

**Valley City State University
Budget No. 242
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2011-13 executive budget (bills as introduced)	90.37	\$26,444,465	\$815,000	\$27,259,465
2011-13 legislative appropriations	90.37	28,162,473	1,015,000	29,177,473
Legislative increase (decrease) to executive budget	0.00	\$1,718,008	\$200,000	\$1,918,008
Legislative increase (decrease) to 2009-11 appropriations	0.00	\$8,858,447 ¹	(\$17,485,000)	(\$8,626,553)

¹Reflects a deficiency appropriation of \$58,904 approved by the 2011 Legislative Assembly for the 2009-11 biennium.

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 legislative appropriations	\$16,940,201	\$2,363,825	\$19,304,026
2011-13 legislative appropriations	17,814,057	10,348,416	28,162,473
2011-13 legislative increase (decrease) to 2009-11 appropriations	\$873,856	\$7,984,591	\$8,858,447
Percentage increase (decrease) to 2009-11 appropriations	5.2%	337.8%	45.9%
2011-13 legislative increase (decrease) to executive budget	(\$375,841)	\$2,093,849	\$1,718,008
Percentage increase (decrease) to executive budget	(2.1%)	25.4%	6.5%

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

Salaries and Wages

The executive recommendation for the North Dakota University System included funding for parity to provide the general fund share of 3 percent annual salary increases and health insurance increases. This method of funding these costs was not changed by the Legislative Assembly.

	Major Items			Total
	FTE Positions	General Fund	Other Funds	
The legislative action:				
Removed funding added in the executive budget for campus equity payments (\$166,667) and for limiting tuition increases (\$148,884) (see Equity and Student Affordability Funding Pool section below).		(\$315,551)		(\$315,551)
Removed funding included in the executive budget for student mental health services.		(60,290)		(60,290)

Adjusted funding for special assessments at institutions to remove funding to pay off special assessment balances as provided in the executive recommendation and provide funding for 2011-13 special assessment payments only.		(235,151)		(235,151)
Added funding for the Rhoades Science Center project.		2,329,000	\$200,000	2,529,000
Total	0.00	\$1,718,008	\$200,000	\$1,918,008

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 90.37 FTE positions, the same as the 2009-11 biennium. Pursuant to Section 13 of House Bill No. 1003, 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 submission of the 2013-15 budget request.

One-Time Funding

In Section 2 of 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, \$10.3 million is for the Rhoades Science Center project and \$48,416 is for special assessment payments at Valley City State University. These amounts are not to be considered part of the agency's base budget for preparing the 2013-15 executive budget, and Valley City State University is to report to the Appropriations Committees during the 2013 legislative session on the use of this funding.

Other Income

The Legislative Assembly approved the executive recommendation, as provided in House Bill No. 1035, to appropriate on a continuing basis (through June 30, 2013) all other funds, including tuition income, received by the institutions of higher education during the 2011-13 biennium. Consequently, the legislative appropriation for Valley City State University does not include a specific appropriation of other funds, except for capital projects.

Equity and Student Affordability Funding Pool

The executive budget recommendation included \$10 million for equity payments to campuses and \$6,640,563 for limiting tuition increases to 2.5 percent annually at four-year institutions and providing for no tuition increases at two-year institutions. The Legislative Assembly removed the funding for these items and appropriated \$15,240,565 to the University System office for an equity and student affordability funding pool to be allocated to institutions as determined by the State Board of Higher Education.

Extraordinary Repairs

The Legislative Assembly did not change the executive recommendation to provide \$408,319 from the general fund for extraordinary repairs, a decrease of \$1,155,018 from the 2009-11 biennium appropriation of \$1,563,337. The following is a summary of funding for extraordinary repairs:

	2009-11 Legislative Appropriation	2011-13 Legislative Appropriation	Increase (Decrease)
Ongoing funding from the general fund	\$258,416	\$408,319	\$149,903
One-time funding from the general fund	1,304,921		(1,304,921)
Total	\$1,563,337	\$408,319	(\$1,155,018)

Capital Projects

The Legislative Assembly authorized the following capital projects:

	2011-13 Executive Budget Recommendation			2011-13 Legislative Appropriation		
	General Fund	Other Funds	Total	General Fund	Other Funds	Total
Rhoades Science Center	\$7,971,000		\$7,971,000	\$10,300,000	\$200,000	\$10,500,000
Lokken Field turf project		\$815,000	815,000		815,000	815,000
Total	\$7,971,000	\$815,000	\$8,786,000	\$10,300,000	\$1,015,000	\$11,315,000

Deficiency Appropriation

Senate Bill No. 2023 provided a 2009-11 biennium deficiency appropriation of \$58,904 from the general fund for Valley City State University. The funding is related to expenses incurred as a result of flooding during the spring of 2009.