

**Department 232 - UND School of Medicine and Health Sciences
Senate Bill No. 2003**

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|---------------------------|---------------------|-----------------------|-------------------------------|
| 2001-03 Schafer Executive Budget | 227.37 | \$28,571,646 | \$0 | \$28,571,646 |
| 1999-2001 Legislative Appropriations | <u>224.79¹</u> | <u>29,499,694</u> | <u>58,427,060</u> | <u>87,926,754²</u> |
| Increase (Decrease) | <u>2.58</u> | <u>(\$928,048)</u> | <u>(\$58,427,060)</u> | <u>(\$59,355,108)</u> |

| | | | | |
|---------------------------------------|---------------|---------------------|------------|---------------------|
| 2001-03 Hoeven Executive Budget | <u>227.37</u> | <u>\$28,571,646</u> | <u>\$0</u> | <u>\$28,571,646</u> |
| Hoeven Increase (Decrease) to Schafer | <u>0.00</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

¹ The 1999-2001 appropriation is based on 224.72 FTE positions. Section 6 of 1999 House Bill No. 1003 authorized the University System to adjust FTE positions as needed. The 224.79 FTE positions shown above represent the employee positions reported to the Office of Management and Budget (OMB). The 1999 Legislative Assembly removed local funds from the salaries, operating, and equipment line items and created one separate local funds line item for the UND School of Medicine and Health Sciences. This funding change resulted in a decrease of 203.3 FTE positions from the 1999 authorized level of 428.02 FTE positions.

² The 1999-2001 appropriation amounts include \$32,008, \$9,875 of which is 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 and \$231,159, 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 salary increases beyond legislative appropriations for market equity raises. The 1999-2001 appropriation amounts do not include \$300,200 of board-approved additional tuition revenue and \$64 of 1997-99 biennium carryover authority.

Major Schafer Recommendations Affecting UND School of Medicine and Health Sciences 2001-03 Budget

| | General Fund | Other Funds | Total |
|--|---------------------|--------------------|----------------|
| 1. Transfers funding from the University of North Dakota 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 decrease in the general fund appropriation. | (\$1,277,624) | \$1,622,212 | \$344,588 |
| 2. Removes the appropriation for tuition, continuing education, and miscellaneous income. | | (\$15,173,956) | (\$15,173,956) |
| 3. Removes the appropriation for local funds. | | (\$51,400,000) | (\$51,400,000) |
| 4. Consolidates funding into one line item--operations. | | | |
| 5. 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 of the biennium. 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 UND School of Medicine and Health Sciences 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven recommendation does not change the Schafer recommendation.

Major Legislation Affecting the UND School of Medicine and Health Sciences

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 in 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 in 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 in 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 in Senate Bill No. 2037).

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).