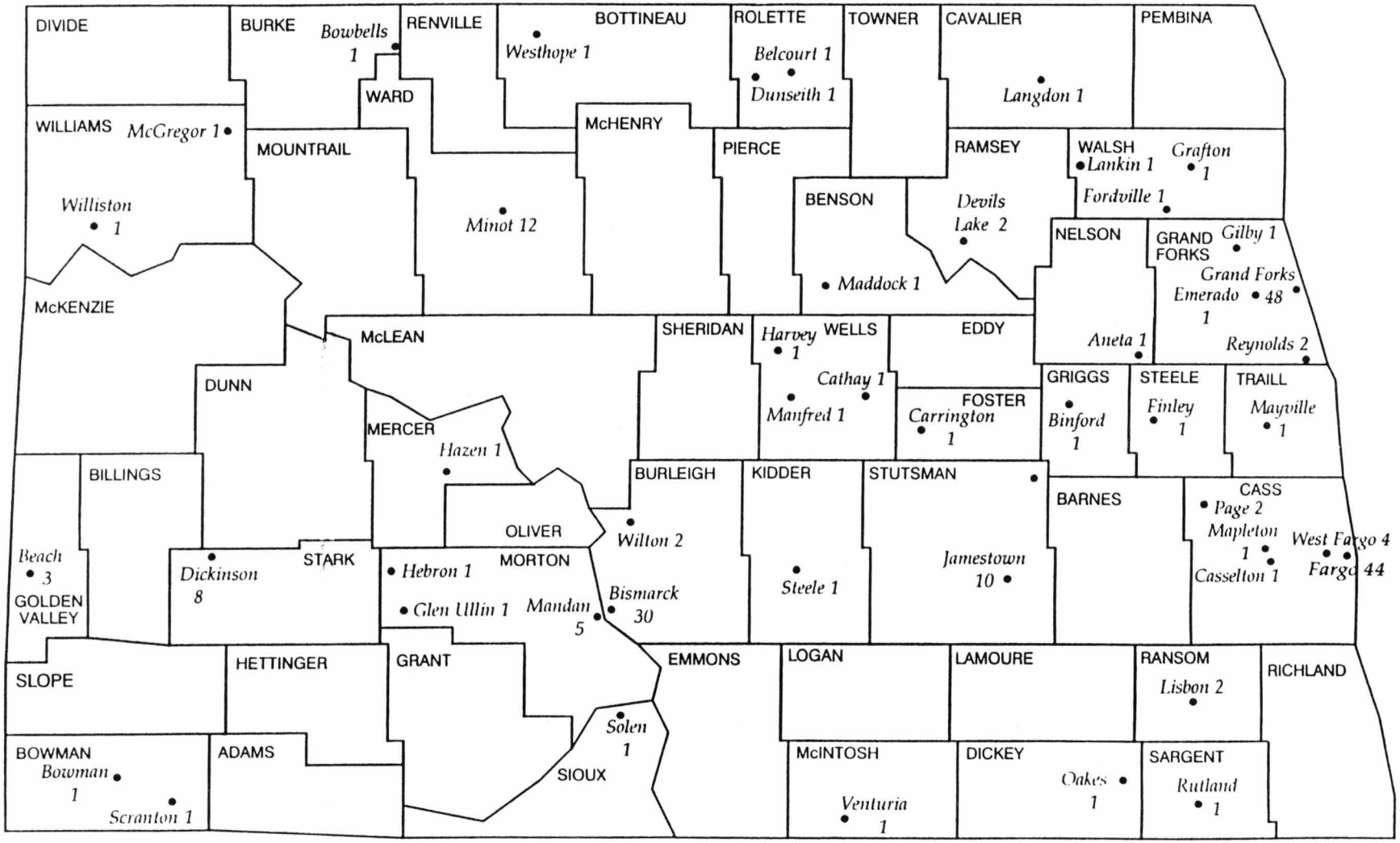
*Includes graduates of the Bachelor of Science in Physical Therapy degree-granting program, initiated in 1968, and Master of Science in Physical Therapy degree-granting program, initiated in 1991

UND School of Medicine & Health Sciences
Occupational Therapy Program Graduates*

BSOT: 207 degree-holders in ND

Total professionals (practicing) in this field in ND: 278

UNDSMHS: 74% - Other Schools: 26%



Sources: UND Alumni Association
UND School of Medicine and Health Sciences, Department of Occupational Therapy

*Bachelor of Science in Occupational Therapy degree-granting program initiated in 1954

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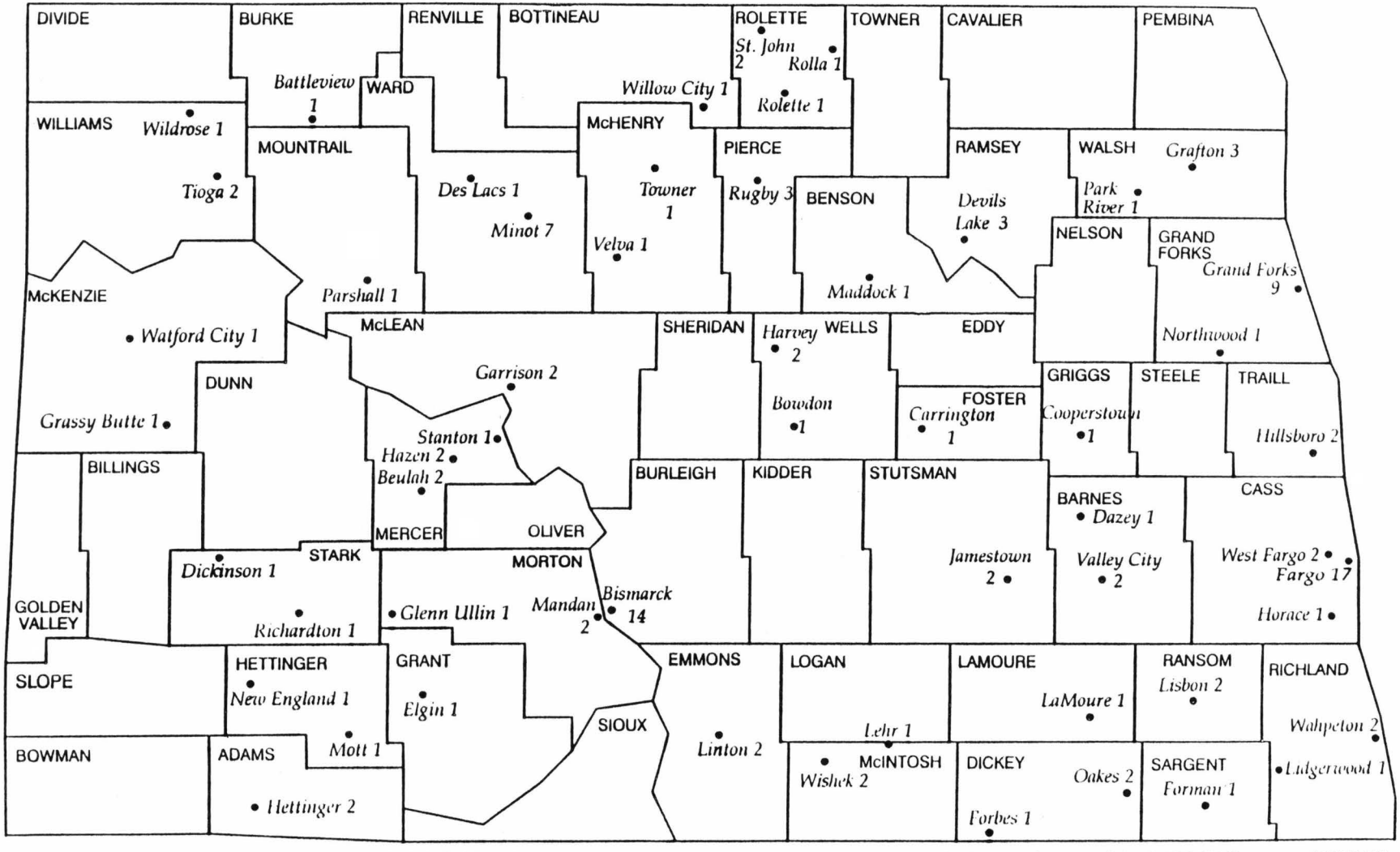
UND School of Medicine & Health Sciences
Physician Assistant Program Graduates*

PA: 121 practicing certificate-holders in ND

Total professionals (licensed and practicing) in this field in ND: 245

UNDSMHS: 49% - Other Schools: 51%



Sources: UND Alumni Association, North Dakota Board of Medical Examiners
North Dakota Board of Nursing
UND School of Medicine and Health Sciences, Department of Community Medicine and Rural Health

* Includes graduates of the MEDEX Program (1970-75); Family Nurse Practitioner Program (1972-93), and Physician Assistant Program (1993-present)

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UND School of Medicine & Health Sciences
Clinical Laboratory Science* and Cytotechnology Graduates

12 MSCLS** and 197 BSMT/BSCLS = 209 degree-holders in ND

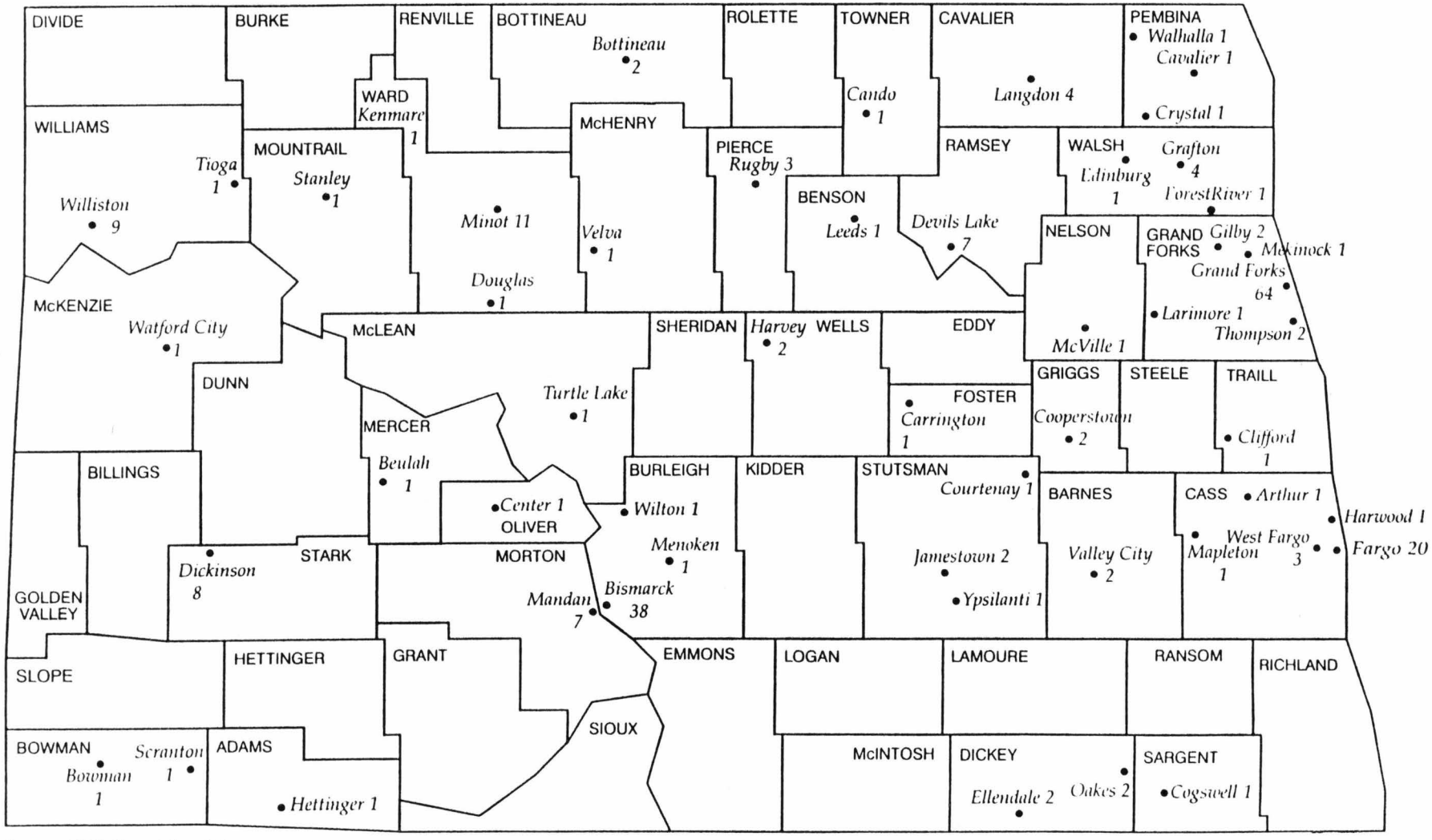
Total professionals (licensed) in this field in ND: 597

UNDSMHS: 32% - Other Schools: 68%

BSCYTO: 19 degree-holders in ND

Total professionals (practicing) in this field in ND: 26

UNDSMHS: 62% - Other Schools: 38%



Sources: UND Alumni Association
UND School of Medicine and Health Sciences, Department of Pathology
UND Bureau of Education Services,
College of Education and Human Development
UND School of Medicine and Health Sciences, Cytotechnology

* Formerly Medical Technology

** MSCLS = Master of Science in Clinical Laboratory Science degree-granting program initiated in 1978
BSMT = Bachelor of Science in Medical Technology degree-granting program initiated in 1949
BSCLS = Bachelor of Science in Clinical Laboratory Science
BSCYTO = Bachelor of Science in Cytology degree-granting program initiated in 1975

9/98
dean/cls cyto cdr

Economic Considerations of Health Care in North Dakota

- 852 employees
- Total health care employment in ND = 67,400
- 8 of top 10 employers in ND are in health care
- Average wage in health services = $27,754; total health care services payroll in ND> $1.8 billion
- Average rural physician employs 4 people
  - Local spending generated by practice generates 13 additional non-medical jobs
  - 1 physician's practice generates ≅ 18 jobs
- A community with adequate health care is attractive to potential employers - one without adequate care unlike to attract new industry
- Passive income today (dividends, interest, rent, and transfer payments - Medicare; social security, etc.) accounts for 1 of every 3 dollars in US personal income
  - Importance to ND - without good health care retired citizens move out of ND and take their social security and Medicare with them

Economic Considerations Regarding SMHS Research & Service

- Research
  - Grants and contracts awarded for 1997-98 = $4,674,486
    - Indirect costs associated with these grants = $647,483
  - Total grants and contracts over past 7 years = $45 million
    - Indirect costs associated = $3.99 million
  - Grants and contracts dependent on Animal Research Facility 1997-98 = $1.8 million
    - Indirect costs generated = $450,000
    - Direct employment from research requiring Animal Research Facility = 30 people
- Service
  - Medicaid services provided by UNDSMHS Family Practice Centers fiscal year '98 = $1.9 million
  - Free services (write-offs) worth > $588,000 provided to needy North Dakotans

Testimony before:

Senate Appropriations Committee

March 2, 1999

University Of North Dakota-Medical Center
99-01 Biennial Budget - Overview

Revised 2/25/99

25-Feb-99

Budget Base	(1) 97-99 Appropriation	(2) 99-01 Request	(3) 99-01 Exec Recommendation (breakdown)	(4) 99-01 Exec Recommendation (line item)	(5) 99-01 House Amended HB1003 (breakdown)	(6) 99-01 House Amended HB1003 (line item)	
Salaries	$61,014,188	$62,796,725	$62,796,725	$66,413,168	$62,796,725	$67,126,248	Note 1
Operating	$18,049,721	$17,984,721	$17,984,721	$18,350,591	$17,984,721	$17,984,278	Note 2
Equipment	$2,705,045	$2,745,967	$2,745,967	$2,932,115	$2,745,967	$2,932,115	Note 3
Carryover	$74,247						
Subtotal	$81,843,201	$83,527,413	$83,527,413	$87,695,874	$83,527,413	$88,042,641	
Optional Adjustments							
Restoration or Reinvestment (Board Priority #1)		$1,369,228	$1,372,800		$1,372,800		
Costs to Continue (Board Priority #2)		$1,038,610	$1,035,138		$585,138		
Targeted Critical Salary Adjustments (Board Priority #8)		$231,687	$232,321				
Campus Six Year Plan Strategies (Board Priority #10)		$189,554					
Targeted Critical Salary Adjustments (Board Priority #11)		$231,687					
Campus Six Year Plan Strategies (Board Priority #17)		$189,553					
Compensation Adjustment			$3,097,881		$2,703,603		
Salary Pool-BHE			($1,569,679)				
Across the Board Reduction 0.5%					($146,313)		
Total 99-01 Biennial Budget	$81,843,201	$86,777,732	$87,695,874	$87,695,874	$88,042,641	$88,042,641	

University Of North Dakota-Medical Center
99-01 Biennial Budget - Overview (Notes)

Revised 2/25/99

Note 1 - Salaries	(1) Total	(2) General Fund	(3) Tuition	(4) Grant/Local
95% Budget Base	$62,796,725	$18,832,175	$10,473,150	$33,491,400
Restoration of 5%	$1,372,800	$1,372,800		
Cost to Continue	$483,120	$483,120		
Critical Salary Adjustment	$232,321	$232,321		
Compensation Adjustment	$3,097,881	$938,651	$521,503	$1,637,727
Salary Pool-BHE	($1,569,679)	($1,569,679)		
99-01 Exec Recommendation-Salaries	$66,413,168	$20,289,388	$10,994,653	$35,129,127
Compensation Adjustment to 2%/2%	($900,749)	($267,443)		($633,306)
Correct Pay Plan Error	$372,180	$372,180		
Compensation Adjustment-Health Insurance	$134,291	$46,567		$87,724
Critical Salary Adjustment-to BHE Pool	($232,321)	($232,321)		
Restore Salary Pool-BHE	$1,569,679	$1,569,679		
Reduce Salaries	($230,000)	($230,000)		
99-01 House Amended HB1003-Salaries	$67,126,248	$21,548,050	$10,994,653	$34,583,545

Note 2 - Operating	Total	General Fund	Tuition	Grant/Local
95% Budget Base	$17,984,721	$7,092,664	$267,657	$10,624,400
Cost to Continue	$365,870	$365,870		
99-01 Exec Recommendation-Operating	$18,350,591	$7,458,534	$267,657	$10,624,400
Reduce Operating	($220,000)	($220,000)		
Across the Board Reduction 0.5%	($146,313)	($146,313)		
99-01 House Amended HB1003-Operating	$17,984,278	$7,092,221	$267,657	$10,624,400

Note 3 - Equipment	Total	General Fund	Tuition	Grant/Local
95% Budget Base	$2,745,967	$289,792	$71,975	$2,384,200
Cost to Continue	$186,148	$186,148		
99-01 House Amended HB1003-Equipment	$2,932,115	$475,940	$71,975	$2,384,200

Total Funding By Source	$88,042,641	$29,116,211	$11,334,285	$47,592,145

University of North Dakota School of Medicine & Health Sciences

Impact of Reductions to Executive Budget Passed by House

Proposed reduction of $596,313 (2.1%) from Executive Budget

Salaries & Wages

Vacant Positions (did not reduce F.T.E.)		($230,000)

The SOMHS is currently recruiting or has plans to recruit to all of our vacant positions. We also have, due to the nature of payment for clinical faculty, a number of vacant positions in the clinical departments which are used to pay either individual physicians or health care organizations for teaching services for medical students and residents. These clinical faculty are either self-employed or are employed by a health care organization. They cannot be placed on our payroll budget.

Operating Budget

Cost to Continue: Operating	($220,000)	
0.5% accross the board operating reduction	($146,313)	
Total Operating Budget Reduction		($366,313)

This reduction brings the operating budget back to the 95% Base Budget. The SOMHS will either be forced to cut departmental operating budgets or the medical library will have to cut further into book purchases and journal subscriptions. Inflation on library materials has far exceeded our ability to maintain a set level of books and journals.

Total Reduction (2.1% of Executive General Fund)	($596,313)

Support for the integrated graduate education in the basic medical sciences is requested. This program is not included in the executive recommendation ($380,000 had been requested).

Testimony of
Dr. Mary Kwitit, UND

Presented 1-13-11
EE Section

Chairwoman Wentz and distinguished legislators, I want to thank you for allowing me to speak with you today. I also want to thank President Baker and Vice President Ettling for allocating me time to share with the committee a faculty perspective of the status of the University of North Dakota. I wish to speak with you as a faculty member at that institution since 1978.

UND faculty

The University of North Dakota has been in the news frequently in the past two years, but I wish to tell you about things that have not been in the news. I am happy to tell you that there are good things happening at the University of North Dakota mostly as a result of a strong, committed faculty and staff doing everything they can to ensure that students are prepared both to have successful careers and to live satisfying and productive lives.

You know that most faculty are in the classroom nine or twelve hours per week. You also know that teaching takes more than just showing up and

talking. It takes many hours to keep current with one's field and to prepare effective classroom presentations, so the hours in the classroom do not translate into a nine- or twelve-hour work week. But you may not be as familiar with everything else that is involved with actually achieving the goal of ensuring the capable and committed students who come to the University of North Dakota are given everything necessary to achieve their full potential.

In the few minutes I have, I want to highlight some of the activities and programs at UND that augment students' classroom experience and enrich their education. Let me start with an example illustrated by someone sitting in front of you today. Jonathan Sickler is one of the 75 students in the country awarded the prestigious Harry S Truman Scholarship last year. He was also a finalist this year for the Rhodes Scholarship. Such scholarships not only provide financial assistance for further education,

they provide contacts and build a resume that will impress graduate schools and potential employers. The students who win these scholarships do so because of their ability and talent, but they do not compete completely alone. Faculty representatives must alert students to the availability of the scholarships, provide guidance in completing the application, write letters of application, help students prepare for interviews by staging mock interviews and debriefing them on their performance. Such efforts are very gratifying, especially when the students are successful. But they go beyond the hours in the classroom.

Another example is the efforts many faculty are putting into developing students' writing skills. Employers want to hire students with good writing skills, but students often are uncomfortable with writing. The University of North Dakota for many years has had a Writing Across the Curriculum - or WAC - program in which many departments participate. This program encourages the use of writing in

courses where it might have been rare in the past. Faculty in departments that participate - such as mine - assign multiple writing assignments in all classes and take seriously the responsibility of providing feedback on each assignment. That means that many weekends are consumed with reading and grading. Another component of the WAC program is the Writing Center that provides assistance to students as they prepare their writing assignments. That center helped more students in the past fall - approximately 1000 - than it did during a full year a few years ago. That is an indicator of how many faculty are requiring writing and how seriously they are taking their teaching responsibilities.

Then there is the Honors Program. Over 300 students participate in special interdisciplinary classes that are over and above the regular teaching load for faculty. Many students credit the small class sizes in the Honors courses and the individual attention they receive as reasons for coming to UND and remaining to graduate.

A new program this year is the Faculty Ambassadors. The brainchild of three faculty, the Ambassadors are faculty who are willing to put in extra time to help the University recruit good students, and, equally important, to provide students with a satisfying first-year experience to ensure they continue at the University to graduate.

There are many other examples of programs that allow students to find individual niches and receive individual attention. There are programs for students with special needs, programs for minorities. Of course there are programs that are taught over the interactive video network (IVN) that provide students throughout the state with access to courses that would otherwise be unavailable to them. I can attest that teaching a course on IVN presents special challenges. Students at distant sites must be encouraged to feel part of the class rather than television viewers. Presentations must be visually attractive. There are logistical problems of

getting assignments back to students quickly to ensure prompt feedback.

There are two new programs offered over IVN with which my department is involved. There are three new certificate programs through the Master of Public Administration (MPA) program that enable professionals to hone their job skills without requiring them to commit to a full masters degree program. In addition, there is a new Health Administration track in the MPA program to serve the large and growing health care industry in the state

I am emphasizing aspects of teaching with which you may not be familiar, but which provide students with a rich educational experience. The size of UND means that it is possible to probive students with many options but small enough to provide individual attention. But it is important to end with a reminder that teaching is not all that faculty do. The faculty of the University of North Dakota provide services throughout the state, including

every one of your home counties. Examples of such services include Theater Arts faculty taking Shakespeare into high schools, the Social Work Department's statewide training and technical assistance in areas of child welfare, income maintenance, and gerontology.

Finally, faculty engage in research that results in the development of new knowledge. There are some who disparage the research expectations and who feel that research may take time away from teaching. I feel strongly that research is an integral part of teaching. Research ensures that faculty remain current in their fields and contribute to the advance of knowledge in that field. Published research demonstrates to the outside community that faculty are highly qualified and helps establish a strong reputation for the institution that helps students when they apply for jobs. Research is an important contributor to the economic development of the state.

In conclusion, I want to emphasize that the faculty

of the University of North Dakota want to be productive and contributing citizens of the state of North Dakota to provide the education, service, and knowledge that the state needs to proceed successfully into the twenty-first century.

Thank you again for your time, and I would be happy to answer any questions.

The Testimony of Andrew Varvel
to the
North Dakota House Appropriations Committee

January 13, 1999

Mr. Chairman and members of the committee:

Good morning. My name is Andrew Varvel and I am an alumnus of the University of North Dakota with degrees in Geology and History.

Let's take a long view of higher education in North Dakota, and the University in particular. The University is only 116 years old, young by the standards of academe. Even so, it, as an institution, has been able to weave its culture into the fabric of the North Dakota experience. It is my hope that this continues.

Since the founding of the University of North Dakota, many things have changed. The University has expanded in size and in variety of disciplines available to its students. I expect that this trend will continue. In the 1920's, the University **sponsored** hazing. This decade, the University has strong policies **against** hazing. This shows that the University can outgrow its bad traditions and keep its good traditions.

One important tradition for the University is legislative oversight. This is healthy because higher education financing thus comes into public view. I, as a strong supporter of UND, have a vested interest in not only good appropriations for the institution, but oversight to make sure that money is not getting wasted. Money that is wasted on frivolities is money that is not available for classes that students need and want.

I support the Governor's budget. In particular, I applaud the Governor's brave move to bring salary and wage line items back into institutional budgets. This has the potential to allocate resources more effectively at the administrative level closest to the actual work of higher education. Furthermore, the Governor's wise decision to **not** fund the SAGE project shows prudence in his budget recommendations.

I do agree with the Board that more money should be made available for salary increases. However, the Legislature should put most employees in North Dakota Higher Education into classified schedules with the rest of state government. There is no good reason for the non-academic maintenance functions of higher education to be separated from their counterparts in the rest of state government.

There are concerns about waste in higher education. As someone who did a considerable amount of research on UND's budget and recommended alternative budget cuts to the UND administration five years ago, I can tell you that I have a high regard for the integrity of the **present** handling of the University's finances. The wholesale change in leadership at the Vice Presidential level is an important episode at UND that should improve the institution in the long run.

That said, I am heartened that the Governor has laid the groundwork for a higher equipment budget. Higher education in North Dakota needs fair salaries, but one of the problems North Dakota has in retaining top scientists is outdated or nonexistent laboratory equipment. I can tell you from experience that morale among teachers and students is higher when there is adequate laboratory equipment. Meteorology classes had modern equipment and Physics classes didn't. This affected the quality of the learning experiences in these laboratories.

In the past few years, the University has been skimping on its budget for books and journals. In the short run, it is an effective measure to forestall serious cuts in classes. However, long term cuts in books and journals are a death by a thousand cuts for academia. Of course, professors at UND would like to be paid well, but it is **books** and **journals** and **laboratory equipment** necessary for research and publication (which increases the prestige of the state as a whole), that are near and dear to professors' hearts. This is also true for the hearts of serious students at UND.

Let's talk about economic development. The strength that should be nurtured at NDSU is agricultural research. Innovative approaches in agriculture should be funded in order to give North Dakota an edge. The strength of the University is different. While UND's strength in theoretical plant and insect genetics should be supported, its fundamental strength in terms of economic development is a strong well-rounded education useful in international trade.

North Dakota relies on international trade for its economic well being. One of the historic complaints in this state is that middlemen from outside the state make the profits from selling North Dakota products. One solution is more traders from North Dakota. In order to sell North Dakota products in the world marketplace, it helps to know other languages.

A resident in North Dakota can take a written driving test in the following languages:

Arabic
English
Russian
Serbo-Croatian
Somali
Spanish
Vietnamese

Of these languages, only English, Russian, and Spanish are taught at UND. If the University of North Dakota had the resources to expand its language offerings, it would build on a strength it already has, as it is host to the Summer Institute of Linguistics. Although expansion of language offerings would not immediately attract large numbers of students from North Dakota, it would attract students with an international outlook.

When I was a child, I took violin lessons and French horn lessons. Sometimes I actually practiced. Sometimes I played video games. For my tenth birthday, I **really** wanted a popular video game, Missile Command, for my Atari system. I asked my mother if she had gotten Missile Command for me. She wouldn't tell me. She said, "Just do what you are supposed to do and don't worry about it." I suspected that she'd bought it and I thought that if I could find my present before my birthday, I could play Missile Command early. I kept asking my mother where it was and she kept saying, "Just do what you are supposed to do and don't worry about it." I did nothing but hunt for that Missile Command. I asked again and she replied again, "Just do what you are supposed to do." My birthday finally came and I asked again about Missile Command. My mother went to my French horn case, opened it, and showed me where the Missile Command game had been waiting all week. The moral of this story applies to all aspects of higher education. Instead of looking for economic development at the end of the rainbow, people of North Dakota should do what we are supposed to do. This means adequate funding of schools, efficient administration of schools, effective teaching, and strong research.

Thank you.

I would be happy to answer questions. If you have questions at a later time, please write, call, or email me.

Andrew Varvel
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Prepared by the North Dakota Legislative Council
staff for House Appropriations
January 13, 1999

Department 229 - UND-Williston
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	46.07	$4,771,162	$6,800,265	$11,571,427
1997-99 Legislative Appropriations	46.82 *	4,606,695	5,449,259	10,055,954 **
Increase (Decrease)	(0.75)	$164,467	$1,351,006	$1,515,473

* The 1997-99 appropriation is based on 46.48 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The number of positions shown for 1997-99 represents the number of positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown has been adjusted to reflect allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the State Board of Higher Education and spending authority carried over from the 1995-97 biennium.

Major Items Affecting UND-Williston 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reduces funding to reflect institution's 95 percent budget request (excluding request for for capital projects)	($230,335)	($3,284,732)	($3,515,067)
Restores funding for critical programs, reinvests funds in new initiatives, and provides for the cost to continue current programs and services, including the continuation of 1997-99 salary increases and inflationary increases in operating expenses (includes $83,490 additional income generated through annual 4 percent tuition increases during 1999-2001)	415,803	83,490	499,293
Net changes (excludes 1999-2001 request for capital projects which results in a decrease from 1997-99 appropriation which included $3 million for gymnasium renovations, eliminates the occupational safety and environmental health program and the small business management program)	$185,468	($3,201,242)	($3,015,774)
2. Adds funding for critical salary increases (The House removed from the institutions and pooled in the board office.)	$31,160		$31,160
3. Increases other funds and decreases general fund spending authority	(357,785)	$363,168	5,383
4. Reduces salaries and wages to reflect funding transferred to the University System salary funding pool (The House reallocated back to the institutions.)	(258,239)		(258,239)
5. Adds funding for information technology program	241,114		241,114
6. Adds funding for extraordinary repairs	16,861		16,861
7. Removes the appropriation of local funds (The House included the appropriation of local funds of $1,653,000.)		(310,920)	(310,920)
8. Adds operating expenses for additional rent to expand the diesel technician program	15,000		15,000
9. Adds equipment funding for computer laboratory upgrades	30,000		30,000
10. Provides funding for the health and wellness center addition ($3 million local funds, $1.5 million bonding proceeds)		4,500,000	4,500,000
11. Provides the following FTE changes (included in No. 1 above):			
Adds:			
1.00 FTE faculty	119,154		119,154
Deletes:			
(0.75) FTE faculty	(73,532)	(36,865)	(110,397)
(1.00) FTE other professional	(99,061)		(99,061)

Major Legislation Affecting UND-Williston

House Bill No. 1022 - This bill authorizes the Industrial Commission to issue $4.5 million of bonds and appropriates the proceeds to UND-Williston for the construction of a health and wellness center addition. Section 2 of the bill requires that $3 million be provided by UND-Williston from nongeneral fund sources to repay the bonds.

House Bill No. 1443 changes the name of UND-Lake Region to Lake Region State College; changes the name of UND-Williston to Williston State College; and requires institutions of higher education assigned primary responsibility for work force training to establish work force training divisions, advisory boards, business plans, and performance measurements.

UND-Williston

UND-Williston
1997-98 Biennium
Major Accomplishments

UND-Williston has been very active in the workforce training in 1997 and 1998. One example of this is a customized training program in medical transcription for transcriptionists with corporate headquarters in Philadelphia, Pennsylvania and 26 regional service centers. In 1997 and 1998 the college trained approximately 185 transcriptionists who work out of their home. The training is intensified and lasts from 10 weeks to 18 weeks. The training has been completed in the following communities: Ashley, Beach, Hettinger, Tioga, Crosby, New Liepzig, Williston, Bismarck, Dickinson, and Sidney, Montana. In the last months of 1998 the college completed training programs in Linton, Hazen and Kenmare. Starting in January 1999 the training will be carried out in the following communities starting with Stanley, Rolla, Langdon, and Plentywood, Montana. Later this spring the program will be moved to Fargo Tech Training Center, Jamestown and Grand Forks. In addition, Transcriptionists, Ltd. has established a corporate office in Williston which employs nine people.

- created a workforce development position and program
- expanded services for students with disabilities
- expanded the co-op education program
- dedicated addition of resources to customize training, continuing education and outreach
- received continued accreditation in physical therapy assistant and practical nursing programs
- completed the installation of the fiber optic network on campus
- also experimented with wireless systems
- remodeled library to meet ADA standards and upgraded technology
- contracted food service to Marriott Corporation
- remodeled food service facilities
- installed 21 new energy-efficient windows in main building

- created community tech lab to better serve business and industry in the Williston Basin, state and region

- reestablished UND-W Teton Theatre in 1997-98. Productions: "The Best Christmas Pageant Ever", "Morning's at Seven", and "One Flew Over the Cuckoo's Nest"

- successfully and fully integrated two courses in separate disciplines: English and History; the integration was ENGL 225/HIST 299: The History and Novels of the Cold War during the Spring 1998 semester. Spring 1999 semester will offer another complete integration: ENGL 224/HIST 299: The History and Fiction of World War I and the 1920s.

- new program offered the Spring semester 1999 titled Computer Systems Specialist with two options which are the Systems Analyst and Computer Support Specialist

UND-WILLISTON
SPRING 1999

Headcount:	709
Full-Time:	539
Part-Time:	170
FTE:	601
Freshmen:	371
Sophomores:	312
Specials:	26
Credits Prod:	9608

UND-WILLISTON

1999-2001 BUDGET

UND-Williston

Programs & Service Reductions Identified in 95% Budget and Restoration & Reinvestment Plans Per Executive Recommendation

1999-2001 Biennial Budget

	95% Budget Reductions				Restoration/Reinvestment				Difference			
	Total Expenditures	Less Revenue	Net Reductions	FTE	Total Expenditures	Less Revenue	Net Restoration/ Reinvestment	FTE	Total Expenditures	Less Revenue	Net Difference	FTE
Director of Student Services	112,728		112,728	1.00	0		0		-112,728	0	-112,728	-1.00
Occup. Safety & Environmental Health	112,419		112,419	0.75	0		0		-112,419	0	-112,419	-0.75
Small Business Management	131,172		131,172	1.00	0		0		-131,172	0	-131,172	-1.00
Agriculture	243,546	-56,648	186,898	1.50	126,386	-47,336	79,050	0.75	-117,160	9,312	-107,848	-0.75
Marketing/Management/Accounting	82,288	-46,560	35,728	0.75	82,288	-37,248	45,040	0.75	0	9,312	9,312	0.00
Instructional/Instructional Support	156,709		156,709		174,240		174,240		17,531	0	17,531	
Information Technology	0		0		121,762	-37,248	84,514	1.00	121,762	-37,248	84,514	1.00
Computer Systems Specialist	0		0		241,114		241,114	1.75	241,114	0	241,114	1.75
Total	$838,862	-$103,208	$735,654	5.00	$745,790	-$121,832	$623,958	4.25	-$93,072	-$18,624	-$111,696	-0.75

UND-Williston
1999-2001 Biennial Budget Summary

	Total	General Fund	Special Fund	
1997-99 Adjusted Appropriation	**$ 10,199,952**	**$ 4,800,041**	**$ 5,399,911**	
Board Pools	(116,149)			
1995-97 Carryover	(210,149)			
Costs to Continue Salaries and Operating Expenses	159,175			
Other Income Adjustment	36,000			
Director of Student Services	(112,728)			
Occupational Safety and Environmental Health Program	(112,419)			
Small Business Management Program	(131,172)			
Agriculture	(243,546)			
Marketing/Management/Accounting	(82,288)			
Instructional/Instructional Support	(156,709)			
Local Funds	310,920			
Health and Wellness Center - State Funds	1,500,000			
1999-2001 95% Budget Request	**$ 11,040,887**	**$ 4,376,360**	**$ 6,664,527**	*
Restoration/Reinvestment				
Agriculture	126,386			
Accounting	82,288			
Instructional/Instructional Support	174,240			
Information Technology	121,762			
Computer Systems Specialist	241,114			
Other Adjustments				
Critical Salary Adjustments	31,160			
Capital Improvement Increase	16,861			
Six-Year Strategic Plan Support	15,000			
Instructional Technology Enhancement	30,000			
Compensation Package	260,888			
Salary Pool to Board of Higher Education	(258,239)			
Remove Local Funds from Appropriation	(310,920)			
1999-2001 Executive Budget Recommendation	**$ 11,571,427**	**$ 4,771,162**	**$ 6,800,265**	*

* Includes state bonding of $1,500,000

Executive Budget Recommendation Highlights

- Eliminate Occupational Safety and Environmental Health Program
- Eliminate Small Business Management Program
- Restoration of Agriculture Program
- Restoration of Accounting Program
- Reinvest in Information Technology Program
- Reinvest in Computer Systems Specialist Program
- Critical salary adjustment funding of $31,160
- Capital improvement increase of $16,861
- Six-year strategic plan support for Diesel Program NATEF certification
- Technology enhancement one-time funding of $30,000 for instructional computer lab upgrade
- Compensation package of $260,888 for health insurance premium increase and 3% salary increase per year
- $40 per year tuition increase
- Health and Wellness Center building project funding at $4,500,000
    - $3,000,000 local funds
    - $1,500,000 state funds

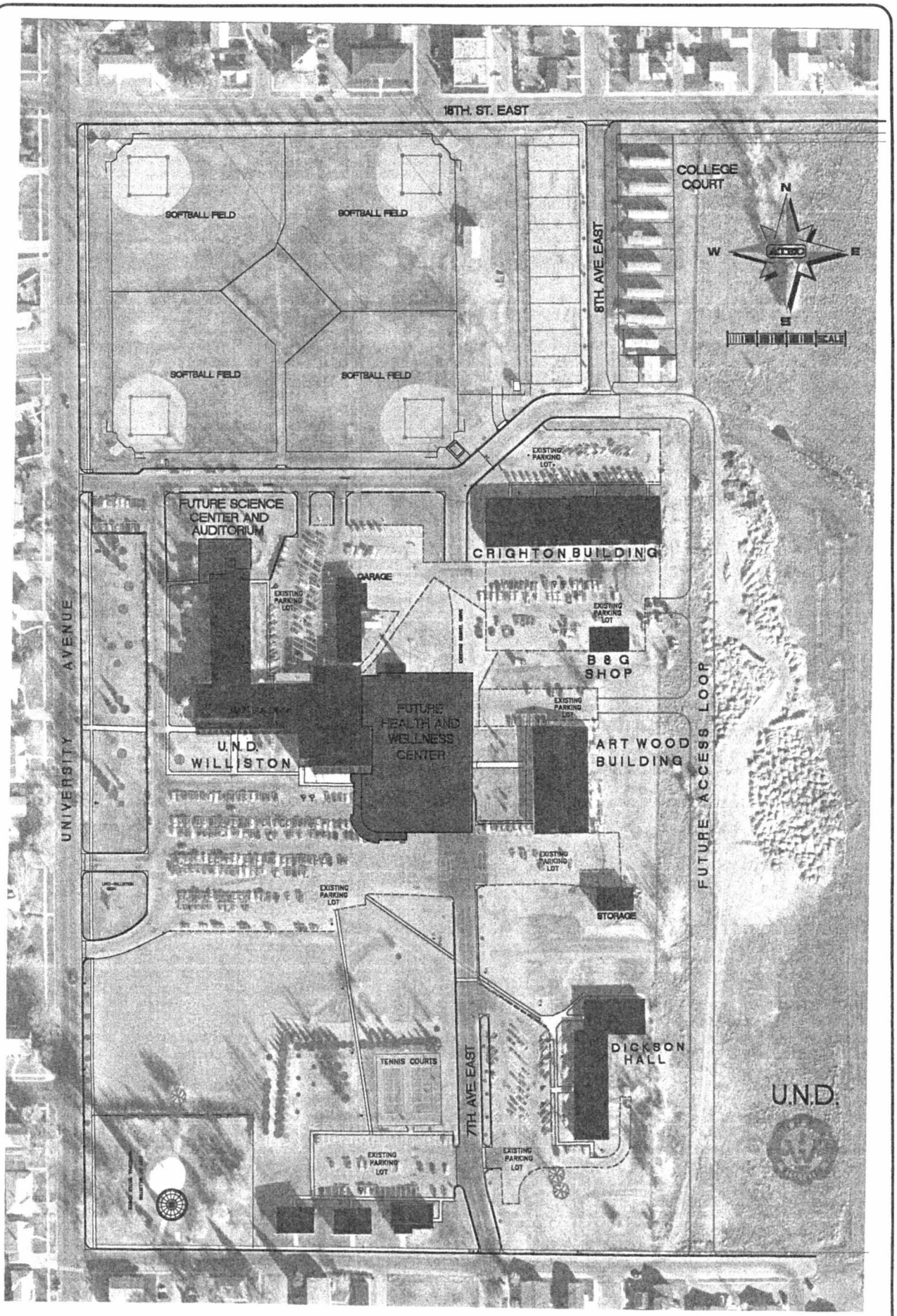
REQUEST SUMMARY

229 UND-WILLISTON

Version: 1999-0229-R-01

	Expenditures 1995 - 1997 Biennium	First Year Expenditures 1997 - 1998	Present Budget Balance 1998 - 1999	Total Present Budget 1997 - 1999 Biennium	Requested Budget 1999 - 2001 Biennium	1999 - 2001 Biennium Incr. (Decr.)
MAJOR PROGRAMS						
INSTRUCTION	4,078,029	2,008,610	2,358,533	4,367,143	4,581,196	214,053
SUPPORT SERVICES	1,087,554	666,816	791,602	1,458,418	1,378,359	(80,059)
FACILITIES UPKEEP AND MAINTENANCE	1,056,929	696,025	3,683,087	4,379,112	5,611,872	1,232,760
LOCAL FUNDS	0	91,150	91,150	182,300	0	(182,300)
TOTAL	**6,222,512**	**3,462,601**	**6,924,372**	**10,386,973**	**11,571,427**	**1,184,454**
LINE ITEMS						
SALARIES AND WAGES	4,554,047	2,422,598	2,679,579	5,102,177	5,167,426	65,249
OPERATING EXPENSES	1,343,690	699,074	783,378	1,482,452	1,565,615	83,163
EQUIPMENT	179,597	31,183	185,913	217,096	249,596	32,500
CAPITAL IMPROVEMENTS	145,178	139,956	3,052,843	3,192,799	4,588,790	1,395,991
LOCAL FUNDS	0	91,150	91,150	182,300	0	(182,300)
95 BIENNIUM CARRYOVER	0	78,640	131,509	210,149	0	(210,149)
TOTAL	**6,222,512**	**3,462,601**	**6,924,372**	**10,386,973**	**11,571,427**	**1,184,454**
FUNDING SOURCES						
GENERAL FUND	3,784,673	2,155,182	2,644,859	4,800,041	4,771,162	(28,879)
FEDERAL FUND	0	0	0	0	0	0
SPECIAL FUND	2,437,839	1,307,419	4,279,513	5,586,932	6,800,265	1,213,333
TOTAL	**6,222,512**	**3,462,601**	**6,924,372**	**10,386,973**	**11,571,427**	**1,184,454**
FULL TIME EQUIVALENT EMPLOYEES	46.82			46.82	46.07	(0.75)

(4)



COMPOSITE MASTER PLAN

4/98

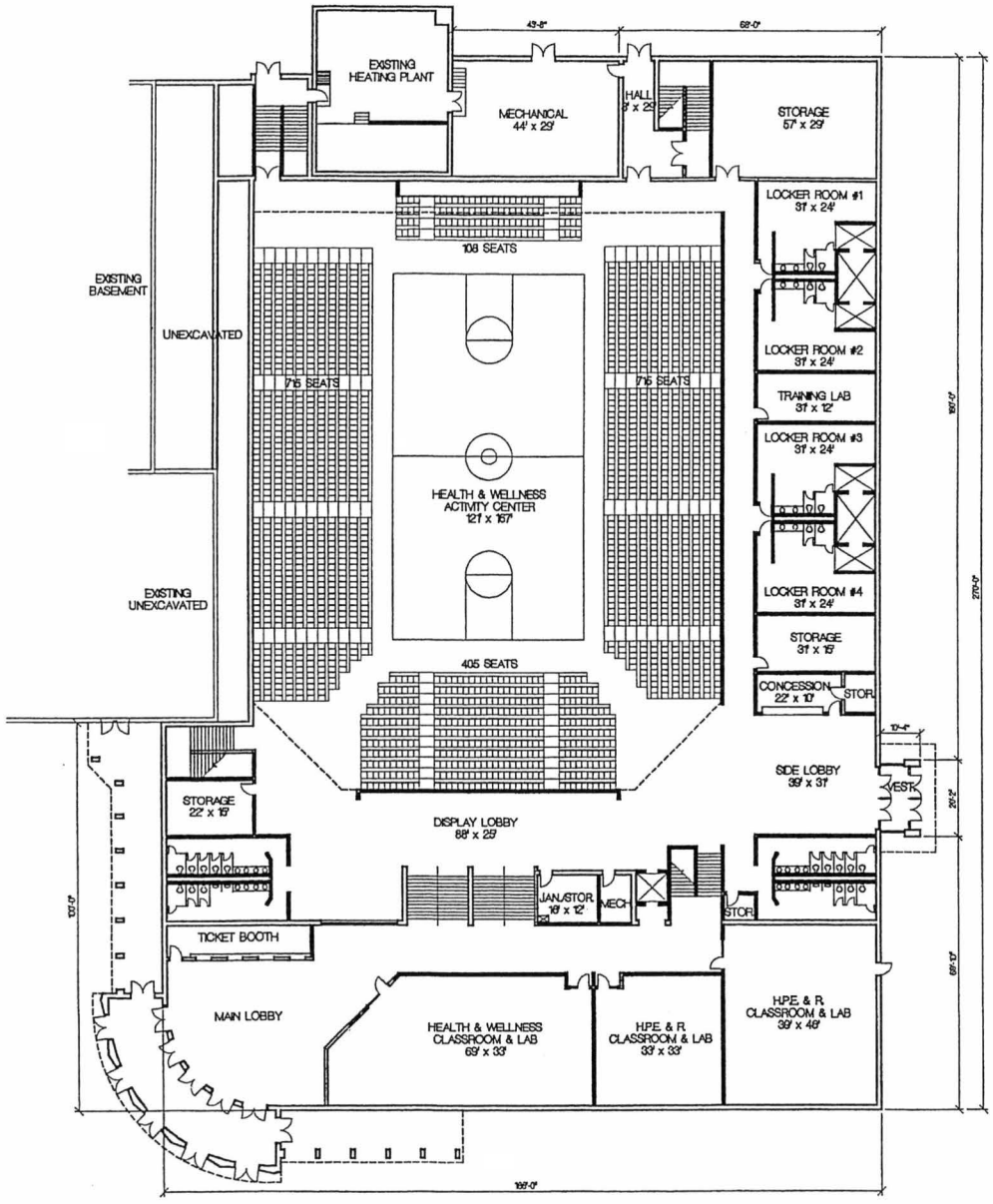
Health and Wellness Center

HULSING & ASSOCIATES
ARCHITECTS P.C.

PROJECT NO. 9905 HAUAD
DATE 7/24/99
DRAWN BY: BT
REVISIONS BY:

UND -- WILLISTON
EXISTING PLAN
WILLISTON, NORTH DAKOTA

SHEET
A1
9
2



MAIN FLOOR PLAN

NORTH

SCALE: 1/8" = 1'-0"

49,200 SQ. FT. ON MAIN FLOOR

SEATING
MAIN FLOOR: 1961 STADIUM SEATING
BALCONY: 1106 BENCH SEATING
TOTAL: 3,067

STADIUM SEATING: 18" WIDE x 33" BACK TO BACK
BENCH SEATING: 18" WIDE x 30" BACK TO BACK

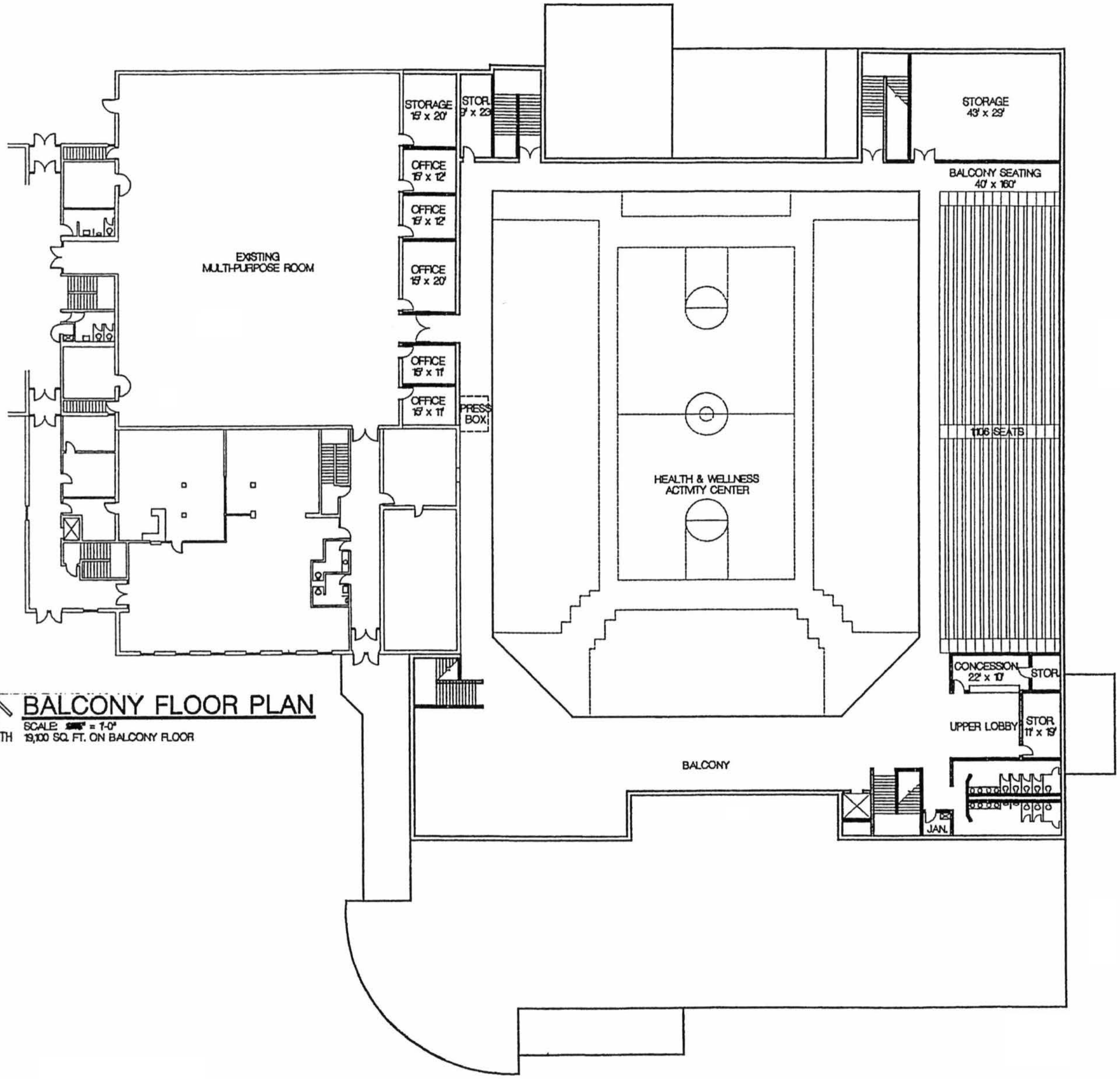
PRELIMINARY
NOT FOR CONSTRUCTION
4/1/98
HULSING & ASSOCIATES ARHITECTS, P.C.

HULSING & ASSOCIATES ARCHITECTS P.C.

PROJECT NO. 9807I
DATE: 4/1/98
DRAWN BY: SB
REVISIONS ETC

UND--WILLISTON
HEALTH & WELLNESS CENTER
WILLISTON, NORTH DAKOTA

SHEET
A1
2



BALCONY FLOOR PLAN

NORTH

SCALE: = 1'-0"

19,100 SQ. FT. ON BALCONY FLOOR

PRELIMINARY
NOT FOR CONSTRUCTION
4/1/98

HULSING & ASSOCIATES
ARHITECTS, P.C.

PROJECT NO. 9651
DATE: 4/1/98
DRAWN BY: ST
REVISIONS BY:

HULSING & ASSOCIATES
ARCHITECTS P.C.

UND--WILLISTON
HEALTH & WELLNESS CENTER
WILLISTON, NORTH DAKOTA

SHEET
A2
OF
2

Health and Wellness Center Funding Sources

State Funds	$	1,500,000
Local Funds:		
Current Commitments		500,000
Fund Raising Drive		2,200,000
Student Fee*		300,000
Total Projected Cost	$	4,500,000

* Proposed to replace current Student Center Fee

UND·WILLISTON

P.O. Box 1326
Williston, ND 58802-1326
(701) 774-4200

Senate Appropriations
March 2, 1999 - 11:15 a.m.
HB 1003

1. Introductions - For the Record

— Garvin Stevens - Executive Dean, UND-Williston
— Brenda Wigness - Director of Business Affairs, UND-Williston

2. UND-Williston Master Plan Update

Campus Update
— Building Management Plan - UND
— Air handling systems
— Fire alarm system - visual & audio
— Roofs
— Windows
— Streets (pavement), lights, curbs, gutters
— Library remodeled - ADA & NCA
— Food services area remodeled
— Contract food services, Marriott
— Fiber optic lines to all campus
— Wireless to University Foundation Office facilities
— Heating plant retrofitted - new burners, valves, controls
Convert from natural gas and fuel to natural gas and propane
Find very little cost saving with duel fuel system ($1,700 per year)

Mission Update
— Maintain strong transfer program
— More resources dedicated to Workforce Training & Outreach Education (personnel and dollars)
* 97-99 biennium - added new position - Workforce Readiness Coordinator (Workforce Training Cooperative Education, externships-Coteau Properties Company)

New Programs
— Computer Systems Specialist
  * Systems Programmer
  * Systems Technician
— CISCO Academy
— Corporate and Company Collaboration
— Transcriptions, Ltd. (cont.), Marlton, NJ
— Cross Consulting, Minneapolis, MN

3. Enrollment "98-99"

Fall 98-99		Spring 98-99	
HC	674	HC	718
FT	577	FT	552
PT	97	PT	170
FTE	608	FTE	595
Fresh	354		
Soph	288		
MT	236		
Canada	4		

UND-WILLISTON

1999-2001 BUDGET

Appropriations Committee
North Dakota Senate

March 2, 1999

UND-Williston 1999-2001 Budget Analysis

	Total	General Fund	Tuition	Local Funds
Executive Recommendation	**$ 7,071,427**	**$ 4,771,162**	**$ 2,300,265**	**$ -**
HB1003 Amendments:				
Additional Health Insurance Increase	16,536			
Reduce Salary Increases to 2%/year	(70,208)			
.5% Operating Reduction	(24,723)			
Reallocate 5% Board Pool Back to Campus	258,239			
Pool Critical Salary Adjustment to Board	(31,160)			
Appropriate Local Funds	1,653,000			
HB1003 As Amended	**$ 8,873,111**	**$ 4,919,846**	**$ 2,300,265**	**$ 1,653,000**

Amended HB1003 Budget Highlights

- Eliminate Occupational Safety and Environmental Health Program
- Eliminate Small Business Management Program
- Restoration of Agriculture Program
- Restoration of Accounting Program
- Reinvest in Information Technology Program
- Reinvest in Computer Systems Specialist Program
- Capital improvement increase of $16,861
- Six-year strategic plan support for Diesel Program NATEF certification
- Technology enhancement one-time funding of $30,000 for instructional computer lab upgrade
- Compensation package of $207,216 for health insurance premium increase and 2% salary increase per year
- .5% reduction in operating funds
- $40 per year tuition increase
- Appropriates all other local funds

UND-Williston

1999-2001 Biennial Budget Summary from Adjusted Appropriation to Executive Recommendation

	Total	General Fund	Special Fund
1997-99 Adjusted Appropriation	**$ 7,199,952**	**$ 4,800,041**	**$ 2,399,911**
Board Pools	(116,149)		
1995-97 Carryover	(210,149)		
Costs to Continue Salaries and Operating Expenses	159,175		
Other Income Adjustment	36,000		
Director of Student Services	(112,728)		
Occupational Safety and Environmental Health Program	(112,419)		
Small Business Management Program	(131,172)		
Agriculture	(243,546)		
Marketing/Management/Accounting	(82,288)		
Instructional/Instructional Support	(156,709)		
Local Funds	310,920		
1999-2001 95% Budget Request	**$ 6,540,887**	**$ 4,376,360**	**$ 2,164,527**
Restoration/Reinvestment			
Agriculture	126,386		
Accounting	82,288		
Instructional/Instructional Support	174,240		
Information Technology	121,762		
Computer Systems Specialist	241,114		
Other Adjustments			
Critical Salary Adjustments	31,160		
Capital Improvement Increase	16,861		
Six-Year Strategic Plan Support	15,000		
Instructional Technology Enhancement	30,000		
Compensation Package	260,888		
Salary Pool to Board of Higher Education	(258,239)		
Remove Local Funds from Appropriation	(310,920)		
1999-2001 Executive Budget Recommendation	**$ 7,071,427**	**$ 4,771,162**	**$ 2,300,265**

Department 228 - UND-Lake Region
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
1999-2001 Executive Budget	41.34	$4,950,031	$1,948,806	$6,898,837
1997-99 Legislative Appropriations	42.42 *	4,261,485	3,387,917	7,649,402 **
Increase (Decrease)	(1.08)	$688,546	($1,439,111)	($750,565)

* The 1997-99 appropriation is based on 41 FTE positions. Section 9 of 1997 Senate Bill No. 2003 authorized the University System to adjust FTE positions as needed. The number of positions shown for 1997-99 represents the number of positions reported to the Office of Management and Budget.

** The 1997-99 appropriation shown has been adjusted to reflect allocations from the salaries and wages and technology funding pools and the $3.2 million salary initiative. Adjustments made but not reflected in the amounts shown include other funding pool allocations made by the State Board of Higher Education and spending authority carried over from the 1995-97 biennium.

Major Items Affecting UND-Lake Region 1999-2001 Budget

	General Fund	Other Funds	Total
1. Reduces funding to reflect institution's 95 percent budget request (excluding request for capital projects)	($213,074)	($127,076)	($340,150)
Restores funding for critical programs, reinvests funds in new initiatives, and provides for the cost to continue current programs and services, including the continuation of 1997-99 salary increases and inflationary increases in operating expenses (includes $53,517 additional income generated through annual 4 percent tuition increases during 1999-2001)	367,322	55,317	422,639
Net changes (includes the elimination of a custodian position)	$154,248	($71,759)	$82,489
2. Adds funding for critical salary increases (The House removed from the institutions and pooled in the board office.)	$23,760		$23,760
3. Increases other funds and decreases general fund spending authority for operating expenses	(102,348)	$102,348	
4. Reduces salaries and wages to reflect funding transferred to the University System salary funding pool (The House reallocated back to the institutions.)	(214,095)		(214,095)
5. Adds funding for technology equipment and software upgrades	40,000		40,000
6. Adds funding for extraordinary repairs	24,781		24,781
7. Removes the appropriation of local funds (The House included the appropriation of local funds of $6,403,766.)		(1,964,700)	(1,964,700)
8. Adds operating expenses for miscellaneous repairs	42,247		42,247
9. Provides funding for the auditorium renovation and addition project	499,544	495,000	994,544
10. Deletes the following FTE positions (included in No. 1 above):			
(0.08) FTE faculty		(17,027)	(17,027)
(1.00) FTE custodian	(43,842)		(43,842)

Major Legislation Affecting UND-Lake Region

House Bill No. 1443 changes the name of UND-Lake Region to Lake Region State College; changes the name of UND-Williston to Williston State College; and requires institutions of higher education assigned primary responsibility for work force training to establish work force training divisions, advisory boards, business plans, and performance measurements.

Senate Bill No. 2026 - This bill provides a general fund deficiency appropriation of $206,500 for operating expenses at UND-Lake Region to repay an emergency loan from the Bank of North Dakota for drainage improvements and parking lot repairs.

UND-Lake Region

HOUSE APPROPRIATIONS COMMITTEE HEARINGS

HB1003

University of North Dakota-Lake Region
January 13, 1999

UND Lake Region

University of North Dakota-Lake Region
1801 College Drive North, Devils Lake ND 58301
(701) 662-1600 ✦ 1-800-443-1313 ✦ (701) 662-1570 fax

HOUSE APPROPRIATIONS COMMITTEE HEARINGS
HB 1003

University of North Dakota-Lake Region
January 13, 1999

I. The College

The University of North Dakota-Lake Region is one of eleven campuses within the North Dakota University System. The college was founded in 1941 and has been serving North Dakota students for fifty-six years.

Enrollment grew by 430 percent during the sixties, from 119 full-time students in 1960 to 516 full-time students in 1969. College facilities were overflowing with students, and a building project was launched. The college moved to its present, twenty-acre campus and into a new one-story, two-building complex in 1966. Since then there have been several additions to the original structures.

To reflect the changes which occurred during this period of expansion, the name of the college was changed in August 1981 from Lake Region *"Junior"* College to Lake Region *"Community"* College. The college Mission Statement was also extensively revised to reflect the intent to address three broad levels of educational need throughout the service community—the need for an academic-transfer program, for vocational-technical programs, and for community education services. The college continued in this direction throughout the next two decades.

UND-Lake Region, UND-Williston, and Bismarck State College entered the North Dakota University System on July 1, 1984 during the beginning of the turbulent eighties. UND-Lake Region was immediately faced with mandatory budget cuts to respond to the state's budget shortfall, referrals which reduced revenues further, suggested solutions which often threatened the very existence of the

institution, and tuition increases which placed North Dakota two-year college tuition among the highest in the nation.

The budget restraints of the eighties forced UND-Lake Region to critically examine its very foundation and historic mission. This examination resulted in a planning effort which focused on development of strategies through which UND-Lake Region's Mission, *". . . to be responsive to distinctive educational needs in the immediate service area and the State of North Dakota . . . ,"* could be achieved on a cost-effective basis. The institutional planning process led to development of short- and long-range goals, strategies, and action plans to tighten operations without cutting off the future. This focused effort over the last five bienniums has resulted in reduction of low-enrollment programs which were not cost-effective and re-allocation of some of the saved resources to add new programs and update current curriculums.

The college is one of over twelve hundred community, junior, and technical colleges in the United States providing students the opportunity to access education and training in their local communities. Today, over one-half of all entering freshmen begin their college careers at two-year institutions. The average age at most two-year colleges is between twenty-eight and thirty-two. In addition to providing access for older, placebound students, UND-Lake Region provides a less expensive alternative for young entering freshmen to begin their studies. The average cost today of a bachelor degree at one of North Dakota's universities is nearly 24,000 dollars. If a student spends two years at a two-year college—living at home and commuting—and then transfers to a university, the cost is less than 17,000 dollars. In the 1993 *Money Magazine College Guide*, Lani Luciano writes an article titled *"The Bargain in Your Own Backyard."* The author says, *"If someone told you there was a secret strategy that could get you a college education at nearly half-price, you'd probably dismiss him as a daydreamer. Yet, that strategy exists. You simply spend your first two years at a low-cost, public community college and then transfer to a four-year school. The result: You can cut the cost of a bachelor's degree by as much as 40 percent."* The

article notes that one does this by paying a lower average tuition and saving approximately 2,500 to 4,000 dollars per year by commuting and not paying additional room and board. This strategy helps students reduce the debt load they carry upon leaving college.

Our two-year colleges are not only a bargain—they also provide an excellent education. With no research facilities nor graduate programs, community college professors can concentrate on teaching and advising students. In the years I have been working with instructors from the five two-year colleges through a Bush faculty development grant, I have been impressed with the level of dedication and expertise of the faculty at these two-year colleges. Because of their commitment to teaching and smaller class sizes, fewer students are *"washed out"* in their vulnerable first years. A review of the progress of our transfer students shows that they perform as well as students who start at the university, which is impressive since many of them began with less preparation. I believe North Dakota has a particularly advantageous structure with all types of institutions represented in the North Dakota University System. We need the diversity of the educational institutions represented in the North Dakota University System to meet the needs of all of our students, from certificate and diploma offerings to doctorate programs.

II. New Initiatives, Programs, and Developments

Since the mid-eighties, college personnel have been working to change programming, not only to react to tremendous fiscal challenges, but to be creatively prepared to meet projected changes in job skill levels. The College Planning Team has been cognizant of changing training and education needs for skilled workers. As noted in the report given to the State Board of Higher Education by the Bush Committee, and demonstrated in a brochure developed by the North Dakota State Board for Vocational/Technical Education, many *unskilled* jobs have changed to *skilled* jobs in the last several decades—and this shift will continue into the next several decades. In 1950, professional education—four-year baccalaureate and above—was required for twenty percent of available jobs, skilled training and education—two-years or less— was required for twenty percent of jobs, and no special training nor

education beyond high school graduation was required for sixty percent of jobs. From 1950 to 1991, professional levels remained at twenty percent, unskilled dropped to thirty-five percent, and skilled increased to forty-five percent. It is projected that by 2000, the shift will be even more dramatic—with unskilled dropping to fifteen percent and skilled rising to sixty-five percent.

What does this mean for higher education? If these trends continue, the need for professional education will remain strong and continue to grow in relation to the number of expanding jobs. However, great change has already begun in the skill levels of blue- and pink-collar jobs and will explode in the next decade. Persons with limited skills will be relegated to low-tech, low-paying jobs. Unless America's workforce is rapidly brought to international skill levels, our society will lose its great working middle class and will bifurcate into a two-class system—the *"haves"* and *"have-nots."*

The University of North Dakota-Lake Region has individually and as part of the North Dakota University System made concerted efforts to respond to these changes in job requirements. In recent years the college has re-allocated resources from lower-skill, under-enrolled curriculums to high-tech curriculum offerings. Cognizant of the need for people to re-train and re-position their job skills many times throughout their lives, we have expanded our re-training efforts. We have also linked high-tech programs to four-year programs at the University of North Dakota and other state four-year institutions whenever possible to provide students with the much-needed professional credentials they need to maintain high-quality employment.

The two-year colleges in the North Dakota higher education system have begun an exciting endeavor to provide a more coherent, responsive set of program offerings state-wide to meet the shift in unskilled to skilled job requirements. The State Board of Higher Education approved formation of the College Technical Education Council (CTEC) as a means of more systematically reviewing training and education needs for the skilled worker level—two years of college or less. In the past, as new job requirements developed, the post-secondary, two-year system was in a response mode rather than a pro-

active planning mode. As pressure for new programs developed, two-year colleges would respond individually—often competitively—to the need. This approach was costly, inefficient, and slow. Working as a team—with input from the secondary system of vocational-technical programs, State Board for Vocational/Technical Education staff, Job Service North Dakota, the Governor's Workforce Development Council, and other entities—two-year, post-secondary institutions are charting a plan to meet emerging needs rather than to merely respond as pressure for new training needs builds.

Through CTEC, the two-year colleges have spent considerable time during the past five years building a system which has 1) identified campus strengths through a program-mapping process, 2) created a joint customized training unit, and 3) developed a state-wide cooperative education initiative which will have computerized cross-listings of cooperative education opportunities for students. They have taken a leadership role in development of a general education agreement and common course numbering project which is making transfer easier for students.

UND-Lake Region is highly supportive of a coordinated approach to curriculum development. The college has invested heavily in terms of personnel and resources in focusing its mission toward unduplicated vocational/technical programs. A major effort for the college has been the building of the Public Safety focus. Our Peace Officer Training Program is well received, as evidenced by the high employment of our graduates throughout the state. We have received approval to offer corrections, 9-1-1 telecommunications, and security training from the State Board of Higher Education, and there is a serious need for skilled, trained personnel in these areas. The Attorney General's Office has identified a potential risk for agencies who hire untrained personnel, yet we are unable to receive funding for faculty and staff to support the program. Instead, in the last biennium, a training position was funded in the Corrections Division—a state agency without authority to award credit. Without credits, articulation with further education is limited or unavailable. We believe students would be better served if a coordinated

effort between training needs and higher education was promoted and funded rather than funding training through non-education entities.

During the last few months, a new initiative has emerged which holds great promise for development of a statewide business and industry training model. UND-Lake Region is committed to the support of the new Workforce Training System being developed for North Dakota, built around the single goal of providing business and industry in North Dakota with the most competitive workforce in the nation. The Greater North Dakota Association coordinated the Task Force of North Dakota business and industry, legislative, and educational leaders that developed the proposed Workforce Training Model. The model has proposed that the state would be divided into four delivery regions. UND-Lake Region would be responsible for delivery to the northeast quadrant of the state. The college would develop a special division designed to serve the needs of business and industry. The division would be charged with being customer-driven, entrepreneurial, responsive, quality-driven, leadership-driven, change-oriented, and accountable. Financial support for the new Workforce Training System would be from a combination of state, local institution, and private sources.

III. Faculty and Staff Issues

Faculty and staff salary increases are among the college's greatest priorities. Faculty and professional staff salaries are well below the regional average. UND-Lake Region has utilized whatever flexibility it has been provided by the State Board of Higher Education and the legislature to increase salaries in the last two bienniums. Although the Governor's Budget does not include sufficient salary dollars to meet the regional and national differentials, it does provide a positive approach to faculty and staff increases, with increases to address cost of living and flexible increases to address market, equity, and professional growth compensation. Thus, the Governor's Budget provides much-needed flexibility to attract and maintain quality instructors and staff.

The two-year colleges are currently limited in their ability to carry out the mandates of *Vision 2000* and the *Bush Report* to be responsive to workforce and training needs. There are insufficient resources to hire faculty to staff new programs without closing a current program and reallocating funds to the new programs. There are also limited resources available to hire the staff needed to work with business and industry to identify training needs and either create or locate the curriculum needed to meet the training needs. The new Workforce Training Model addresses these needs on a state-wide basis. In the last three bienniums, UND-Lake Region, along with the other two-year colleges, has made excellent progress in providing customized training with limited resources and is eager to continue to develop this type of training for economic development. A small investment has produced very positive outcomes. Funding to meet the anticipated growing need for training and re-training is a valuable and much needed investment.

IV. Operating Budget

The 78,255 dollar increase provided in the Governor's Budget for operating expenses will cover a projected increase in utilities and postage costs, but very little would be available for general inflationary increases in other areas. The increase is built upon an extremely conservative 1997-99 operating budget. Any unexpected or unplanned expenditures in 1999-2001 would be nearly impossible to address.

V. Equipment

The college must continue to seek funding for adequate equipment for high-tech vocational programs to provide state-of-the-art training. The North Dakota University System *Six Year Plan* calls for development of mechanisms to permit campuses to update equipment and technology to provide education and training that is current with business, industry, and research standards. Also, a realistic equipment replacement schedule is needed.

The Governor's Budget includes an executive recommendation of 150,338 dollars for equipment for the biennium. It will be a challenge to provide the upgrades to student labs, administrative services, and plant services equipment with less than 76,000 dollars per year. The cost of automated library systems, interactive television classrooms, and the Higher Education Computer Network has also placed pressure on limited equipment resources. UND-Lake Region will continue to apply for grant funds and equipment donations to help meet instructional needs.

VI. Capital Maintenance/Major Repairs/Major Projects

UND-Lake Region was appropriated 74,993 dollars for 1997-99 biennium for major repair/remodeling expenditures. In addition, the college received 38,938 dollars from small campus and ADA project pools to fund sidewalk repair and bathroom upgrades. In total the college received 113,931 dollars for capital improvements for the last biennium compared with 99,774 dollars included in the Governor's Budget for 1999-2001, excluding the auditorium project. This budgeted amount will provide the necessary resources for capital maintenance.

The college has sought funding from several sources to address capital projects before requesting state dollars. For example, the major improvement at the college during the last biennium was installation of a surface and sub-surface drainage system and parking lot and roadway re-surfacing. The project was needed to mitigate the continued breakup of pavement on the roadways and parking lots due to an extremely high water table as a result of flood conditions. UND-Lake Region participated in a joint project with the Devils Lake Public School System with major funding from FEMA, engineering support from the City of Devils Lake, fiscal support from the Water Resource Board and the Recreation Department. FEMA also provided support for re-paving much of the parking lot and roadways. UND-Lake Region took a lead role in creating the partnership. It took nearly three years and countless hours of negotiation to develop the fiscal package, which has resulted in major infrastructure improvement at the

college with a much-reduced cost to the state. We are very proud of this cooperative venture which demonstrates that by working together we can solve difficult problems.

The College Master Plan identifies several long-term needs which have been prioritized as being most critical. They include auditorium renovation, campus networking, gymnasium/activity center remodeling, and parking and access on the north side of the building.

Campus networking is an ongoing need. Upgrading the background to fiberoptic wiring to accommodate voice, data, and video is vital as well as improved within systems and upgraded servers. Also, wiring the residence halls for student access is critical need.

Remodeling of the gymnasium/activity center is needed to provide space for aerobics, judo, dance weight training, racquetball, and other wellness activities as well as classrooms, office space, locker rooms, storage. Portable seating would be included to make the space multi-usable. This space would also be used for such activities as career, science, and grain-grading fairs.

The major capital project included in the current biennial budget is the renovation of the college auditorium. The auditorium has had no improvements since it was constructed over thirty years ago. The auditorium is used extensively for college convocations, plays, meetings, and musical events. In addition it serves as a lecture bowl and testing center since each seat has a desk-arm which can be raised for writing. It also serves to meet part of our community services commitment by providing a place for all kinds of community activities, from meeting with the governor to community theater and orchestra performances. On last count, over fifty thousand use our college facilities each year for non-college-sponsored events.

Because the auditorium has not been updated since the early sixties when it was constructed, several safety issues have emerged. There are serious lighting and sound problems. In addition, the facility needs a general refurbishing. Recognizing the need for renovation of the auditorium, the Community College Foundation committed to raising half of the nearly 1,000,000 dollars needed for the

renovation. An extensive capital campaign was undertaken, and as of this fall, the money has been raised and is on deposit. The Governor's Budget includes the matching 499,544 dollars for auditorium renovations. With approval of this appropriation, this much-needed renovation can be completed. This state and local partnership allows the college to provide a quality facility with half the state investment. *(For detailed information, please see Appendix A).*

VII. Tuition Levels

The current tuition level for two-year colleges in North Dakota is among the highest in the nation. The North Central Association Accreditation Team identified tuition level as the most serious problem facing the college in the next decade. The philosophy of the community college is that all persons will have access to education and/or training. Community college tuition is kept low in most states as an investment in a trained workforce for economic development. UND-Lake Region appreciates the fact that the Governor's Budget has included a modest tuition increase for two year colleges. Holding the line of tuition increases at two-year colleges will assist us in coming into line with regional tuition and will provide more accessible education and training for persons entering the workforce.

VIII. Closing Comments

I have taken the time to share with you a bit of our development and direction so that you will have a reference point for reviewing our budget requests and priorities. The major direction for the institution in the coming biennium will be to continue to improve vocational/technical program offerings, lead the workforce training model for the northeast quadrant of the state in support of economic development, improve faculty and staff salaries, facilitate the transfer process for students, strive to provide access by maintaining affordable tuition, and provide well-maintained, repaired equipment and facilities for students and staff.

The fiscal picture for the college under the Governor's Requested Budget is positive in helping us meet these objectives. We support the Governor's Requested Budget and are particularly pleased with the funding for the auditorium renovation and the Workforce Training initiative.

We appreciate the support we have received in the last several bienniums despite state fiscal constraints. Legislative support has helped the college move closer to long-term fiscal stability and institutional viability. Partnerships between the community and the state are bringing the physical plant and site to excellent repair. We look forward to your continued positive support. May you be granted the wisdom to sort out the pressing needs with fairness and sensitivity.

I will be happy to respond to any questions you may have about our proposed budget and projects priorities.

ddg-1/12/99

UND
Lake Region

University of North Dakota-Lake Region

1801 College Drive North, Devils Lake, ND 58301

Switchboard • (701) 662-1600
Fax • (701) 662-1570

Administrative Services • 662-1501
Instructional Services • 662-1506
Student Services • 662-1513
Continuing Education • 662-1508

UND-LAKE REGION AUDITORIUM RENOVATION PROJECT REQUEST

The auditorium renovation project submitted by UND-Lake Region has been a part of the long-range planning process at the college for more than four biennia. The project is identified in the current Master Plan as a high priority project. The project was included in the North Dakota State Board of Higher Education Budget planning priorities for 1997-99 and has been brought before the House and Senate appropriation Committees as a long-range campus need for three biennia, second only to the library renovation. The library project was approved in the 1993-95 Biennial Budget and completed in the summer of 1995. The college received no major funding for facilities in the 1995-97 Biennial Budget and is requesting continued support for the auditorium renovation in the 1997-99 Biennial Budget.

The auditorium is used extensively. In addition to college convocations, plays, meetings, musical events, it serves as a lecture bowl and testing center since each seat has a desk-arm which can be raised for writing. It also serves to meet part of our community services commitment by providing a place for all kinds of community activities from meetings with the governor to community theater and orchestra performances. On last count, over fifty thousand persons a year use the college facilities for non-college sponsored events. In recognition of the community use of the facility, the Community College Foundation is undertaking a major fund-raising effort to provide a match for state funding for the auditorium renovation at UND-Lake Region. The Community College Foundation has invested heavily in the campus by providing funding for scholarships, athletic support, and facilities maintenance. In recent years, the community has invested nearly $600,000 in campus facilities alone. This partnership allows the state to provide quality facilities with a smaller investment.

NEED

The UND-Lake Region auditorium renovation project is a major renovation to existing facilities which has several health and safety as well as ADA implications. The condition of the flooring support for the Orchestra pit is a major safety issue. Inadequate air handling and lighting is a health issue. Access to theater facilities and dressing rooms in the lower level does not meet ADA requirements. The balcony has a poorly designed traffic pattern and facia which is highly unsafe for persons moving into balcony seating. The carpet is torn and seats have become unsightly. The overall condition of the facility is in serious need of repair and renovation.

PROJECT CRITERIA

4a. Requested projects must be in the campus facilities master plan.

The requested project is in the campus facilities plan and was scheduled to be included in the 1997-99 State Board of Higher Education Request to the Legislature for capital maintenance projects.

4b. Why the project is necessary because of enrollment patterns and demographic projections.

In the last four biennia, UND-Lake Region has focused energy on lifelong long learning and outreach with the development of customized training, short-term seminars, workshops, and inservice for local business and community groups. The auditorium is part of a group of public spaces being upgraded to meet the need for short-term training and education.

4c. Why the project is necessary to primarily carry out the academic mission of the campus and will it be used primarily for academic purposes.

An auditorium or large meeting place is basic to the academic function of any educational facility. It provides space for large classroom lecture bowls, drama productions, concerts, seminars, student convocations, faculty meetings, student-faculty exchanges, graduation, and so forth. The primary use for the facility will be divided between direct academic functions, academic support functions, and community events.

4d. How the project related to the institution's approved mission statement and the system's seven-year plan.

The mission statement for UND-Lake Region includes: 1) to provide academic transfer courses and program which parallel those offered during the first two years at baccalaureate-granting institutions; 2) to provide vocational and technical programs designed to prepare learners for an immediate career in a specific occupation; 3) to provide outreach educational opportunities for individuals who are time- and/or place-bound; 4) to provide continuing and life-long education in the form of renewed cultural, educational, occupational, social, athletic and avocational programs, courses, workshops, seminar, and institutes; and 5) to develop linkages with business and industry, to support quality instruction, and encourage economic development through technology transfer and entrepreneur training.

To carry out its mission, the college has identified a set of roles which include: 12) to be a resource center for the community by providing cultural and educational services in keeping with the needs and desire of the community while remaining consistent with college's mission; and 15) to encourage total development of the individual through participation in cultural, social, and athletic activities.

4e. A description of the age and condition of the present facility being renovated or replaced.

The auditorium was part of the original building which was constructed in 1965-66. No improvements have been made since the original construction. The lighting and sound systems are antiquated and often disfunctional. Seating is insufficient and the space poorly laid-out causing the audience to feel divided into three sections on both and main floor and balcony sections inhibiting the sense of community which is such an important part of large group meetings and productions. There is no air-conditioning making the space nearly unusable during the summer months. The facility has a portable orchestra pit which has become unsafe because of a weakened support floor due to aging. Currently, sheets of plywood have been laid on top of the section of the floor for safety which is unsightly. The curtains, riggings, set storage and general stage area is in need of upgrading and renovation. The front of the balcony is constructed in such a way as to limit sight-line to the stage and because of the traffic pattern for people moving into the seating is unsafe.

4f. The extent to which the project will facilitate collaboration and resource sharing among units on or off campus.

The auditorium, by its very nature, is a facility which encourages collaboration and resource sharing. It provides a common meeting ground for both campus and community events. For example, the space is used for campus lectures, humanities events, student convocations, and community meetings which are designed to promote an exchange of ideas and problem solving. For example, in the last two years, numerous meetings have been held to address the flooding problems including The Federal Emergency Management Team, the governor's office, the State Water Board, the Devils Lake Basin Management Team, and concerned community groups.

4g. The extent to which the project will leverage innovation and technology upgrading.

The project will leverage innovation and technology upgrading in that it will be wired to provide a satellite down-link for bringing national programming to large groups. The campus currently has such capability in a small group meeting room, but the renovation will include the infrastructure necessary for linking satellite programming to the auditorium as well as projection on a large screen. The renovation will also designate multi-media equipment reserved exclusively for use in the auditorium.

4h. An estimate of the additional costs or savings to the campus of on-going maintenance and utility costs which will result upon completion of the project.

On-going maintenance will remain the same as current expenditures.

Auditorium Renovation Project
Cost Estimates

Main Floor and Balcony--		
Demolition	$ 31,000	
Stage Curtains	20,000	
Stage and General Lighting	50,000	
Sound System	40,000	
Stage Floor	15,000	
Seating (700 Total)	125,000	
General Construction	437,000	
Total Main Floor and Balcony		$718,500
Lower Level--		
Demolition	20,700	
General Construction	163,800	
Total Lower Level		$184,500
Architect/Engineer Fee		67,500
Grand Total		967,500

The University of North Dakota - Lake Region Foundation is currently in the process of a major fund-raising effort to provide a local match for the legislative budget request. We are thinking that our legislative request would be in the $600,000-$700,000 level with the remainder to be raised locally. To date we have about $80,000 committed. Do you have any advice (both in terms of Chancellor support of the request and legislative approval).

UNIVERSITY OF NORTH DAKOTA - LAKE REGION
UPDATE

MASTER PLAN
A GUIDE TO PHYSICAL DEVELOPMENT

UND - Lake Region's capital improvement program identifies a number of future construction projects which must be undertaken to meet existing and future needs for the campus.

Category I - Current Projects

Category I consists of building projects and infrastructure improvements which are currently funded or authorized for planning. These are projects which are in the design stage or under construction.

Project	Estimated Cost	Status
Buildings		
Library Expansion & Renovation	$818,497	Completed
ADA Modifications	40,000(1994)	Completed
Retrofit Welding Shop - POTP	58,520	Completed
Relocation of Office Functions		
Business Office to former Library	11,000	In Process
Foundation Office to Bus. Office	3,500	In Process
Relocation of Learning Center to former Library	11,000	In Process
Remodel former Library into Conference Center	63,072	Completed

Category II - Identified Projects

The second category represents the University's top level priority for new projects. These projects are not currently funded. Funding may be budgeted capital maintenance (depending on future levels) or requested funds.

Project	Estimated Cost	Status
Buildings		
Refurbish Auditorium	$967,500	Designed
Child Care Center Remodeling	75,000	
ADA Modifications		
Site Improvements		
Connection to City Storm Sewer (Flood Related)		
Parking Lot Repair (Flood Related)		
North Hall Parking		

Category III - Potential Projects

The third category consists of those projects for which a need has been identified, but for which no state funding has been requested.

Project	Estimated Cost	Status
Buildings		
Physical Education Facility Addition		
Remodel Vacated Learning Center Space		
ADA Modifications		
Bookstore Addition		
Remodel Dining Room & Kitchen Facilities		
Science Laboratories		
Site Improvements		
Additional Parking		
Traffic Collector Road		
New Sidewalks		
Vehicle Storage		
Theater Storage		
Peace Officer Driving Track		

TidBits 99...

...interesting snatches of info about UND-Lake Region

Enrollment:

"Headcount History"		FTE History	
Fall 1998	826	1998	492
Fall 1997	738	1997	439
Fall 1996	704	1996	437
Fall 1995	723	1995	479
Fall 1994	705	1994	455
Fall 1993	634	1993	442

Students Served:

97% of students are from North Dakota.
57.5% of students are women, 42.5% are men.
33% of students are "older than average" *(22 and older).*
The student body includes 26 American Indian, 4 Black, and 2 Asian students.
158 students live in the resident halls. *(Resident hall capacity is 200 students.)*
Since 1941, the college has served over 40,000 students.

Financial Aid:

90% of freshmen received some form of financial aid.
93% of continuing students received some form of financial aid.
194 students received Community College Foundation funded scholarships in 1996/1997.

	PELL		Total Financial Aid
Year	# of Students	Total Dollars	Total Dollars
1997	312	499,810	1,856,853

Included in the total financial aid listed above are grant scholarships, loans, and other outside financial aid.

Faculty:

Twenty-five faculty teach full-time.

Nine full-time faculty teach in academic-transfer programs. Academic qualifications include:

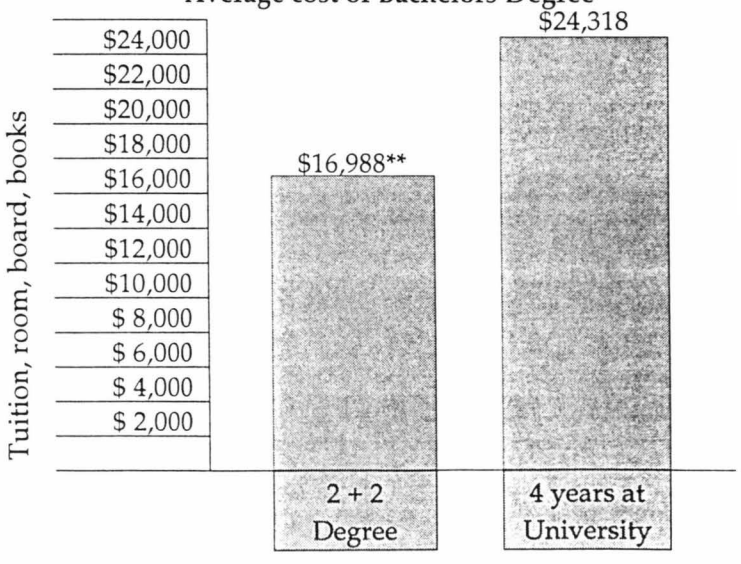
- 2 Bachelors of Science degrees, working to complete masters degree programs
- 7 Masters degrees
- 1 PhD degree

Fifteen full-time faculty teach in vocational-technical programs. Academic qualifications include:

- 4 Associate of Arts degrees, supplemented with extensive on-the-job experience
- 3 Bachelor of Science degrees
- 7 Masters degrees
- 1 Juris Doctorate

Eighteen (approximate) instructors are hired on a part-time basis each year.

Average cost of Bachelors Degree



UND-Lake Region Education Costs

Tuition/Fees	$1,934
Room and Board	2,750
Books	600
Total	$5,284

***Assuming student lives at home during first two years.*

Program	Certificate	Diploma	Associate of Arts	Applied Science
Accounting/Business Administration			X	
Administrative Assistant *(Secretary)*	X	X		X
Agri-Farm Business Management		X	X	X
Automotive Technician	X	X		X
Child Care Specialist	X			X
Information Technologies *(Computer)*	X	X		X
Law Enforcement				X
Liberal Arts *(Academic Transfer)*			X	
Legal Assistant *(Paralegal)*				X
Marketing/Merchandising	X			X
911 Public Safety Telecommunications	X			
Nurse Assistant	X			
Office Management				X
Peace Officer Training	X			
Simulator Technologies*(Electronics)*				X

Community College Foundation Support:

Fiscal Year	Annual Gifts/Pledges
1991/1992	$ 152,575.00
1992/1993	*$ 515,000.00
1993/1994	$ 206,311.00
1994/1995	$ 374,861.00
1995/1996	$ 240,657.00
1996/1997	*$ 469,613.00
1997/1998	$212,740.00
Total	$2,171,757.00
**Includes large estate gifts*	

Local dollars raised for Library Expansion Project	$ 528,771.00
Local dollars raised for Auditorium Renovation Project	$ 500,183.00

Scholarships provided by Foundation and Thelin Trust

Fiscal year	Total dollars	Students
1997/1998	$ 107,686.00	211
1996/1997	$ 112,471.00	194
1995/1996	$ 111,297.00	210
1994/1995	$ 95,426.00	188
1993/1994	$ 86,716.00	152
1992/1993	$ 71,020.00	130

UND-Lake Region

Individuals Served during 1997/1998

The University of North Dakota-Lake Region, a branch campus of the University of North Dakota, is a comprehensive, two-year institution of higher learning within the North Dakota University System of Higher Education. The college is committed to the following mission:

To provide academic transfer courses and programs which parallel those offered during the first two years at baccalaureate-granting institutions.	**On-Campus Enrollment:** Unduplicated headcount 1,048
To provide vocational and technical programs designed to prepare learners for an immediate career in a specific occupation.	

To provide outreach educational opportunities for individuals who are time- and/or place-bound.	**Outreach *(i.e., Grand Forks Air Force Base):*** Unduplicated headcount 907

To provide continuing and life-long education in the form of renewed cultural, educational, occupational, social, athletic, and avocational programs, courses, workshops, seminars, and institutes.	**Continuing Education:** Non-Credit ..... 1,166 Credit 117
	Adult Basic Education: Non-Credit 167
	Community Events 35,000-45,000

To develop linkages with business and industry, to support quality instruction, and to encourage economic development through technology transfer and entrepreneur training.	**Economic Development *(i.e., Business and Industry Training):*** Heqadcount 685

ddg-1/12/99

Call it a theater ...
call it an auditorium ...
this community needs a fine arts facility to call its own!

The UND-Lake Region auditorium is a wonderful resource for the entire community. Every year 50,000 students and guests from throughout the Lake Region use it for meetings, lectures, theatrical performances, musical productions, fine arts contests, graduation ceremonies, and a wide variety of other events. UND-Lake Region is proud of the many ways it has found to open the campus to the community ... but years of heavy use and tight budgets have taken their toll. The auditorium desperately needs to be refurbished ...

... top to bottom!

Shinsplint Society

Ballet fans and dance aficionados are invited to help build a friendlier stage, one board at a time. Each $15 gift to the *Shinsplint Society* will purchase a new board for the stage floor. Watch the floorboards pile up as the *Shinsplinters* move toward their $15,000 goal.

Theater Angels

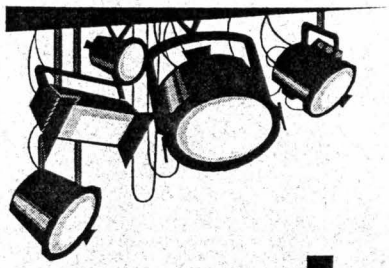
Larger gifts may be tied to important components of the refurbished performing arts facility:

Stage light system	*$ 50,000*
Sound system	*$ 40,000*
Air conditioning	*$ 35,000*
Carpeting	*$ 30,000*
Stage curtains	**—SOLD—** *$ 20,000*
Consultant (lighting/sound)	*$ 8,000*

The Forever Fund

Peering into the crystal ball we see the new auditorium bustling with activity. Along with increased activity will come additional demands on college staff ... to keep the schedule and negotiate contracts, run the lights and PA system, tune the piano, find props and pick up clutter, fix things that break, etc. To make sure our new auditorium can meet the varying needs of the community that built it, we are inviting major donors to invest in the *Forever Fund*—an endowment to sustain ongoing operations.

Community College Foundation



-update-
Auditorium Renovation Project

The Community College Foundation is sponsoring a special drive to raise funds to renovate UND-Lake Region's auditorium/theater.

December 1997

Here's how you can help!

Please consider investing in a project that will transform a dilapidated meeting hall into a community jewel!

Buy a *Chair*, become a *Theater Angel*, join the *Shinsplint Society*, or just be a *Friend* ... these are the ways you can help to build a wonderful community resource.

The Auditorium Renovation Project at UND-Lake Region has received wide support in the effort to raise $900,000 for a top-to-bottom refurbishment. To date, well over 300 groups and individuals have contributed in many special ways. Together their gifts and pledges have moved us past the halfway point of this ambitious project.

Here's the plan

The renovation we have in mind includes new ***lighting and sound systems***, ***curtains*** and ***carpeting***, ***air conditioning***, an ***enlarged stage*** with a ***wooden floor***, more ***prop and costume storage***, ***improved dressing rooms*** ... in short, a whole new look and feel. Performing arts groups and other auditorium users will take part in drawing up final plans.

And the answer to the most often-asked *question*—***Will there be more seats?***—is yes! By making better use of space, house capacity can grow from 500 to nearly 700 seats!

Buy-A-Chair Campaign

All 700 seats in the new auditorium

are for sale!

Theater lovers and all who believe the Lake Region needs a first-class fine arts facility are invited to invest in this important project through the *Buy-A-Chair Campaign.* A gift of $1,000 will *purchase* a chair. Chair donors will receive special recognition at a gala grand opening where they will find their names on new chairs and on a plaque permanently displayed in the facility.

Three-year pledges to support the project are welcome. Gifts to the Auditorium Renovation Project are being held in a special account until needed for construction costs.