

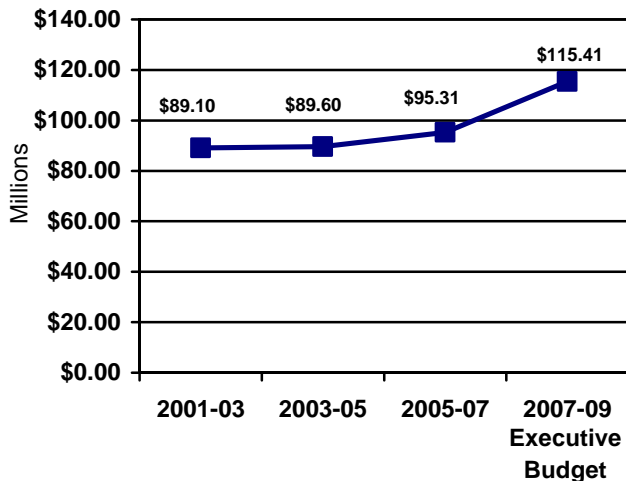
**Department 230 - University of North Dakota  
 House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	637.24	\$115,408,905	\$78,200,000	\$193,608,905
2005-07 Legislative Appropriations	623.76 <sup>1</sup>	95,312,147	97,831,554	193,143,701 <sup>2</sup>
Increase (Decrease)	13.48	\$20,096,758	(\$19,631,554)	\$465,204

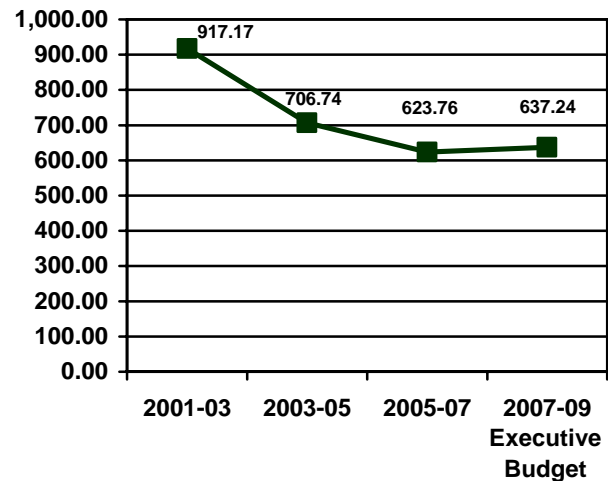
<sup>1</sup>The 2005-07 biennium appropriation is based on 623.76 FTE positions. Section 13 of Senate Bill No. 2003 (2005) authorizes the State Board of Higher Education to adjust full-time equivalent positions, as needed, subject to the availability of funds, for institutions and entities under its control. A total of 13.58 positions were added pursuant to this section and reported to the Office of Management and Budget.

<sup>2</sup>The 2005-07 appropriation amounts include general fund allocations of \$300,000 from the equity pool and \$160,000 from the board initiative funding appropriated to the North Dakota University System, and do not include \$664,596 of general fund carryover and \$44,904,839 of other funds capital construction carryover.

**Agency Funding - General Fund**



**FTE Positions**



**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides parity funding of \$10,356,966 for the following:			
Costs to continue fiscal year 2007 legislatively funded salary increases	\$1,205,274		\$1,205,274
5 percent per year salary increases	6,185,049		6,185,049
10 percent per year health insurance increases	2,354,636		2,354,636
2.4 percent per year operating inflation	12,007		612,007
Total (The executive recommendation only includes approximately 92 percent of the total general fund portion of parity costs of \$11,202,117. Operating inflation of \$845,151 is not included in the executive recommendation. An annual tuition increase of 5.5 percent would be needed to fund the remaining general fund portion of \$845,151 and to fund the student portion of parity costs of \$7,468,078.)	\$10,356,966		\$10,356,966
2. Provides equity funding of \$3,163,572. (The executive recommendation includes a \$10 million increase for equity distributed among the 11 higher education institutions. The amount distributed to each institution was determined by considering both the institution's dollar difference from their peer benchmark as well as giving a greater weighting factor to those institutions that are the furthest behind their peer benchmark.)	\$3,163,572		\$3,163,572

3. Provides funding for extraordinary repairs of \$5,928,875 equal to the 2005-07 base funding of \$2,300,545 plus a proportionate share, \$3,628,330, of the \$10 million increase that is included in the executive budget recommendation. <b>(The additional funding of \$3,628,330 is identified as one-time funding in the executive budget.)</b>	\$3,628,330		\$3,628,330
4. Provides funding for major capital projects for the 2007-09 biennium, including:	\$2,200,000	\$78,200,000	\$80,400,000
• O'Kelly-Ireland Hall remodeling project (\$2.2 million from the general fund) <b>(executive budget identified as one-time funding)</b>			
• University of North Dakota School of Medicine and Health Sciences renovation project (\$9.8 million other funds)			
• Indoor track/multipurpose space (\$15 million other funds)			
• Wilkerson dining center renovation (\$4 million revenue bonds)			
• American Indian Center (\$10 million other funds)			
• Earth systems science building (\$5 million other funds)			
• Memorial Union front entrance renovation (\$4.5 million other funds)			
• Center for Family Practice building in Bismarck (\$4.5 million other funds)			
• Energy and Environmental Research Center Commercialization Center (\$5 million other funds)			
• Allied Health Facility (\$20.4 million other funds)			
5. Transfers the Center for Biomedical Research from the University of North Dakota School of Medicine and Health Sciences per accreditation requirements which provides that the reporting of the Center for Biomedical Research be under the Vice President of Research at the University of North Dakota	\$747,890		\$747,890
6. Removes major capital project funding provided in the 2005-07 biennium		(\$142,736,393)	(\$142,736,393)

### Other Sections in Bill

**Transfer authority** - Section 12 provides that the State Board of Higher Education may transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines the additional funds are needed for capital projects or extraordinary repairs.

**FTE positions** - Section 13 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

**Bonding authorization** - Section 16 authorizes the State Board of Higher Education to issue revenue bonds for the Wilkerson dining center project (\$4,000,000).

### Continuing Appropriations

**Special revenue funds** - NDCC Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2007.

### Major Related Legislation

**House Bill Nos. 1030, 1031, and 1032** - These bills provide for the continuation of the following statutory provisions through June 30, 2009:

- The continuing appropriation authority for higher education institutions' special revenue funds, including tuition.
- The requirement that the budget request for the North Dakota University System 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 and the requirement that the appropriation for the University System include block grants for a base funding appropriation and for an initiative funding appropriation and an appropriation for asset funding.
- The North Dakota University System's authority to carry over at the end of the biennium unspent general fund appropriations.

**Senate Bill No. 2023** - The deficiency appropriation bill provides \$560,476 from the general fund to the University of North Dakota for the estimated amount needed to repay the Bank of North Dakota for the state's share of expenses resulting from the 1997 flood.