

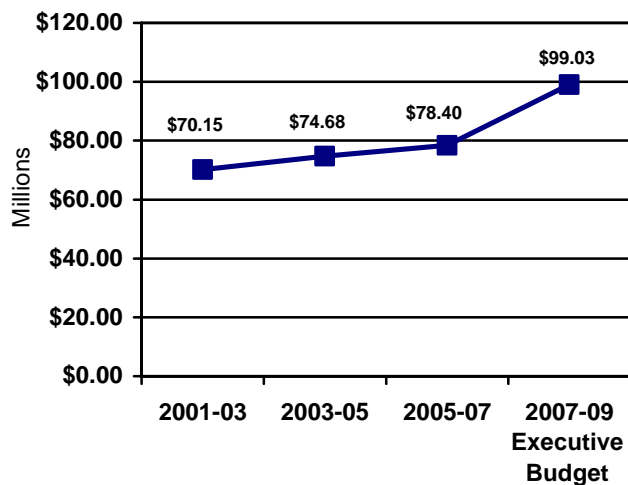
**Department 235 - North Dakota State University
 House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	498.12	\$99,027,336	\$20,500,000	\$119,527,336
2005-07 Legislative Appropriations	483.99 ¹	78,396,876	37,500,000	115,896,876 ²
Increase (Decrease)	14.13	\$20,630,460	(\$17,000,000)	\$3,630,460

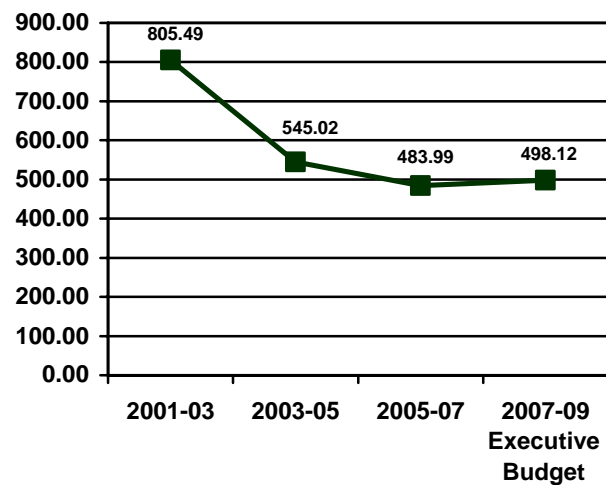
¹The 2005-07 biennium appropriation is based on 483.99 FTE positions. Section 13 of Senate Bill No. 2003 (2005) authorizes the State Board of Higher Education to adjust full-time equivalent positions, as needed, subject to the availability of funds, for institutions and entities under its control. A total of 14.13 positions were added pursuant to this section and reported to the Office of Management and Budget.

²The 2005-07 appropriation amounts include general fund allocations of \$900,000 from the equity pool and do not include \$40,662 of general fund carryover.

Agency Funding - General Fund



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of \$8,972,683 for the following:			
Costs to continue fiscal year 2007 legislatively funded salary increases	\$962,633		\$962,633
Utilities of buildings coming online	199,558		199,558
5 percent per year salary increases	5,369,374		5,369,374
10 percent per year health insurance increases	1,854,190		1,854,190
2.4 percent per year operating inflation	586,928		586,928
Total (The executive recommendation only includes approximately 94 percent of the total general fund portion of parity costs of \$9,521,374. Operating inflation of \$548,691 is not included in the executive recommendation. An annual tuition increase of 5 percent would be needed to fund the remaining general fund portion of \$548,692 and to fund the student portion of parity costs of \$6,347,583.)	\$8,972,683		\$8,972,683
2. Provides equity funding of \$4,140,843. (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.)	\$4,140,843		\$4,140,843

3. Provides funding for extraordinary repairs of \$4,209,161 equal to the 2005-07 base funding of \$1,692,226 plus a proportionate share, \$2,516,935, of the \$10 million increase that is included in the executive recommendation. (The additional funding of \$2,516,935 is identified as one-time funding in the executive budget.)	\$2,516,935	\$2,516,935
4. Removes 2005-07 biennium major capital projects funded with bond proceeds, including \$3.5 million for a hazardous material storage facility, \$22 million for the Memorial Union renovation and addition, and \$12 million for a Wellness Center addition		(\$37,500,000)
5. Provides funding for Phases I and II of the Minard Hall renovation project (executive budget identified as one-time funding)	\$5,000,000	\$5,000,000
6. Adds special funds spending authority for construction of a Living Learning Residence Hall (revenue bonds)		\$12,000,000
7. Adds special funds spending authority for renovation of the Ellig softball complex		\$4,500,000
8. Adds special funds spending authority for Dakota Coteau Field School		\$4,000,000

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 that 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 Living Learning Residence Hall project (\$12,000,000).

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 \$289,092 to North Dakota State University for the estimated amount needed to repay the Bank of North Dakota for the state's share of expenses resulting from the 2000 flood.