

**Department 230 - University of North Dakota
Senate Bill No. 2003**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	917.17	\$83,798,583 ²	\$11,210,000 ³	\$95,008,583
1999-2001 Legislative Appropriations	<u>919.75¹</u>	<u>96,053,682</u>	<u>339,866,702</u>	<u>435,920,384⁴</u>
Increase (Decrease)	<u>(2.58)</u>	<u>(\$12,255,099)</u>	<u>(\$328,656,702)</u>	<u>(\$340,911,801)</u>

2001-03 Hoeven Executive Budget	<u>917.17</u>	<u>\$83,798,583</u>	<u>\$14,710,000</u>	<u>\$98,508,583</u>
Hoeven Increase (Decrease) to Schafer	<u>0.00</u>	<u>\$0</u>	<u>\$3,500,000</u>	<u>\$3,500,000</u>

¹ The 1999-2001 appropriation is based on 916.69 FTE positions. Section 6 of 1999 House Bill No. 1003 authorized the University System to adjust FTE positions as needed. The 919.75 FTE positions shown above represent the employee position reported to the Office of Management and Budget (OMB).

² Total general fund appropriation per executive budget summary \$96,278,345
Less transfer of Interactive Video Network, On-line Dakota Information Network, and Higher Education
Computer Network/campus computer centers line items to the North Dakota University System office reflected
in Senate Bill No. 2003 12,479,762

Total general fund appropriation in Senate Bill No. 2003 \$83,798,583

³ Total other fund balance per executive budget summary \$15,200,785
Less appropriation for state facility energy improvement projects per Senate Bill No. 2023 3,990,785

Total other funds appropriation in Senate Bill No. 2003 \$11,210,000

⁴ The 1999-2001 appropriation amounts include \$99,346 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000, \$977,435 from the general fund for the agency's share of the \$2,630,992 critical salary funding pool appropriated to the University System to address additional salary increases beyond legislative appropriations for market and equity raises, \$883,116 from the general fund for the agency's share of the \$4,290,128 equity and special needs funding pool appropriated to the University System to address equity funding issues and special academic program needs, and \$12,269,094 from the general fund for the agency's share of \$21,948,467 funding pool appropriated to the University System to address technology needs. The 1999-2001 appropriation amounts do not include \$12 million of additional spending authority resulting from Emergency Commission action during the 1999-2001 biennium, \$791,508 of carryover authority, \$75,491 from board pool allocations for disability support and the entrepreneurship program, \$2,925,724 from board-approved additional tuition revenue, and (\$28,155) adjustment for funding spent during the 1997-99 biennium. (emergency clause)

Major Schafer Recommendations Affecting the University of North Dakota 2001-03 Budget

	General Fund	Other Funds	Total
1. Removes the appropriation of local funds.		(\$291,215,617)	(\$291,215,617)
2. Removes the appropriation of tuition, continuing education, and miscellaneous income.		(\$57,073,076)	(\$57,073,076)
3. Provides funding for the Carnegie Library renovation.		\$3,000,000	\$3,000,000
4. Provides funding for Smith, Johnstone, and Fulton renovation.		\$2,650,000	\$2,650,000
5. Provides funding for Wilkerson Hall loading dock and emergency generator.		\$1,700,000	\$1,700,000
6. Provides funding for Rural Technology Center addition and canopy.		\$3,860,000	\$3,860,000
7. Provides funding for extraordinary repairs of \$2,362,136. In addition, \$3,990,785 of special funds is provided for energy improvement projects in Senate Bill No. 2023.			\$0

- | | | | |
|---|-------------|---------------|-------------|
| 8. Transfers funding to the University of North Dakota School of Medicine and Health Sciences for the athletic training program, and tuition revenue for the laboratory science program and the fourth-year medical students, which is offset by a corresponding increase in general fund appropriations. | \$1,277,624 | (\$1,622,212) | (\$344,588) |
|---|-------------|---------------|-------------|
9. The executive recommendation does not include funding for recommended compensation plan salary increases of three percent of salaries the first year of the biennium and two percent for the second year. Funding for institutions' salary increases is pooled and provided in the North Dakota University System office budget for the State Board of Higher Education to allocate to individual institutions.

**Major Hoeven Recommendations Affecting University of North Dakota 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Provides funding for the renovation of the UND Memorial Student Union (student fees - bonding). (This funding was added to Senate Bill No. 2023.)		\$3,500,000	\$3,500,000

Major Legislation Affecting the University of North Dakota

Section 11 of Engrossed Senate Bill No. 2003 provides legislative intent relating to the content of the State Board of Higher Education's performance and accountability report required by Senate Bill No. 2041.

Section 13 of Engrossed Senate Bill No. 2003 provides a continuing appropriation of higher education institutions' special revenue funds including tuition (originally a provision of Senate Bill No. 2037).

Section 14 of Engrossed Senate Bill No. 2003 requires budget requests for the University System to include budget estimates for block grants for a base-funding component and for an initiative-funding component and a budget estimate for an asset-funding component (originally a provision of Senate Bill No. 2038).

Section 15 of Engrossed Senate Bill No. 2003 requires the appropriation for the University System to include block grants to the State Board of Higher Education for a base-funding appropriation and for an initiative-funding appropriation and an appropriation for asset-funding (originally a provision of Senate Bill No. 2038).

Section 16 of Engrossed Senate Bill No. 2003 allows institutions to carry over at the end of the biennium unspent general fund appropriations (originally a provision of Senate Bill No. 2037).

House Bill No. 1026 provides for a general fund deficiency appropriation for the 1999-2001 biennium to the University of North Dakota to offset expenditures of \$3,115,908 relating to the 1997 flood. (emergency measure) (This bill has passed the House.)

Senate Bill No. 2023 provides special funds appropriation for state facility energy improvement projects. The Industrial Commission, acting as the North Dakota Building Authority, shall arrange for the funding for \$3,990,785 of sundry projects at the University of North Dakota through bonding. The energy savings associated with the projects are to be applied to the related bond payments. (This bill has passed the Senate.)

Senate Bill No. 2039 allows the State Board of Higher Education to authorize campus improvements and building maintenance projects that are financed by donations, gifts, grants, and bequests if the cost of the improvement or maintenance is not more than \$250,000. (This bill has passed the Senate.)

Senate Bill No. 2040 allows higher education institutions to provide bonuses, cash incentive awards, and temporary salary adjustments to employees without reporting the activity as a fiscal irregularity. (This bill has passed the Senate.)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).