

**Minot State University
Budget 241
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2011-13 legislative appropriation	187.83	\$43,588,594 ¹	\$16,034,555	\$59,623,149
2009-11 legislative appropriation	<u>187.83²</u>	<u>39,877,100</u>	<u>27,250,000</u>	<u>67,127,100</u>
2011-13 appropriation increase (decrease) to 2009-11 appropriation	0.00	\$3,711,494	(\$11,215,445)	(\$7,503,951)

¹This amount includes \$4.85 million of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$38,738,594.

²The number of FTE positions for the 2009-11 biennium has been adjusted by (1.99), from 189.82 to 187.83, pursuant to Section 20 of 2009 Senate Bill No. 2003 which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

NOTE: The 2011-13 legislative general fund appropriations amounts have been adjusted to include \$567,621 from the general fund for the institution's share of the \$15,240,565 equity and student affordability funding pool appropriated to the North Dakota University System office.

Item Description

Enrollment - At the end of the 2011 regular legislative session, Minot State University's FTE student enrollment projection for the 2011-13 biennium was 3,024 for the fall 2011 semester and 3,047 for the fall 2012 semester.

Tuition collections - Minot State University estimated gross tuition revenue of \$16.69 million for the 2011-12 fiscal year.

One-time funding - In Section 2 of 2011 House Bill No. 1003, the Legislative Assembly identified \$49,260,357 of funding from the general fund as one-time funding items for the University System. Of this amount, \$4.85 million is for a capital project at Minot State University.

Capital projects - The Legislative Assembly authorized the following capital projects for Minot State University for the 2011-13 biennium:

	General Fund	Other Funds	Total
Landscape plan		\$800,000	\$800,000
Old Main classroom remodel		750,000	750,000
Resident apartments		3,500,000 ¹	3,500,000
Geothermal energy project ²	\$4,850,000	8,884,555	13,734,555
Food service remodeling project		1,500,000	1,500,000
Plant services building		600,000	600,000
Total	\$4,850,000	\$16,034,555	\$20,884,555

¹The Legislative Assembly provided revenue bonding authority of \$3.5 million for the resident apartments project.

²The Legislative Assembly in 2009 provided Minot State University with a \$2.5 million general fund appropriation for a coal boiler replacement that may be used instead for the geothermal energy project.

Status/Result

The fall 2011 semester FTE enrollment was 2,795, 229 less than projected and 207 less than the fall 2010 semester.

The current estimate for gross tuition collections for the 2011-12 fiscal year is \$15,284,830, \$1,405,170 less than projected.

See the **Capital projects** section below for information regarding the institution's capital projects.

The status of each project as of April 2012 is as follows:

- Landscape plan - The project has been delayed due to the impact of flooding during the summer of 2011.
- Old Main classroom remodel - Funding for the project was funded through a gift and is complete.
- Resident apartments - The university is discontinuing efforts to proceed with this project.
- Geothermal energy project - The university received Budget Section approval in September 2011 to reduce the project scope to only complete the first phase of the project and begin additional phases if funding is available. The institution is using the \$2.5 million 2009-11 biennium general fund appropriation, \$4.85 million 2011-13 biennium general fund appropriation, and \$2 million Department of Commerce federal stimulus grant. The first phase of the project is expected to be complete by the spring of 2013.

- Food service remodeling project - Funding for the project was from a food service contract and is complete.
- Plant services building - The design of the building is complete. The university is considering seeking general fund support from the Legislative Assembly in 2013 to continue with the project.

Mouse River flooding impact - Minot State University was impacted by flooding along the Mouse River during the summer of 2011.

Minot State University incurred several emergency flood fighting costs and expects future revenue impacts as a result of the flood. The following is a summary of the estimated financial impact of the flood:

Flood-Impacted Area	Estimated Financial Impact
Academic year 2011-12 enrollment decline of 7 percent - Effect on tuition	\$800,000
Academic year 2011-12 enrollment decline of 7 percent - Effect on university and activity student fees	250,000
Academic year 2012-13 projected flat enrollment level - Effect on tuition	1,000,000
Emergency flood fighting efforts, including dike construction and removal	100,000 ¹
Long-term flood restoration for campus infrastructure	2,200,000 ²
Emergency housing projects for faculty, staff, and students	3,600,000
Total	\$7,950,000
¹ Does not include \$300,000 of emergency flood fighting costs which the Federal Emergency Management Agency (FEMA) has approved for reimbursement	
² Does not include \$400,000 of campus restoration costs approved for reimbursement by FEMA.	

Minot State University anticipates requesting a deficiency appropriation from the 63rd Legislative Assembly for flood-related costs that are not approved for reimbursement from FEMA. The institution has taken action to reduce operating costs, including the implementation of a partial hiring freeze and delaying the replacement of equipment on campus.