

**University of North Dakota  
Budget No. 230  
Senate Bill Nos. 2003, 2266**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2009-11 executive budget (bills as introduced)	627.28	\$144,486,043	\$42,890,000	\$187,376,043
<b>2009-11 legislative appropriations</b>	<b>625.28</b>	<b>134,516,002</b>	<b>61,619,000</b>	<b>196,135,002</b>
Legislative increase (decrease) to executive budget	(2.00)	(\$9,970,041)	\$18,729,000	\$8,758,959
Legislative increase (decrease) to 2007-09 appropriations	(11.96)	\$16,536,526 <sup>1</sup>	(\$16,301,000)	\$235,526 <sup>1</sup>

<sup>1</sup>This amount reflects a \$2,858,771 general fund deficiency appropriation for the 2007-09 biennium approved by the 2009 Legislative Assembly for 1997 flood-related expenses.

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
2007-09 legislative appropriations	\$109,312,375	\$8,667,101	\$117,979,476
<b>2009-11 legislative appropriations</b>	<b>127,337,328</b>	<b>7,178,674</b>	<b>134,516,002</b>
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$18,024,953	(\$1,488,427)	\$16,536,526
Percentage increase (decrease) to 2007-09 appropriations	16.5%	(17.2%)	14.0%
2009-11 legislative increase (decrease) to executive budget	\$1,229,959	(\$11,200,000)	(\$9,970,041)
Percentage increase (decrease) to executive budget	1.0%	(60.9%)	(6.9%)

**SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The North Dakota University System budget request included funding for parity to provide for inflationary costs, including the general fund share of salary and health insurance increases. This method of funding these costs was not changed by the executive budget or the Legislative Assembly.

	<b>Major Items</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Removed funding and related FTE positions added in the executive budget for campus security and emergency preparedness	(2.00)	(\$204,600)		(\$204,600)
Added funding to limit tuition increases		1,774,161		1,774,161

Adjusted the distribution of campus equity payments included in the executive budget	(339,602)		(339,602)
Changed the funding source for the Education Building renovation project from the general fund to federal fiscal stimulus funds	(11,200,000)	\$11,200,000	0
Added federal fiscal stimulus funding in Senate Bill No. 2266 for the Nursing Education Consortium		500,000	500,000
Added funding for capital projects, including the Bismarck Family Practice Center (\$5,400,000), airport hangar renovation (\$1,500,000), and forensic pathology facility (\$129,000).		7,029,000	7,029,000
Total	<u>(2.00)</u>	<u>(\$9,970,041)</u>	<u>\$18,729,000</u>
			<u>\$8,758,959</u>

#### FTE Changes

The Legislative Assembly provided funding for 625.28 FTE positions, a decrease of 11.96 FTE positions from the authorized number of FTE positions for the 2007-09 biennium. The Legislative Assembly removed 2 FTE security and emergency preparedness positions added in the executive budget. The decrease of 11.96 FTE positions reflects the adjustment in the number of FTE positions to the level supported by the general fund. Pursuant to Section 20 of Senate Bill No. 2003, the State Board of Higher Education is authorized to adjust FTE positions as needed for institutions of higher education. Any FTE adjustment must be reported to the Office of Management and Budget prior to the submission of the 2011-13 budget request.

#### One-Time Funding

In Section 7 of Senate Bill No. 2003, the Legislative Assembly identified \$59,233,248 from the general fund and \$10,400,000 from the permanent oil tax trust fund for one-time funding items for the University System. Of this amount, \$7,178,674 from the general fund is for deferred maintenance at the University of North Dakota. This amount is not to be considered part of the agency's base budget for preparing the 2011-13 executive budget and the University of North Dakota is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

#### Federal Fiscal Stimulus Funding

In Section 4 of Senate Bill No. 2003 and Section 3 of Senate Bill No. 2266, the Legislative Assembly appropriated \$11,700,000 of federal fiscal stabilization - other government uses funds made available to the Governor under the federal American Recovery and Reinvestment Act of 2009 to the University of North Dakota for the Education Building renovation project (\$11,200,000) and the Nursing Education Consortium simulation laboratory project (\$500,000). The University System may seek Emergency Commission and Budget Section approval for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated. This amount is not to be considered part of the agency's base budget for the 2011-13 biennium. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

#### Other Income

The Legislative Assembly approved the executive recommendation, as provided in Section 16 of Senate Bill No. 2003 and Section 1 of Senate Bill No. 2038, to appropriate on a continuing basis (through June 30, 2011) all other funds, including tuition income, received by the institutions of higher education during the 2009-11 biennium. Consequently, the legislative appropriation for the University of North Dakota does not include a specific appropriation of other funds, except for capital projects.

#### Tuition Increases

The Legislative Assembly provided a total of \$8,215,467 from the general fund to higher education institutions to limit annual tuition increases to 4 percent at four-year campuses and provide for no tuition increases at two-year campuses for the 2009-11 biennium. Of this amount, the University of North Dakota

received \$1,774,161. Section 30 of Senate Bill No. 2003 provided an institution may not increase tuition by more than 4 percent annually without Budget Section approval.

**Equity Funding**

The Legislative Assembly did not change the executive budget recommendation to provide a total of \$10 million from the general fund to higher education institutions for equity payments. Of the total amount, the Legislative Assembly appropriated \$2,101,461 to the University of North Dakota, a decrease of \$339,602 from the executive budget recommendation of \$2,441,063.

**Extraordinary Repairs**

The Legislative Assembly did not change the executive recommendation to provide funding of \$9,479,219 from the general fund for extraordinary repairs, an increase of \$3,550,344 from the 2007-09 biennium legislative appropriation of \$5,928,875. Of the \$9,479,219, \$2,300,545 is considered base funding and \$7,178,674 is considered one-time funding.

**Capital Projects**

The Legislative Assembly authorized the following projects:

	2009-11 Executive Budget Recommendation			2009-11 Legislative Appropriation		
	General Fund	Other Funds	Total	General Fund	Other Funds	Total
College of Business and Public Administration Building renovation		\$20,500,000	\$20,500,000		\$20,500,000	\$20,500,000
Energy and Environmental Research Center storage and support building		1,540,000	1,540,000		1,540,000	1,540,000
Indoor track and practice facility		19,500,000	19,500,000		19,500,000	19,500,000
Relocation and renovation of the Oxford House		750,000	750,000		750,000	750,000
Renovation and addition to the Education Building	\$11,200,000		11,200,000		11,200,000 <sup>1</sup>	11,200,000
Starcher Hall emergency generator		600,000	600,000		600,000	600,000
School of Medicine forensic pathology facility					129,000	129,000
Airport hangar renovation					1,500,000 <sup>2</sup>	1,500,000
School of Medicine Bismarck Family Practice Center					5,400,000 <sup>3</sup>	5,400,000
<b>Total</b>	<b>\$11,200,000</b>	<b>\$42,890,000</b>	<b>\$54,090,000</b>	<b>\$0</b>	<b>\$61,119,000</b>	<b>\$61,119,000</b>

<sup>1</sup>Funding is provided from federal fiscal stabilization - other government services funds made available to the Governor through the federal American Recovery and Reinvestment Act of 2009.

<sup>2</sup>The Legislative Assembly provided revenue bonding authority of \$1,500,000 for the airport hangar renovation and Section 39 of Senate Bill No. 2003 allows the State Board of Higher Education to enter an agreement with a private entity to finance the project.

<sup>3</sup>Funding is provided from the permanent oil tax trust fund.