2011 HOUSE APPROPRIATIONS

HB 1003

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/17/11
12932

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System as it pertains to Mayville State University.

Minutes: Attachment #s 1 and 2

Chairman Skarphol: Called the Education and Environment Committee to order to hear Testimony on HB 1003, Mayville State University. While waiting for Legislative Council Chairman Skarphol emphasized the importance of stating the budget.
Since council is here we will begin.
Introducing Mr. Backus, President North Dakota State Board of Higher Education to make a few opening comments.

Backus: Over the years, the University System has taken the view of becoming more systemic and providing access to our students, with a view of our economic development and economic diversity of our state as well as affordability. The system has to provide. clear priorities to the institutions that we have.
We have to make sure that we are acting as a system and not 11 separate institutions and have authority to make changes as they see needed. Each one is not seeking its own funding support.

Chairman Skarphol: Last time it seemed like we got so entwined in the System presentation and not a good view of the institutional aspect. We will hear from the institutions first, hear about their uniqueness and then tie it all together at the end with the view from the System. It is not an attempt to detract from what the State Board is trying to do but to give my committee an opportunity to have a better understanding of all the institutions.

Backus: Both are important.

Dr. Hagen, Mayville State University President: Beginning with the power point presentation see Attachment # 1, pages 1-13

Chairman Skarphol: Those reserves have been what you have been able to collect and set aside

Dr. Hagen: Continuing with p. 2 explaining how appropriations from last session were used to make improvements on the campus.

Rep. Monson: Are you using North Dakota coal?

Dr. Hagen: Lignite, it is far more efficient.

Chairman Skarphol: Will that provide you with the same energy efficient product to burn?

Dr. Hagen:: Continuing with presentation pp. 2-3 Deferred Maintenance. The rest of the campus is looking so much better.
He discussed enrollment comparisons on p. 3

Chairman Skarphol: Actual seats and chairs, 552? And head count is including your on-line students full credit? And the FTE?

Dr. Hagen: It keeps growing

Chairman Skarphol: Transfer students come from where?

Dr. Hagen: The bulk of them come from UND, NDSU or Moorhead State.

Rep. Monson: Your FTE is that based on .....(inaudible)

Dr. Hagen: Continuing with p. 4, we have eliminated waivers.

Rep. Dosch: Do you have a corresponding slide as far staffing levels?

Dr. Hagen: No we don't, we eliminated some positions.

Chairman Skarphol: Or faculty?

Dr. Hagen: No, continuing with Distance Student Headcount, p. 4

Chairman Skarphol: Graduating class last year.

Dr. Hagen: 140. Continuing with p. 5, a quick list of collaborations.

Chairman Skarphol: Your MBA program?

Dr. Hagen: UND's collaborative relationship.

Chairman Skarphol: Your articulation agreements how are they different than the Western Interstate Commission on Higher Education (WICHE).

Dr. Hagen: The level of courses, all are general ed courses.

Chairman Skarphol: They are not so much about tuition as transfer of course work.

Dr. Hagen: Continuing with the Power point testimony, p. 3.

Chairman Skarphol: How successful are you at getting them back?

Dr. Hagen: We developed a Bachlor of Applied Science Degree which correlates well with associate degrees.

Chairman Skarphol: You had a transfer number of 94 in the fall of 2010. What percentage of them transferred back from Minnesota, for example?

Dr. Hagen: I don't know.

Chairman Skarphol: I hope you would track that.

Dr. Hagen: Continuing with Power point.

Chairman Skarphol: Where are you at in the top five year time frame?

Dr. Hagen: We are working on that. Continuing with STEM program p. 6 of the Power point presentation.

Rep. Martinson: This is what we are trying to get away from, give us budget information.

Rep. Dosch: You have a green house on your campus, is that duplicative with North Dakota State University (NDSU)?

Dr. Hagen: It was built about 60 years ago. We are working with NDSU to expand that program. It is not a duplication of their program.

Chairman Skarphol: As far as your faculty, how much time is invested in the research that you do?

Dr. Hagen: One and one-third is funded from outside.

Chairman Skarphol: They have to find their own capability.

Steve Benson, Vice President for Business Affairs. Continuing with power point presentation, p. 7, 2011-13 Biennial Budget Request.
We saved approx $500,000 in energy costs, and used the money to help pay off debt. For affordability, we wpild like to hold tuition to 2.5%.

Rep. Monson: When you need 2.7 and you got 2.5, how do you make up that difference?

Benson: The legislature is asked to provide that extra $.3M.

Chairman Skarphol: The $41,839 is the .2% difference between the two and one half?

Benson: That $22,000 is the dollars needed for that .2 ½ to 2.7.
An additional 1% a year is contributed to retirement plans for the state employees..
That will fund that $19,000.
Each of the areas that are approved by the governor are discussed.
Continuing with p 8, the Request explanations.

Chairman Skarphol: On FTE, is that new?

Benson: We would shore up the retention coordinator, the Title 3 program and to Hire a ½ time coordinator

Chairman Skarphol: The 2 ½ on our green sheet does not reflect that there has been an employee increase.

Benson: They are proposed, included in the recommendation.

Chairman Skarphol: Are they included or not?

Benson: They are requested as additions to our base budget.

Chairman Skarphol: When they are not reflected here, they are funded by institutional funds. Addressing OMB.

Tammy Dolan, OMB Analyst: Higher education in their bills, can adjust their budget, The last reported FTE is what is included in the budget. We did not include the new funding. It can be used for FTE, it included money but did not adjust FTE. They have the authority to use it.

Chairman Skarphol: They can use as needed but we are asked to give them authority to add FTE if that is how they wish to utilize it..

Dolan: Yes.

Rep. Martinson: The money is in the budget for FTEs.

Dolan: Yes.

Chairman Skarphol: Last biennium, did we have a similar situation, flexibility, will that be reflected on the FTE count on the green sheet?

Dolan: Any money that they use to hire FTE would be included in the FTE count.

Rep. Hawken: You could have six extra sections of English, a hire for FTE could be from research dollars.

Rep. Monson: If budget is used to hire FTE's, it will be reflected on the green sheet as an increased FTE on their base budget.

Chairman Skarphol: Trying to understand what happened between this biennia and next. How many did we authorize that weren't hired? Equity money, can they hire at will with equity money at will?

Dolan: Yes, they have the authority if they have the funds available.

Benson: We do prepare our budget each May, it reflects staffing needs.

Chairman Skarphol: When do you do that?

Benson: Each May.

Chairman Skarphol: It is presented on an annual basis, for '12 it will be prepared by July 1, 2011.

Benson: No, we will wait until the end of the legislative session to see where we are at with funding.

Chairman Skarphol: You are giving us a projection of what you need?

Benson: Yes, continuing with p. 8, Deferred maintenance.
I have $120,000-130,000 to work with.

Rep. Monson: Equity, what does that mean, what would you expect that person to do?

Benson: It would be used to bolster recruitment. We have a more diverse campus now, International students, Native Americans, Asian, Eastern European. Students must be able to pay. We do not subsidize with waivers.

Dr. Hagen: There are no waivers for diversity, but enough to meet accreditation requirements.

Benson: The facilities piece that added another $150,000 to the formula. Continuing with the Budget Request, Attachment # 2, p. 5

Rep. Dosch: What is the balance of your differed maintenance?

Benson: About $3M. It has been diminished. We don't have a good number for Differed Maintenance.

Chairman Skarphol: Tammy, give us a number, maybe we should pay that all off.

Rep. Dosch: Pay off to free up....

Benson: It would run through 2022. It would free up dollars to keep the campus in good repair.

Chairman Skarphol: About 11 more years of payment for specials?

Benson: Yes.

Chairman Skarphol: Are there any indications that special assessments may be coming up?

Benson: I am not aware of any. Continuing with testimony. The University system allowed smaller schools to propose up to seven projects, none could cost more than $1,230,000. We proposed upgrade of the elevator in the Campus center.

Chairman Skarphol: Where will that be?

Benson: Campus center.

Chairman Skarphol: How much?

Benson: $175,000.

Rep. Martinson: The message to campuses, would you rather have the FTE's or the elevators?

Benson: Good funding opportunities for upgrades that is a deferred maintenance kind of an area. Other areas in base funding that relate to staffing, personnel, we encourage your support in that regard. One dealt with the mental health counselor. We don't have mental health counseling in our area and we have more students that are in our area with problems. This would affect our enrollment.

Rep. Monson: If you were to get funded for that FTE would you find a counselor?

Benson: A lot of personnel commute. There are opportunities to find professionals in our area.

Chairman Skarphol: How will elevator reduce your deferred maintenance by $120,000?

Benson: We had to ask what the health and safety needs are. Accessibility, values were assigned to incremental scheduling.
Continuing with Legislative Reporting Requirements, p. 8
Capital asset appropriations are discussed on p. 9 of Attachment # 2.
Agassiz is a bonded project that students are paying for.
The amounts spent from state dollars and non state dollars is illustrated on the pie chart for Revenue expenses, p.11 of Attachment # 2.

Chairman Skarphol: Salaries, usually the higher the percentage of revenue. Why is that 63%?

Benson: It is 63% because depreciation is figured in here at $1M, operating at $3M includes.....

Chairman Skarphol: Is everybody included?

Benson: Yes, everybody. It is grants, auxiliaries and state and tuition.

Rep. Monson: How much is tuition and how much is fees?

Benson: Tuition is $3M. Fees are under.....

Chairman Skarphol: Requesting a breakdown of tuition and fees because some fees are being increased.

Benson: I will have to take this at face value. Grants are completely segregated from that. Tuition and fees is about 80%.

Chairman Skarphol: Could you provide us with a larger format?

Benson: Referring to Attachment #3. 2 (No attachment # 3 was provided).

Rep. Monson: What happens if Fed has to scale back?

Benson: We have about $3M available in grants, for exam[le,.Pell Grants.
It could built the

Rep. Monson: If they don't come through (referring to grants and scholarships), tuition would have to increase.

Benson: $8,000 is cost of education; some other source has to pick it up.

Chairman Skarphol: Going back to the non appropriated budget, referring to attachment 2. What is other non appropriated funds? Is that room and board contracts, food service?

Benson: It is .....educational activities, workshops, internal service funds such as the motor pool, postage, distance learning.

Chairman Skarphol: Can you provide us with a list of what is in the auxiliary service area?

Benson: Future needs: see p. 10 of Attachment # 1.

Dr. Hagen: We are thankful for support; we've made a lot of progress on campus.

Chairman Skarphol: Discuss your change in mission, referring to attachment # 1, p. 12.

Dr. Hagen: Continuing with a discussion of items on attachment # 1, p. 12.

Rep. Williams: On p. 8 mental health service. How many colleges have this service and how many do not? You are asking for $140,000.

Dr. Hagen: Society is different; there is a need for this service. Gave his thanks for the support and concluded his testimony.

Chairman Skarphol: Appreciation for brevity is expressed.

Hearing on Mayville State University closed.

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House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/17/11
12948

☐ Conference Committee

Committee Clerk Signature Meredith Trachsel

Explanation or reason for introduction of bill/resolution:
To provide an appropriation for defraying the expenses of the North Dakota University System: Valley City State University.

You may make reference to "attached testimony."

Minutes:
Chairman Skarphol: Called the Education and Environment Committee to order to hear Testimony on HB 1003, Valley City State University. He emphasized the importance of stating the budget. Be as focused on numbers, give us as brief a synopsis, as possible.

Dr. Steve Shirley, President, Valley City State University: Introduced those present to support his testimony. Began presentation, see attachment 1, in university binder.

Rep. Monson: What are the four concentrations in your masters program?

Shirley: Technology education, teaching and technology, library and information technology, and English language learners or ELL. They are all in education. Presentation resumed page 5.

Chairman Skarphol: Skip ahead to Rhoades Science Proposal page 11.

Jacklyn Mitchell, student: See attachment 2.

Nick Faure, student: See attachment 3.

Shirley: Resumed presenting on page 11. Yesterday I went out and looked at the Department of Commerce website and their list of the top 20 or 40 fastest growing jobs for the future of ND; eight of the top nine were in the sciences, engineering, technology, etc. This could have a transformative effect on how we're training the next generation of students, of workforce, for our state.

Trudy Collins, Vice President for Business Affairs, Valley City State University: See attachment 1 beginning page 12.

Chairman Skarphol: Does that dollar amount have any significant effect on your deferred maintenance?

Collins: Currently one of those would have a greater effect had we not had this unexpected $850,000 special deficiency funding. Resumed presenting.

Chairman Skarphol: Do you believe the remaining list of deferred maintenance on your campus is relatively accurate?

Collins: I believe the current list put together by the University System came from a 2002 master plan, and then has been inflated each biennium, and reduced by what we've taken care of each biennium. When we do our master plan, we have an engineer go through our buildings and list everything that is a deferred maintenance item, or code issue, or EPA issue, etc. That number always comes out much higher.

Chairman Skarphol: Would you give us the comparative information?

Collins: Absolutely. Presentation resumed page 15.

Chairman Skarphol: So you invested that $250,000 in these four different categories? Can you give me some idea of the ratio?

Collins: 75% in the first bullet, other three total the remaining 25%. Presentation continued on attachment 4.

Chairman Skarphol: I'm trying to segregate appropriated from non-appropriated. Tuition is not appropriated, help explain this.

Collins: It is not presented in the university fund structure, which we call appropriated funds, funds where the general funds and tuition are located.

Chairman Skarphol: Can you give me a figure for total tuition revenue?

Collins: Please see the pie chart 'Operating Revenues' on page 17 of attachment 1. These are financial statement numbers, adjusted for generally accepted accounting principles. When you see tuition on this chart, it is net of a scholarship allowance. It is tuition and fees, minus waivers and scholarships. Presentation on attachment 4 resumed. Presentation returned to attachment 1 page 19.

Chairman Skarphol: This discussion goes back to the Mayville presentation a little bit, a discussion with OMB about the FTE count. From the green sheet, the first bullet, number of FTE positions has been adjusted by 3.51 in the case of Valley City, from

86.86 to 90.37. I'm assuming the green sheet last time reflected the 86.86 for the 09-11 biennium. Is that correct?

Tammy Dolan, Office of Management and Budget: The 86.86 is the final authorized FTE count that was approved by the last legislative assembly.

Chairman Skarphol: The three and a half are the adjustments made because of other things included in the budget that gave them the flexibility to increase FTEs or to utilize the money in a different fashion.

Dolan: Yes

Collins: Resumed presentation attachment 1 page 19.

Chairman Skarphol: It is the cost of your anticipated special assessment?

Collins: It is the current assessment plus the anticipated. Presentation resumed page 20.

Rep. Dosch: Why did the Executive budget only fund 7.9 million of that (Rhoades Science Center)?

Collins: Recording inaudible.

Shirley: The OMB figure, the 7.97, was based off the space utilization we had done during the 2009-2010 academic year, so it was based on our fall 2009 enrollment. From 2009 to 2010 the enrollment grew, so we were already behind with the numbers we started with. Now looking at fall 2011, those numbers are up even further. That was one of the issues causing the discrepancy. Some of it was from looking at rooms across campus where they said we could essentially have science labs and science courses. One was in the music building next to the band room, one was below the old gymnasium. These are very loud facilities located quite a distance from the science center. Best teaching practice is to keep that laboratory and classroom under one roof.

Rep. Williams: Mayville has request $140,000 for mental health purposes. You have $60,290. How are you funding the half time (position) you currently have?

Shirley: The half time position is currently half time mental health counselor, and half time faculty member.

Collins: It is currently part of our regular appropriation, general fund tuition budget. That's how it is currently funded.

Chairman Skarphol: Going back to the building and the difference in dollars, when OMB put in the lower number, did they shrink the square footage you were going to be building as well?

Shirley: They did. The idea was to utilize some of those other classroom spaces.

Chairman Skarphol: How scientific was the determination of the number for the building cost that you put in?

Shirley: We spent many thousands of dollars and a lot of months working on the planning, with engineers and architects. The original one came in at 12.2 million, we said that has to be pared down. It came back at that 10.8.

Chairman Skarphol: So you're comfortable if you had the 10.8, you can complete the building no problem. And you've checked the latest prices.

Shirley: We're very comfortable. We'll make it work.

Collins: Spoke about deficiency appropriation attachment 1 page 20.

Rep. Monson: You moved some of your library stuff out of the basement, is that a permanent move, so that if you get flooding again in the spring, it won't be as devastating?

Collins: Correct. That should be a one-time cost. Presentation resumed on attachment 1 page 20. She continued on attachment 4 page 5, then returned to attachment 1 page 21.

Chairman Skarphol: For a new coal boiler system?

Collins: Yes.

Chairman Skarphol: Was there any discussion of going to something different?

Collins: There will be.

Chairman Skarphol: In putting that number together, was there any discussion about geothermal?

Shirley: We didn't explore that.

Collins: This number was put in so that people know this need is out there in the next biennium, so it doesn't take anyone by surprise.

Mary Lee Nielson, former mayor of Valley City: I was mayor of Valley City at the time of the flood (in 2009). I want to apologize for the mess we made of the campus. At the time we did think it was very necessary. Please support them. We wouldn't have made it through the flood without those Valley City State University students, and there would have been a lot more damage if we wouldn't have had that university help. We would appreciate your support of VCSU.

Chairman Skarphol: Some of us have some grave concerns about Devils Lake and the implications can be. Is your community doing any work in anticipation of that catastrophe?

Nielson: Very much. I'm on a flood protection task force, and we are looking at more permanent flood protection. We are looking at Devils Lake. We're looking at flood control above Baldhill Dam and in a couple different places, too. Yes, we're looking at that big time, how we can protect the city.

Chairman Skarphol: If there were a subsequent flood of the nature you had, are the implications going to be more disastrous the second time around? Did the first one put you in a position of being better off, or more vulnerable?

Nielson: It's hard to say we're better off, but we are going to be better prepared. When we put the dykes in with Corps of Engineers we raised them up to a higher level than we were. But they are talking that it might even be bigger than last time. We do still have a major undertaking ahead of us.

Rep. Monson: What is the capacity of the Sheyenne going through Valley City?

Nielson: Last year it was close to 7500 cfs. We'd rather see a flood around 3000-4000.

Chairman Skarphol: If you have an increase in students, are you going to need to increase staff? Or can you manage smaller class sizes with existing staff?

Shirley: We are adding a new faculty member.

Rep. Williams: I'm curious about the 3 ½ FTE in the mental health areas. When you added the half time position in mental health, you could have used those funds in other places. How did you prioritize?

Shirley: Prior to coming to VCSU, my administrative experience included overseeing mental health, residence halls, counseling issues, etc. For me it's an incredibly important issue. I'm glad to see the state Board of Higher Ed prioritize it.

Rep. Williams: We have different standards, you're asking for $60,000, Mayville is asking for $140,000; I don't think the state College of Science is funding it. Yet they found it within their budget. Why isn't the state board submitting a budget of $140,000 for all of the institutions?

Chairman Skarphol: Please try to remind us to address that when the University System is in front of us. The committee is adjourned until later today after the floor session.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

1003
1/17/11
12980

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency as it pertains to Minot State University.

Minutes: Attachments

(Low Audibility)

Chairman Skarphol: Introduced Dr. David Fuller, President of Minot State University and Dakota College at Bottineau to take up the budget.

Dr. Fuller: Presented testimony, see Attachment 1. Introducing Mr. Brian Foisy, Vice President for finance and administration.
He began with printed testimony pp. 1 Attachment # 1.

Chairman Skarphol: Rep. Klein do you want to comment? Do you want to stay? OK.

Mr. Brian Foisy: Beginning testimony with questions 1 and 2 See Attachment # 1, P. 2
92 employees

Chairman Skarphol: How much is Federal grants and contracts, year to year? Is it about $3M plus increase? What is the trend? How much of that is Federal?

Foisy: The actual piece of that is Federal Grants and Contracts.

Chairman Skarphol: What is the trend? Is it stable, is it going up or down.

Foisy: All of what you see is federal grants and contracts primarily going to our Justice Center. Nongovernmental contracts are something like $50,000. State grants and contracts are under $1M. Continuing with printed testimony, Attachment # 1, P.4, the statement of Revenues and Expenses. 65% of what we bring in we turn around and pay out to employees.

Chairman Skarphol: What is recent past?

Foisy: The past six or seven years.

Chairman Skarphol: Once you reflect your revenues in excess of expenses...that is accumulating in this reserve fund. And that fund is about 4, 2 now?

Foisy: That is right. These are amounts in excess of the collections.....

Chairman Skarphol: Going back to the depreciation, what did you say about depreciation and how you are.....

Foisy: Deprecation, I have my own personal opinion, If I buy a piece of equipment, all of that money is gone today. We will spread that expense over this year and the next 4 years.

Chairman Skarphol: Is this money accumulating in a fund?

Foisy: No, we are not funding deprecation.

Rep. Monson: You are figuring depreciation, that is your rainy day fund. You should be putting it away. This is just for our information, nothing we need to grant.

Foisy: Yes, it is an accounting principal. We are regulated by GAP findings.
I believe that the institution is financially sound.
We operate on natural gas boilers. We are beginning construction on a geo thermal heating system.
Auxiliary facilities are not eligible for state funding. We can save up for those costs. We continue to have deferred maintenance costs.

Chairman Skarphol: You could actually teach us something.

Foisy: I would be happy to have that discussion with you. We are looking at what is most cost effective to you.

Rep. Monson: The heating system, you have a coal fired one but it is not operating?

Foisy: Yes, it is still there. It is not literarily decoration.

Rep. Monson: You are using natural gas and it heats the whole campus.

Foisy: Yes,

Rep. Monson: What percentage will be heated by natural gas and what percent by geo thermal.

Foisy: Close to 40% of the total campus.

Rep. Monson: What is your pay off time?

Foisy: our calculation is about 5 years

Below ground there is a warranty for ...years. Above ground there is asomewhat longer payback.
Referring to spreadsheet comparison of FY2010 Budget to Actual for FY ending 6-30-10.
This is just tax dollars. Individual priorities are found on Attachment # 1, p. 3, budget priorities. In this discussion he reviewed individual priorities, CTF salary funding is a very significant priority.

Chairman Skarphol: That is over and above the 3%

Foisy: We look to not lose ground. We submitted this directly to the state board

Chairman Skarphol: Natural gas costs will not go up. You have to come up with a number. What about coal? You have to come up with a number.

Foisy: We don't have anything in here for coal.
Swain Hall is back on line.
Peer institution equity funding is discussed next. Tuition affordability is vital. This allows a tuition increase of 3 ½ %.

Rep. Monson: That tuition affordability, you were giving everyone the same rate.

Foisy: Yes, there is only one schedule, the resident schedule.
It has an enrollment impact on the state. We believe it has had a positive impact. There is economic impact not only on our institution but also on the city of Minot.

Rep. Monson: A lot of people are critical of the fact that Canadian and foreign students and subsidizing these students?

Dr. Fuller: It does generate a lot of economic growth for our state.
Part of the reason we moved on this is because of the enrollment decline. We had to continue to attract, in as well as out of state.

Rep. Dosch: I haven't been convinced, we are asking the tax payers to continue to fund that. We have a higher ed budget that goes up $100M every biennium. There should be some offset eventually. At some point in time you can't sell that story anymore.

Dr. Fuller: The grow North Dakota plan is one way to do that. We have a surplus that we can move back into. We are operating as a sound business model and because our enrollment is going up we operate on a 3rd from tax dollars. We have other sources we have to depend on. It is a business.

Rep. Monson: Can you say that because of the fact that you did this, your enrollment went up?

Dr. Fuller: We want to be sure that this isn't just a natural sort of blip. Our increase is not just due to the oil work. Grow North Dakota has worked. We have to become more visible. One thing is the availability of dollars. Tuition competition is high.

Chairman Skarphol: I have been to many education conferences, and haven't heard any say they have too many out of state students.

Dr. Fuller: Other states have too many students, and have to turn them away.

Chairman Skarphol: Boulder, Colorado is about $30K per year.
We will have Mr. Foisy to explain the extraordinary repairs and a couple of things that are left on p. 3.

Foisy: He continued with the deferred maintenance request, Column 11.

Chairman Skarphol: Addressing Tammy Dolan, OMB Analyst and Brady Larson, Legislative Council Representative: I know there is a process to get grant money for efficiency.

Dolan: There is a grant program with the Department of Commerce for efficiency.

Chairman Skarphol: Get background on that.

Dr. Fuller: We applied to Department of Commerce but were denied.

Chairman Skarphol: Is there a limited amount of dollars to utilize that program and they may have ..... Get us info on that, what dollars are available and what they will have on this next go around. Let us know what is transpiring with regard to that program throughout state government and higher education.

Foisy: Continuing with the list of costs, Attachment 1, item # 6.
Concluding the budget presentation.

Rep. Dosch: How many open positions are you unable to fill?

Foisy: Regular turnover, there are those.

Rep. Dosch: How many are you unable to fill, yet it is hard to find jobs and salaries are very low.

Foisy: Our entry level salaries are competitive; the Compensation Task Force has been very successful. Hiring custodians, for example, other staff positions are hard to fill because of competition from outside salaries. We have a few positions that are difficult to fill.

Rep. Monson: Housing, do you have enough room?

Foisy: The single greatest threats are housing. Affordability of housing is the greatest challenge. Costs of housing are going up. A solution is to .....
You challenge us to keep costs at an affordable level.

Chairman Skarphol: Addressing Laura Glatt, Vice Chancellor for Administrative Affairs, give us a spread sheet of costs for contact time, vacant positions, and turnover by campus.

Dr. Fuller: 160 positions that were below 85% below market value, the average salary figure for the level of position so we can compete well. We do not have vacancies. We try to keep full time faculty rather than adjunct. It is a better investment.
Listing the unique needs of the institution: diversity, see Attachment 1, p. 4-5, reviewing student success, p. 5. The student teacher ratio is a 14-1 ratio.
There is a need for a mission change such as a doctorate in communication disorders.
Major challenges are: Deferred maintenance to go geo thermal will save us $500,000.
Referring to Appendices, Attachment # 1.
P. 12 has more information on the geo thermal project. Finally, delineating the enrollment history.

Chairman Skarphol: Are you building a wellness center?

Dr. Fuller: Yes. Concluding with appreciation to the Committee for their consideration.

Meeting closed.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/17/11
12985

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency as it pertains to Dakota College at Bottineau.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: He brought Dr. Fuller, President of Minot State University and Dakota College at Bottineau to the podium.
Dr. Fuller: He began his introduction by stating that there is a strong relationship between Minot and Bottineau. The collaborative effort saves tax payer dollars.
There is a direct line to move Dakota College students to Minot State. There is an office on the Minot state campus and it provide payroll support, sharing an administrator, and he travels often to Bottineau.
What it has been achieved? Identified threats to enrollment and issues by adding football, women's sports, and affordability.
Engagement is palpable on that campus with nursing collaboration, the Passport program which relates to our mission to meet the needs of those students with special needs.
There is a strong focus on students with special needs. It will help with graduation.

Ken Gross, College Dean on the campus in Bottineau: Thanks the Legislative body for granting the authority to change the name. See Attachment # 2.

Jim Borkowski: He begins his testimony with the statement of revenue; see p. 10 Attachment # 1, Statement of Revenue, Expenses and Net Assets. He emphasized the investments and expenses as follows: data processing is an investment of equipment.
Total operating expenses show a decline. There is a profit of due to our enrollment growth.

Chairman Skarphol: Looking at non operating revenues and dollar investment income, shows a fairly significant decline. Was 2009 an anomaly for you? In endowment and investment is a decline you dropped by $223,000

Borkowski: It is funds we received from the oil and tax revenue, a capital project that was funded and the classification was an endowment and investment income, using permanent oil tax

Chairman Skarphol: We appropriated those dollars? So why is that not included in the State appropriation?

Borkowski: It was not state funded, so that was the anomaly.

Chairman Skarphol: That was for the green house repairs?

Borkowski: No, that is in the current fiscal biennium. That was for a Steam line repair. Continuing with testimony, see p. 7 of Attachment 1,

Chairman Skarphol: The tuition and fees for your institution are substantially lower than the previous ones. Are you handling that differently? Are the other institutions handling that as grants, tuition and fees. Addressing **Laura Glatt, Vice Chairman for Academic Affairs.**

Glatt: All is taken from 2010. (she did not approach the podium)

Chairman Skarphol: Minot State tuition is 32% of the revenue, yours is 18%. Why the difference.

Borkowski: He stated that he cannot speak for other campuses.

Chairman Skarphol: Is this attributable to the Two year versus four

Rep. Martinson: There is a smaller student body and their cost per student is so much higher.

Chairman Skarphol: It should be the same for other two-year institutions if that is the case.

Borkowski: The number of students plus our tuition rate would make our tuition lower.

Rep. Monson: Request from Laura campus by campus, tuition, fees.

Borkowski: The tuition and fees, the $1.370M , the number is close to $500,000 in fees.

Rep. Monson: We have capped tuition but fees keep going up. Laura break that down for us.

Borkowski: Continuing with testimony on p. 7, Attachment # 1. Continuing with P. 8, a comparison of budget to actual for fiscal '10 and '11. Operating . We don't adjust the budget for the fiscal year and are slightly under budget.
We will be right on.

Chairman Skarphol: Do you have a reserve of any significance that allows you to spend more than you have?

Borkowski: We do not have a reserve.

Chairman Skarphol: With a $25,000 deficit you had in general fund in '10. How did you handle it?

Borkowski: That was not a budget item. Continuing with testimony on the budget, P. 9 of Attachment 1.Not every fund has a budget.

Rep. Monson: Cash in/cash out business, you are (Inaudible)

Borkowski: Not all funds have a budget. There is no corresponding budget for each. Some funds are strictly cash.
He continued with the Budget as submitted, pp. 1 and 3. We are held harmless.
Propane and fuel oil prices have increased but we are not asking for increases.

Rep. Monson: All other institutions have had 4-5% increases you've had none.

Borkowski: We did receive an additional$50,000.

Rep. Monson: how do you heat...

Borkowski: Primarily with coal, a coal fired boiler, using lignite. We will bring all facilities onto the boiler system. "This is a savings that helps us with utilities."
Continuing with the Equity Allocation, see Attachment #1 p. 4.
The plans to utilize that money is delineated on p. 4
P. 5 shows how the money was spent. The use of Equity funding and additional tuition expenses is explained.
He described the diversity among the student body, 40-50 are African American students, who come from Texas and Florida, thus there is a need for a minority counselor.
The Bridges and Passport programs will allow students to eventually transfer to Valley City.
Replacement of IVAN equipment has been done.
Continuing with the Funding commitments of $565,847, this more than matched the equity funding.
Moving on to p. 12, how capital funding was spent. A major cost was the boiler replacement. He described the new way to remove ashes with no labor involved.
The Greenhouse upgrade, was described with the greenhouse wash/pack building. The high tunnel greenhouses that can be moved is being planned and it will allow for growing vegetables nine months out of the year.
Deferred maintenance was largely for building exterior repairs.
Capital projects p. 15, emphasizes the need to replace 180,000sq. ft of asphalt roadway.
Continuing with item # 2 is the heating system upgrade in Thatcher Hall. PP. 16-17, he delineates the small-medium size projects. Emphasizes is given to IVN classrooms.

Chairman Skarphol: What would that translate into in revenue?

Borkowski: "I will get that number to you."

Rep. Monson: Did the Board of Higher Ed fund your 7 and 12 year projects? Were any of the small projects funded?

Dr. Gross: Making his closing remarks, he emphasized the unique needs, such as diversity, most students are of traditional age and most are North Dakota residents.
In the Absence of our institution, Students from small communities need to get grounded.
We have open admission, developmental education, some are place bound.
The Allied health and Dakota nursing program meet training needs in our community.
Emphasizing the future mission, he emphasized the following items: Bottineau is the prime provider of Tech Ed in Minot; the work with oil impact. Model for remedial or developmental education, 5000 wells will be build between Westhope and Bottineau. We are getting ready for that. We are doing what we can to get ready for the oil industry. Housing is very tight.

Rep. Williams: Referring to Attachment # 1, p. 2, he asked about fall enrollment, FTE, and if the majority of courses are on-line. (Low audibility)

Dr. Gross: The majority are probably not full time students.

Rep. Williams: What is your faculty to student ratio?

Gross: 10-1

Rep. Dosch: Addressing Laura Glatt. On a spreadsheet make a comparison for each institution, just side by side. Also, include enrolled FTE and FTEs for staff

Chairman Skarphol: Thanks each visitor and committee members and closes the meeting.

Meeting Adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/18/11
12996, 13054

☐ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System, Lake Region State College.

Minutes: Attachment # 1

Chairman Skarphol: Called the meeting on Lake Region State College (LRSC) to order.

Dr. Mike Bower, President of Lake Region State College: See Attachment #1
Members from the community and college are also present.

Mr. Corry Kenner: Vice president of Administrative Services: Begins testimony with Appendix 1-1 p. 8 of Attachment # 1.
Continuing with Appendix 1-2, Refers to the last paragraph, p 10.

Chairman Skarphol: As your enrollment has increased, have you hired new faculty?

Kenner: Some of it is mostly related to new programs. Continuing on p. 12, Appendix 1-3.

Chairman Skarphol: Who evaluates where your numbers should be?

Kenner: Our board does. Continuing with p. 13-14, The challenge is roof repair.

Chairman Skarphol: Are they asphalt coverings?

Kenner: No, rubber. Continuing with Appendix 1-4 pp. 14, 15,16.

Dr. Bower: Continuing with requests that were sent by email. See Attachment # 1 pp. 1-

Chairman Skarphol: Go ahead with your needs, what about the Erlandson Technical Center. Tell us about your needs.

Dr. Bower: Continuing Testimony Attachment #1 p. 4

Chairman Skarphol: Tell me about the diagram, Exhibit 2 on page 4.

Dr. Bower: Continuing with description of the diagram and moving on to Appendices 2 and 3, Wind Technican and Nursing Program have needs.

Chairman Skarphol: Auto tech?

Dr. Bower: We did terminate that program.

Julie Traynor, Director of Dakota Nursing Program: Testimony Appendix 4-1, pp. 19-20.

Chairman Skarphol: If you had more space, would you have more students?

Traynor: We could go from 16 to 20 students with the addition of a simulator.

Chairman Skarphol: The cost?

Traynor: $45,000 for the simulator, $22,000 for the AL simulator or up to $200,000 for people who have anesthesia problems and need labs.

Chairman Skarphol: As far as the statistics you provided on the number of graduates who stay in North Dakota, has that been consistent regardless of the changes we made in 2003, or is this an anomaly after we've gone to the new format of training with the various centers.

Traynor: I am not sure, but can find that out.

Chairman Skarphol: We appreciate having health care workforce stay in North Dakota.

Jay Johnson, Wind Energy Technician Instructor: Provided testimony on the Wind Energy Technician program, see Appendix 5-1.

Chairman Skarphol: Is your program considered accredited?

Johnson: There is no direct accreditation.

Chairman Skarphol: There are 4 schools in competition with your program. In the forecast, are there still needs existing for wind tower technicians?

Johnson: Siemens is looking for about 400 technicians.

Chairman Skarphol: So you have students that you have been unable to take because of your limitations?

Johnson: Yes, at least 50.

Chairman Skarphol: If you were given the space, you could double your number?

Johnson: The AS panel is the largest need.

Rep. Monson: How many of your students are from North Dakota.

Johnson: This year every student comes from North Dakota.

Chairman Skarphol: Where will they go when they graduate, will they stay in North Dakota?

Johnson: Bismarck, Minnesota power, and others are building new sites. The first graduating class will be this May.

Dr. Bower: Reads email in favor of hiring wind energy graduates for wind farms. No copy provided.
Referring back to p. 4, the Erlandson Center regarding vocational programs.

(Power outage interruption)

Continuing with testimony (Job # 13054) following power restoration.

Mary Wald, LRSC And Student Representative: Offered testimony, See Attachment 1,Appendix 4-2, pp 22-23. Expressing the necessity for the nursing education program.

(Recording ended due to the power outage).

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/18/11
12991

☐ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System as it pertains to Bismarck State College.

Minutes: You may make reference to "attached testimony."

(Low recording audibility)

Rep. Hawken, Vice Chair: Brought the committee to order and asked the Clerk to take the roll. All members were present. He introduced **Dr. Larry Skogen, President of Bismarck State College.**

Dr. Skogen: He introduced **Mr. Dave Clark, Executive vice president of Bismarck State College**:

Clark: He began his testimony with Budget to Actual Expenditures and continued with the Appropriated Budget to Actual Expenditures, and the Nonappropriated funds, Attachment # 1, pp. 3-7. Continuing on with budget challenges, see Attachment 1, pp. 8-14. 2009-11 Appropriation Expenditures – Required Reporting. see Attachment # 1 p. 15. We are in support of the Governor's Recommendation. See Attachment #1, pp. 18-21. Included is the Equity Adjustment of $543,985.
The challenge is to provide affordable tuition as explained on charts, pp. 8-14. Most students do get some form of assistance. The salary situation is a second challenge. Facility upgrades require funding support.

Chairman Skarphol: Some institutions have used equity funding to add new faculty.

Clark: We have used it for start-up but we use it typically on where the greatest need is, sometimes that includes adding new faculty.

Chairman Skarphol: That is not a typical practice.

Clark: No, equity funds are not used in the same way every time. Continuing with testimony, the major capital projects. see Attachment # 1, pp. 20 and 21.

Rep. Monson: Many of the colleges are asking for that one-time pay off for special assessments. Paying it off in one shot rather than over time?

Clark: Rates do vary, our rate is between 4.3% and 6.9% and the savings for us would be about $325,000.

Chairman Skarphol: Is that a relatively new special assessment, it must be if it can save you that kind of money.

Clark: We have had some new special assessments to deal with some of the road work.

Chairman Skarphol: And if we pay them off what is the prospect four years from new of receiving new ones?

Clark: They are always doing maintenance on streets; it would pale in comparison to where we are at. You have given us extraordinary repair dollars that have been used to pay off the special assessments. There is no option; it is like the utility bill. If we got new assessments we would pay them off.

Chairman Skarphol: Addressing **Laura Glatt, Vice Chancellor for Academic Affairs.** Would you provide us with information on what it would be if we pay it off every year, from an historical perspective?

Clark: The key thing for us is that is if, nothing is done, maintain what we have done in the past, all of our dollars will be going pay the special assessments. There are $17,000 based on our current level of extraordinary repair dollars. Continuing with testimony, major capital projects pp. 21-22 of Attachment # 1. Removal of older buildings and construction and upgrading of facilities such as the physical plant facility and housing.

Chairman Skarphol: What does that do to your deferred maintenance number?

Clark: It probably has minimal impact on deferred maintenance in that where most of the storage occurs is in the garage area that doesn't require a significant amount electrical support. This project is a higher priority than some of the deferred maintenance. Continuing testimony on p. 21 and moving on to Institutional Priorities on p. 22

Dr. Skogen: Addressing the uniqueness of the institution, he reviewed the headcount and online enrollment, pp. 23-24. He emphasized that the online is the largest sector for economic development.

Rep. Hawken: How is that on-line the primary sector?

Skogen: Because of what we charge for online as opposed to traditional

Chairman Skarphol: What is your does your head count translate into the FTE?

Skogen: 3207. Continuing with testimony p. 26. The strategic plan projection is about a 3% increase per year. We have been hitting that mark each year. Part is due to the population growth in Burleigh and Morton Counties and anticipated growth in collaborative learning. The Career Academy built on our campus by Bismarck Schools will bring in 1000

high school students on our campus every day for career and technical education programs. Other programs based on industry needs such as welding and oil and gas development will increase enrollment.

Chairman Skarphol: Relates that he has spoken to a student who is a junior at Bismarck High. When asked if he was taking any dual courses at BSC he said "What is that?". "I am surprised at the lack of communication."

Skogan: We work well with Mandan public Schools. Bismarck Public Schools has focused attention on AP that they would typically take in High school. We are working very closely with them and we hope to see that turn. We have more Bismarck School Students this semester in dual credit courses than we had last year. It is not large enough but with 1000 students coming up to our campus, we feel it is an excellent opportunity to increase the number of programs.

Rep. Williams: It is more in the hands of the school district than it is BSC?

Skogan: Absolutely, it is a school district decision as to whether they accept that course for high school credit.

Rep. Hawken: Charge to student for the dual credit.

Skogen: The school district does not pick it up, it is charged to the student. It is a 70% discount if they are working with a high school instructor acting as an adjunct to the college. There are some advantages to taking those classes because studies have shown that the students tend to matriculate at a higher rate and tend to complete at a higher rate when they go to an institution of higher learning.
Unique non- credit activities, p. 27 shows that $3M goes to provide for TrainND to continue to provide the training for business and industry.
Does location matter relative to our institution? Yes. 54% of the students come from Burleigh and Morton County. 83% are North Dakota residents. Nationally, probably not but because with the internet there is an opportunity to make a national footprint because of our energy programs. See Attachment # 1, pp. 28-29. BSC has partners of Basin Electric, Excel Energy, for example that have invested millions of dollars into our program. They have a constituency outside of the state of North Dakota. BSC has the only online nuclear power operation program that has been approved.
This college has a national footprint with the internet..
We are in favor of a funding formula study found on p. 30, Attachment # 1.

Chairman Skarphol: Funding Formula study, what does it refer to?

Skogen: There is a recommendation from the Governor for a Funding Formula Study.

Chairman Skarphol: Thanked the College Representatives for their presentation and hearing no further questions or comments called for a close to the hearing.

Meeting Adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/18/11
13076

☐ Conference Committee

Committee Clerk Signature Shirley Brauneis

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System, Dickinson State University.

Minutes: Attachment # 1

Chairman Skarphol: Introduced Dr. Dick McCallum, President of Dickinson State University to present the budget.

Dr. McCallum, President Dickinson State University: Introductory remarks were given, see Attachment # 1, 1-1. Mr. Binstock was introduced to provide an overview of the budget.

Alvin Binstock, Vice President for Business Affairs: Gave testimony from Attachment # 1, Tabs 3 and 4.

Chairman Skarphol: How is your library different from any other library? We do a lot of things without books and going to a building.

Binstock: Continuing with testimony, see Attachment # 1, Tab 3. It provides an environment for their study endeavor. We are short of classrooms especially with our students in Bismarck and Williston.

Chairman Skarphol: What have you experienced with regard to increased costs? How high have your costs increased?

Binstock: They have increased 15-20%. It is difficult to get a contract out there and to get a response in a reasonable time.

Chairman Skarphol: If you need to get it done, costs won't go down.

Binstock: More money doesn't seem to make any difference. Continuing with Tab 3.

Chairman Skarphol: Stickney Hall renovation how is it financed or was it paid for? Was it financed with an energy conservation program?

Bintock: It was a one-time appropriation.

Chairman Skarphol: What kind of savings do you anticipate generating by the things you've done on this page?

Binstock: This is premature to tell regarding the energy conservation.
Continuing with Tab 4 referring to pie chart 4-1.

Chairman Skarphol: Revenues were available in the previous year and spent here.

Binstock: Yes, Continuing with testimony pp. 4-1 to 4-5. The institution is financially sound.

Chairman Skarphol: Increased utility cost, what is it natural gas, electricity?

Binstock: Both. This is the smallest request ever. This is in anticipation of increased costs. We were able to negotiate attractive rates for natural gas and electricity.

Chairman Skarphol: As a percentage, natural gas v. fuel. Can you give us an idea?

Binstock: About 90-95% Natural gas. Heating fuel...(Inaudible)

Chairman Skarphol: It is always wise to ensure an emergency system works. Laughter

Rep. Monson: Diesel, do you use it extensively?

Binstock: Not much, it is like liquid tar when it comes off the truck.

Chairman Skarphol: Where did you get it?

Binstock: Laurel, Montana.
Continuing with 4-6, On health insurance, this program is beneficial for retention.
Continuing with Extraordinary Repairs, p. 4-8.

Chairman Skarphol: Estimated maintenance on your campus showing about $7.7M. Are there any particular entities that stand out as requiring a significant portion of that?

Binstock: In Tab. 5 you see repaving in excess of $1M.
Repaving costs are through the roof.

Dr. McCallum: Tab 5-1, delineates the Library renovation/Addition Project.
P. 5-2 is a 2 stage project being a Digital library that includes the Theodore Roosevelt center.
Delineated are various projects past and future. The National Endowment for the humanities is a major feature.
Fundraising is a match system from the National Endowment for the arts; $600,000 in a federal grant, thanks to Sen. Byron Dorgan, will be awarded. This may be placed at Mt. Rushmore in the future.
Continuing with pp.5-7 and 5-8.

Rep. Martinson: Regarding digitizing of the Theodore Roosevelt (inaudible) you have not spent the full $750,000 and you are not asking for anymore money for that project.

Dr. McCallum: Refers to Tab 6 p. 6-4 in answer. The $750,000 is not in this budget.

Rep. Martinson: If you don't tell us you need it, you won't get anymore money. Laughter

Dr. McCallum: Continuing with pp. 5-8 and 5-9.

Chairman Skarphol: In regard to the construction costs increase, is that precipitated by the fact that concrete costs in Western North Dakota have become excessive as compared to Eastern North Dakota?

Dr. McCallum: It is not only concrete, it's a variety of materials and also the skill of labor.
Continuing with Tab 6, pp. 6-1 to 6-6.

Chairman Skarphol: Do you have another request?

Dr. McCallum: Continuing with summary comments. Tabs 1 and 2, Mission and Collaboration and Tab 1 Collaborative Engineering Program, STEM. We collaborate with 19 school districts in Western North Dakota.

Chairman Skarphol: On the library addition, how will this be different, why should we build it when most students now use other sources of information. Why should we consider a library a necessity?

Dr. McCallum: Students want to work in groups, There will be study areas. There is a need for an academic success area. We are committed to the older than average student and are in need of an office of extended learning.

Chairman Skarphol: The first floor plan, stacks of books, is that for the new TR library? What will the old facility be used for?

Dr. McCallum: We tried to think of stages 1 and 2 as a comprehensive space. In the new addition it would be schematic. It is in Tab 5, the schematic. About 40,000 Square feet of space in stage 1. It would be done in 2 phases

Chairman Skarphol: How would this develop?

Dr. McCallum: Refers to the schematic in Tab 5. Closing remarks were offered in appreciation for the support.

Hearing closed. (52:22)

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/18/11
13076

☐ Conference Committee

Committee Clerk Signature Shirley Brauning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota
University System, Williston State College.

(53:00) Attachment #s 1,2 and 3

Williston State President, Dr. Nadolny was introduced and he began his presentation with Attachment # 1:
See Attachment # 1, pp.1-5. The items highlighted were the increased crime and traffic; therefore, asking for campus security. There is a shortage of housing.
Continuing education grew at 300%
There have been multiple incidents on campus.
There is tremendous turnover because of business sucking up our staff.
Now we have new and young staff. Many staff have been forced out of their homes and apartments.
Local funds supported building projects.
Retention of employees, p. 3, was highlighted. We have approx 1000 job openings.
Costs of construction are outrages. Bids come in at $200,000-$300,000 over estimates.
The CTE building was funded but has been scaled down to 1 floor. The residence hall has been reduced in the number of beds.
Continuing testimony with pp 4-5 of Attachment # 1.

Deanette Piesik, Executive Director of the Northwest TrainND Region at Williston State College: Presents testimony, see Attachment #2 regarding the need for additional training space.

Chairman Skarphol: Moved it up to #1, help me understand that, in terms of capital projects.

Dr. Nadolny: Oil companies want these people trained, need expansion so that the training can take place. I went to the State Board for the ability to expand. They moved this to # 1 of their.....(Inaudable)

Chairman Skarphol: This came after the Governor recommendation.

Piesik: Continues with further requests as stated in Attachment #2. The total request is for $2.45M.

Chairman Skarphol: Referring to attachment 1, p. 5. It is stated as $2.2M, $750,00 in general fund, $300,000 in training funds, and $1.2M in private. Are the $75,000 and the $1.2M still part of the request?

Piesik: The amount in private is too large. It has to go through quite a process. If you ask for equipment that is something else. To give money for a new building, that won't happen. They don't want simulators outside so the building is needed.

Chairman Skarphol: Where do those funds come from? How much general and how much private? (75:06)

Piesik: Oil and Tax Dollars

Chairman Skarphol: How much is private? I need to know the $700,000 and the $1.2M.

Piesik: I need $2M.

Chairman Skarphol: How much would be private? What is your best guess.

Piesik: $200,000.

Chairman Skarphol: This would require $1.8 General Fund.

Piesik: Yes. I really think it is going to happen. Technology changes and our TRAINND is not going to slow down.

Dr. Nadolny: We received a little over $200,000 in TRAINND funding. Infrastructure is the heavy cost.
Other projects are: the front entrance in Stevens Hall .See Attachment 1, p. 5

Justin Maddison, Vice President for Business Affairs: See Attachment # 3 pp.1-3. Emphasizing the Total budget carry-over and Budget to Actual

Rep. Monson: That grant that you have with BSC goes to you or how is it granted to you? Where does it show up in the BSC budget?

Dr. Nadolny: Referring to the partnership that exists between institutions.

Rep. Monson: Is it a duplicate expenditure.

Rep. Dosch: I am not familiar with BSC accounting practices. The expenditure could be transferred to another agency

Tammy Dolan, OMB Analyst: Explains but is inaudible.

Chairman Skarphol: Sara, would you ask Brady to get that for us. (Addressing Sara Chamberlin, Legislative Council Analyst).

Maddison: Continuing with Budget Review, See Attachment 3, pp. 2 and 3.

Chairman Skarphol: That is what is needed to finish out this fiscal year.

Maddison: Yes.

Chairman Skarphol: Asks Brady Larson, Legislative Council Analyst to follow up , addressing Sara

Maddison: See attachment p. 3

Dr. Nadolny: Explaining the funding process going through the University system. The other projects are. Infrastructure, the second is Stevens Hall and the Metal buildings replacement/upgrade..
Asbestos exists and will be a great cost; some projects are stifled because of asbestos.

Rep. Monson: On the asbestos issue this should be your first thing that you do. Is that in the Governor's budget?

Dr. Nadolny: I went to bid out the project but we don't have the dollars to mitigate the asbestos. It is our priority now.

Rep. Williams: Do you have any authority to supervise Deanette?

Dr. Nadolny: She runs a program that supervises over 5000 employees and over 200 businesse. What she is doing for this state and this community is very significant.

Chairman Skarphol: Addressing Chancellor Bill Goetz. There are a number of projects in various places that have parking lots that need to be rennovated.
Provide me an idea of square footage on campuses. We should think about the project to be transferred into roads, using chip seal or other road coverings.

So there will be dollars available for other projects.

Bill Goetz, University System Chancellor: I can get the information related to other projects on the campuses.

Chairman Skarphol: Meeting adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/19/11
13075

☐ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency, University of North Dakota (UND).

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Brought the Committee to order to hear HB 1003 as it pertains to the University of North Dakota. He asked the clerk to note that all members are present.

Dr. Robert Kelly: He began his presentation by thanking the committee and stating that the items requested for the presentation will be discussed in sequence, as follows: The financial capabilities, the basic budget information, institutional priorities, and the unique needs of the institutions.
He stated that UND is one of two flagship universities in the state. It has the state's only school of medicine, school of law, and aerospace sciences. There are 664 faculty and 2149 staff members with an employee base of 2859. There were 292 PHD, 74 law degrees, 56....degrees and 1709 Bachelors' degrees last year. The mission of the institution is shared with North Dakota State University.

Chairman Skarphol: Asking for the faculty number.

Dr. Kelly: There are 664 faculty members.

Chairman Skarphol: The construction projects that were authorized last time – one time. Are they on time and on budget?

Dr. Kelly: They are on time and on budget. Continuing with testimony and bringing **Alice Brekke, Vice President for Finance and Operations at UND** to the podium.

Brekke: She began her testimony by referring to Attachment # 1, p. 2
noting that it includes UND and the Medical School.

Chairman Skarphol: Going back to the federal grants aspect, he asks if there are various categories in federal grants that you refer to?

Brekke: No, the federal sources were maybe $1.2M. Continuing with testimony on p. 3 of Attachment # 1 and explaining the Operating Revenues: Overview.

Rep. Skarphol: In the net assets column on the far right, you have "restricted by" or "designated for". Assuming that those decisions are made by each individual institution, how they will use those assets, in what category with the approval of the state board.

Brekke: To the extent that they are restricted, it may be an external entity that is putting that restriction in place, such as bond covenants. The money has to be used in the way in which they are provided. "Designated for" might be a variety of different entities' policies.

Chairman Skarphol: Two large institutions have the largest amount of what is quantified as unrestricted funds. While that says unrestricted, there are issues that require what they have to be used for. Where is the flexibility in those dollars with the oversight of the Board?

Brekke: Examples, ways in which we charge students for services and a fee is put in place, there would be a conversation with the student government with a student driven base so they would understand what the service is and what the fee is covering. Those revenues would be used for what we are charging them the fee. The integrity issue is that the funds are used for the designated purpose. There is a large portion that are similar sorts of things with a small slice of flexibility.
Going back to p. 2 of Attachment 1, testimony with explanation of Operating Revenues continues. Moving on to p. 4, delineating the General Appropriation and Tuition Budgets for FY '10 and FY '11. P. 5 has the summary of the total capital assets.
Summer Session creates a scenario in which carry-forward is an essential tool because the session continues into the next fiscal year.

Chairman Skarphol: Were you given the opportunity to provide a proposal on how we should allow you to manage the money more wisely, be creative in trying to save dollars for other purposes?

Brekke: The framework within which we have to operate is a challenge to hold some resources to be able to prove, demonstrate or pilot a project to show success, then we could move forward.

Chairman Skarphol: How do we do that?

Brekke: An opportunity to identify one to three of those, hold harmless in effect of what we are doing then we would have the ability to gauge its success. Then we could change ways of operation or eliminate those not working.

Chairman Skarphol: It takes a level of communication and trust.

Brekke: I tell you how it is and I tell you what I know.

Chairman Skarphol: We struggle with how to make the system more efficient and effective. Where do we find the expertise?

Brekke: There are people I work with who have expertise. Focusing on how to make improvements and how we should be doing things differently takes time beyond their designated duties.
Continuing on with testimony on p. 5 and subsequent pages, some is carry-over, one-time assets and the deferred maintenance summary. An updated spreadsheet will be forthcoming.

Chairman Skarphol: On pp. 6-7, he requested further explanation.

Brekke: Those were authorized in a prior session and funded from other funding sources. At this time, funding may have not been put in place or they have been reauthorized in a different format. OMB will assist us in cleaning it up.

Chairman Skarphol: In '07 we approved, if they are inactive and aren't intended at this time to be done, they were not consummated. The '09 stuff.....

Brekke: the '07 goes through the '09-'11. Continuing with testimony, see Attachments # 2 and 3, which are labeled as drafts. In seeking a way to provide an actual comparison, actual budget for non-appropriated funding...There are no programmed reports that compiles this information. We wanted this report to be meaningful, useful, accurate and responsive to the committee. Where to pull the data was also part of the challenge. We were not successful in completing a report with a detail that are accurate and useful, that is an apples to apples comparison. A description of the charts follows, showing the specific budget for those items to the actual expenditure along with detail on each one.

Chairman Skarphol: Did it provide you with a valuable experience in analyzing your business?

Brekke: A different way to approach at the front end, how it is budgeted and to create the reporting enabled us to do this. Doing it after the fact is not pragmatic.

Chairman Skarphol: He expressed his appreciation of what they are trying to do and would hope it is applicable to all institutions. He requested a walk through of one of the columns.

Brekke: The College of Aerospace Sciences is a good example ..... delineating each column. In this example, budget equals expense but there is no comparison to previous fiscal years. Each department uploads its data, and then the PeopleSoft program is used to get an annual budget from the nonappropriated funds. Allocation and reallocation appears and then there is a mismatch by year's end.

Rep. Monson: Going back to the grants and contracts example, there are many different grants in many different phases. You have to break down that line item ...it doesn't really fit into that project line. You have many of these in your ..... This really doesn't tell us a whole lot.

Brekke: To the extent it gives you the authority for that year to gauge the size of the activity. Not the total context.

Rep. Dosch: Do you use Generally Accepted Accounting Practices (GAAP) accounting?

Brekke: Yes, we do.

Rep. Dosch: It allows you to account for projects in the various stages and also that year's worth of contract revenue, expenses. Wouldn't you still get an accurate view?

Brekke: Yes, and under that financial statement reporting, the revenue that is recorded equals the expense with some minor differences if you might have a sponsor who chooses to prepay. Then they have to be recorded separately. For grant and contract activity, the revenue that gets reflected in the financial and the expense that gets reported for that fiscal year end gets reported

Rep. Dosch: Do you distinguish between projects, for example in your Aerospace, and for the actual operation, the teaching end of the operation?

Brekke: Yes, the grantsman contracts are carried in a special module within Peoplesoft. Those are restricted funds and they are monitored projects specific based on whatever the sponsor agreement is. The instructional funds could be appropriated, they could be ..... and for each of those we have separated out and held separately for revenue generated. There are hundreds of separate funds.

Rep. Dosch: Can you tell me what your overall revenue and expenses is for that department?

Brekke: We have the authority to separate out the instructional functions and do the reporting that way. That would be different than separating out the revenue sources.

Rep. Dosch: When we look at funding for higher ed a criticism that is out there is that we are educating a lot of out of state students, Aerospace is probably a good example of that and North Dakota only requires so many pilots. When we try to defend that criticism where are we at with our fees with our revenue and income with the aerospace program? Is it a losing program for the state, but as we continue to expand it we continue to use North Dakota tax payer dollars to teach pilots to go elsewhere. What is the tuition generated, what is the flight time simulator revenue generated? Are these programs offset by our expenses? Can we justify money that is spent in higher ed to educate everyone else's kids?

Brekke: I will provide that to you. Aerospace has the least amount of general fund appropriated. The fees that are charged are paid by the students. I will collect and follow up on that information.

Chairman Skarphol: Referring to p. 4 of Attachment # 1. From the top down, you have a list of the colleges. Does the University do an analysis of the costs in each of these areas? What the instructional cost amounts to versus operating? What kind of analysis do you do of programs to ascertain whether or not the program is cost effected or evaluated.

Brekke: We have developed a resource allocation model to look at information on cost per credit hour produced and the tuition that was coming in per credit hour and to what degree programs are a higher cost or an average cost and what is driving those costs. In a tuition increase study we discuss how we charge our students, how tuition may or may not be a picture of the costs of what students are receiving. Low enrollment programs have also been studied in order to fine tune.....

Paul LaBel, Provost and Vice President for Academic Affairs at UND: Fitting together the revenue, tuition fees and expenses and matching that to the education actually being given is a work in progress. A change from the resource allocation models that are based on measures of instructional impact that is actually delivered is studied. If a course is taken outside of the program design, it is not shown on the allocation of funds.

Rep. Monson: Is 12 hours a course load? Some institutions go all the way to 15.

LaBel: It varies by institution.

Rep. Monson: Graduate students are at 12.

LaBel: Yes. That is a reporting measure. That information has been sought at the system level. The student enrollment and the tuition charge is different.

Rep. Monson: Some institutions charge by credit hour until they reach 15. Is it 13, 15, 18 and they get charged the same tuition?

Laura Glatt, Vice Chancellor for Academic Affairs: There are two separate issues, one is the charge for tuition and the other is how we count students for enrollment. Those two are taken separately. How we count students for enrollment, it is consistent with the National Education Data Base or Integrated Postsecondary Education Data (IPED) for comparative purposes. For enrollment reporting 16 undergraduate credit hours or 12 graduate credit hours equals one full time equivalency. On the tuition side institutions have a different system; some charge per credit hour and some that use a flat rate model for anything over 12 hours. Others are hybrids and may charge per credit hour up to 16 and have a flat rate for 15-18 then revert back to a per credit hour rate. Individual campuses may use what best suits their needs and circumstances. A study of tuition charges is underway.

Chairman Skarphol: Is there a move underway to do this nationally?

LaBel: Yes, there is a move nationally on the pricing model that is more cost based.

Chairman Skarphol: If you move to a varied tuition based on college...

LaBel: Students can be very creative...

Chairman Skarphol: There must be some degree of cost associated with the program.

LaBel: It would be a greater cost substication in programs so that the association that is made would support each other.

Chairman Skarphol: When will you have this process completed?

LaBel: We are waiting for the tuition model study to be done, bringing those together for the next biennium.

Brekke: On the topic of tuition generation, there is the capacity to generate core capabilities to attract grant funds and to provide training opportunities that would generate additional revenue. With the 23% of general funds, that is the critical piece to provide a strong array of programs. Going back to the report is to use PeopleSoft data to define full reporting, the size and complexity of our institution has to be considered to get us to that end product.
Continuing with testimony, see Attachment # 1, pp.7-9 includes the General Fund revised request as compared to the Executive Recommendation.

Chairman Skarphol: In carried forward, are left over deferred dollars carried forward?

Brekke: Yes.

Chairman Skarphol: Give us a better understanding of what is permissible and what is not.

Brekke: The operating and capital are to carry forward but it is a challenge in the capital assets line to be sensitive to what other activities are going on at the same time. Having the funding in hand allows us to do the engineering as design work so that is ready to go, finding the contractor and putting it in the line so it is ready to go.

Chairman Skarphol: The three provisions that reauthorized the Round Table is the carry forward of any and all funds.

Brekke: I believe so.

Chairman Skarphol: Are there any other questions of Ms. Brekke?

Dr. Kelly: Speech is inaudible, no printed testimony provided (60:38-65:30).

Randell Thursby, North Dakota University System: Low audibility, see printed testimony, Attachment # 3.

Chairman Skarphol: Provide us with a map of the campus and where the IT operations are right now.

Rep. Hawken: Do you have a side by side comparison of .....

Chairman Skarphol: It is a stretch to .....office space, meeting rooms data rooms.

Dr. Kelly: (76:47-76:58)

Chairman Skarphol: Requesting discussion of the expansion of the .....building expansion.

Dr. Kelly: (77:05 -78:30)

Chairman Skarphol: ....on the green sheet, is that the entire cost of the project?

Dr. Kelly: (78:40)

Chairman Skarphol: If the committee could get a synopsis of what is being funded here.

Brekke: The project you are referring to is the .....Murrey (?) building. The intent of that project is the project would be grant funded total cost estimated at $2.7M and would be an extension to the existing facility for testing fuel production technology. It is dependent on funding from the Department of Energy and a corporate partner.

Chairman Skarphol: This is a special funded project with grant dollars that has to do with the work that they do not the administrative part of the bill. Is there a proposal with regard to that? Is it on the green sheet?

Brekke: The separate proposal ....

Chairman Skarphol: Addressing **Brady Larson, Legislative Council Representative.** Am I missing something?

Larson: The green sheet was composed last week and since then changes have been made.

Brekke: The Energy and Environment Research Center (EERC) office and lab addition was ranked in the priorities as part of the University budget. It would be fully funded by state appropriations as an original request but not included in the Executive Recommendation.

Chairman Skarphol: Has there been a subsequent proposal?

Brekke: There are other proposals but not on paper at this point. When a new facility comes on line where the intent is to use revenue generated by that facility it is not known how quickly the volume of research will increase and hiring can be done. The EERC looks to the university to effectively subsidize and attain cost recovery to fund the debt service.

Rep. Monson: What is the benefit to North Dakota or UND if we were to subsidize EERC?

Dr. Kelly: EERC moved from a federal to a state responsibility and there are other entities at UND that do engineering and math applications to the energy industry. We are looking to combine the applied with the academic side. It has to do with developmental strength in

our undergraduate and graduate programs, with more laboratory opportunities to bridge across into the EERC. We expect to be a driving force for energy in our state.

Chairman Skarphol: I appreciate the situation you are in trying to anticipate future federal or energy grants to finance the EERC and financing this office building.

Dr. Kelly: Continuing with the programmatic aspects of the priorities, Dr. LaBel was invited back to the podum.

Dr. Label: He reviewed the funding requests as identified on the charts, p. 2, Attachment # 1.
He continued by listing the priorities as follows: a new degree program in the College of Nursing called the Doctor of Nursing Practice, support for the nprogram in petroleum engineering,

Rep. Monson: On the nursing program, a few years ago a four-year nursing degree was required, now it is a Doctor of Nursing. What is behind that?

Dr. LaBel: The nursing profession is advancing so much that it be upgraded on our end; to have the highest trained workforce in health care.

Rep. Hawken: In the Med school, the physician's assistant piece ....

LaBel: Yes, in the Med School.

Chairman Skarphol: Will it be required that we have a certain number of them in North Dakota?

LaBel: It is in order to be licensed, to be a certain category of nurse practioner, They have to have it. The third priority is a program in molecular and integrated biology. The request is for additional instructors and start-up including a $.5M laboratory. The fourth priority is...

Chairman Skarphol: If we were to bring these three about, what should we expect the growth in these recurring costs to be?

LaBel: The anticipation is that the growth would be funded through tuition because students would be attracted and that growth has to be controlled so that the capacity doesn't fall behind the demand. Research grants also fund these advanced science programs.

Chairman Skarphol: If growth is to be funded by tuition, why do we need any increase in general funds?

LaBel: It is not fully supported by tuition.

Chairman Skarphol: Tuition will increase for some of these programs, probably half.

LaBel: It is hard to predict the increase, our reporting isn't that great.

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Rep. Monson: Did you say that all three of these have already been started?

LaBel: We are starting preparation of the Nursing program; the petroleum engineer program is in progress.

Chairman Skarphol: Let's talk about the capital projects.

LaBel: He delineated the small and medium projects, those not included in the Governor's recommendation. The list of these projects will be delivered later. The first priority is for a building called Gillette Hall which is part of the Education building. The second priority is ...

Chairman Skarphol: What will be the cost of that one?

LaBel: $1M for that. The second is the Hughes Fine Arts Center, $763,000 for that to protect the musical instruments. The third is tied to the biology lab, Starcher Hall which is $990,000 for mechanical and electrical.
One of the priorities in the major categories is expansion and renovation of the Law School. Another is the Steam boiler.

Chairman Skarphol: The cost of the law school and the steam plant?

LaBel: The Law school is about $9.1M and the steam plant.....

Dr. Kelly: Concludes the presentation of the UND budget request by thanking the Committee for continued support and stressing the goal that it focuses on affordability and offering quality programs.

Rep. Dosch: Of your operating budget, up 22%, or about $81M, given the light of the current economic situation, are you planning for the eventuality of a substantial reduction in those federal grant dollars?

Dr. Kelly: Yes, There are indications on each of those slices of the pie charts, such as caps on tuition, we hope to manage the university accordingly. Maintaining a status quo as much as possible is a goal.

Chairman Skarphol: During the Round Table discussions one of the presenters talked about a methodology for the evaluation of doctoral programs. Some appear to him to be questionable in value at the two research institutions. Whether to continue or discontinue, to strengthen or to let go, what is the process that you use?

Dr. Kelly: There is a difference between professional doctoral programs that have external pressure to attain accreditation. We have the external evaluation that grades the programs on a national level. Students vote with their feet to attend those institutions that have quality and strengths in their programs. Further, it is related to results in research and publications.

Chairman Skarphol: Someone expressed concern about the proliferation in doctorate programs at our institutions and whether or not the quality is there. If we are going to have this new IT building and probably build a new medical school facility.... There is the space that does exist. Will the facilities be used properly, does the medical school building lend itself for the IT?

Dr. Kelly. The existing building at the medical school will add value to the new additions. All spaces will be utilized by other colleges and services.

Chairman Skarphol: We are always trying to control increasing costs. We should concentrate on the quality of the education rather than the quantity of the education. What is the long term vision of the growth of the university system? North Dakota citizens may not be able to afford the expansion of the university system.

Dr. Kelly: We are partners and collaborate with all of the institutions. All aspects of the system impact on the quality. Last year we took out 12 courses, we are constantly looking at the demand for courses and services.

Chairman Skarphol: I wonder if we make a contribution to the North Dakota workforce, the employees and how this translates by institution. Do you actually provide X% of the workforce of North Dakota or do you educate people who leave the state? The Governor's budget is going to be concentrating on the useful....We need to look at the matrix and the outcomes of those performance levels. One other question has to do with deferred maintenance. About $33M, as far as a major thing that could be done on you campus that could substantially reduce that, are there two or three things that would reduce that?

Dr. Kelly: Concluded with his thanks to the committee.

Rep. Hawken: One of the things that we should look at...There is a major difference between training, on some jobs you can train and other jobs need education. That is a hard one to put side by side. I don't think we look at the actual taxable valuation

that comes from some of the activities that occur in our universities. We may not have the whole picture. Yes, we do pay in a percentage but the percentage we get back is sometimes greater and we don't give you credit for that.

Dr. Kelly: I would like to continue that conversation with you on that.

Rep. Hawken: We don't market very well. We should be marketing.

Chairman Skarphol: Hearing on UND is closed.

Meeting adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/19/11
13085, 13097

☐ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System, North Dakota State University, NDSU

Minutes: Attached testimony #'s 1 and 2

Chairman Skarphol: Brought the committee back to hear HB 1003, NDSU.

NDSU Dr. Dean Bresciani: Introduces Bruce Bollinger, Vice President for Finance and Administration, Cynthia Rodd, Director of Budgets, and Vice President, Kevin Black. He stated that he will provide a precise walkthrough of Attachment # 1, pp. 1- 9.

Chairman Skarphol: I assume the older buildings are smaller than the 5yr old buildings.

Dr. Bresciani: Not necessarily, some of our biggest classroom buildings are the oldest, Minard Hall is over 100 years old.
Continuing with testimony, pp. 10, 16, 20-24 priorities 1-4.
Small to Medium size capital projects not recommended by the Governor's budget are on p. 25.

Chairman Skarphol: Deferred maintenance, could one of these be completed if you were given the dollars? Provide us with information on the small to medium sized projects and what effect it would have on your deferred maintenance, for example if you got $900,000 to complete the project.

Dr. Bresciani: The energy savings alone would have an impact.

Rep. Monson: We used to have exchanges between funding requests for deferred maintenance and utility costs. Have you pursued that?

Dr. Bresciani: I am not aware of that. It would be an ..... mechanism. It would decrease our ability to catch up on that deferred maintenance backlog. Our request is smaller than our backlog. So if we get deferred maintenance funded we are able to start moving on that.

Rep. Monson: Maybe we had to back off, because we didn't have the cash up front.

Tammy Dolan, Office of Management and Budget: The energy efficiency program.....Inaudible

Chairman Skarphol: The Energy efficiency program that is applicable to Higher Ed.

Dolan: Yes, the company provides the funding. After the energy audit is done, based on savings...

Chairman Skarphol: Has the system looked at it and thought about utilizing it?

Laura Glatt, Vice Chancellor for Administrative Affairs: The Department of Commerce has a grant in the American Recovery and Reinvestment Act (ARRA) funding. (Audio?) Some have been funded, some not. Just about all have energy.

Chairman Skarphol: Have you looked.....

Glatt: We have looked at energy performance contracts to pay off the project over 15 years.

Chairman Skarphol: State Statute
Could you get us a copy....

Laura Glatt, Vice Chancellor for Administrative Affairs: There are actually two different programs..... ARRA (inaudible because she did not step up to the podium).

Chairman Skarphol: We had it prior to ARRA.

Glatt: (Inaudible because she did not step up to the podium).

Chairman Skarphol: Have you looked at all of these small project requests as potentially utilizing that?

Glatt: One of the challenges....The projects that are more likely to achieve that are the ...such as changing out the light bulbs. They have been done. The next group of projects, and if it isn't large enough in scope it is really difficult to get it into the maintenance cycle. You may want to consider that to see if the payback is large enough.

Chairman Skarphol: Fifteen years in the state Statute.

Glatt: Yes.

Chairman Skarphol: Could you give us an opinion about what would be the consequences of changing that out to a 20 or 25 year number? We have a number of these small projects that are energy related and it would be nice to get them out of the way.

Dr. Bresciani: I will skip over the initiatives that follow. The required materials are tabbed in your materials. Skip to p 39, items 13-18, see Attachment 1.

Chairman Skarphol: How far down did we get on this list. What got recommended?

Dolan: The Governor's budget included 1-4 and .....inaudible.

Dr. Bresciani: Moving to TAB 1, skip to p. 39, he continues with specifities on the paper clipped items in the booklet. Moving top. 46. Minard Hall collapse.

Chairman Skarphol: The '09 authorization was $18M and $32M other funds. How far down did we get?

Dr. Bresciani: I believe it was $18M was the original .....

Chairman Skarphol: Why does it say $13M here?

Dr. Bresciani: I believe that is the current allocation.

Chairman Skarphol: There was a previous $5M allocation in '07 that you had expended prior to this.....

Dr. Bresciani: Yes

Chairman Skarphol: Then $32M in other funds and $26M in bonding for a total of $71M, is that how I should read this? I am looking at the document on page 46, about 2/3 of the way down where it says "Total of '09-'11 authorizations. $13M General, $32.1M other funds and $26M in bonding.

Dolan: For all of the projects listed there not just those that didn't make the Governor's priority list.

Dr. Bresciani: Continuing with p. 7 Tab named "Legislative Required Materials, clipped into attachment 1. Minard Hall repair, is on hold for forensics study.

Chairman Skarphol: Deferred maintenance on p.47, it appears like last time you received $5.3M for deferred maintenance and this time it is .....

Others speaking not identified: (inaudible)
Total base is $2.7M,.....

Dolan: Continues explanation, $20M to be distributed to campuses.

Chairman Skarphol: Recess until 2:00 pm

Resume 2:15

Dr. Bresciani: Any further questions?

Bruce Bollinger: Rep.Hawken had asked for some information from NDSU so we passed out a pie chart that has the same format as the rest of the schools. Normally agriculture is included in our financial statements and so the first draft that came out, they were included. As you know agriculture will be here next week and dealing with that budget separately. Turn to the three charts, see attachment 1, Budget by Function, Addendum A, right under the Legislative Required Material.

Chairman Skarphol: This is a unique document, requests the same from UND, Addressing President Kelly, University of North Dakota who is seated in the audience.

Bollinger: The budget is $185M with 800 different grants and all are unique in their own ways.

Chairman Skarphol: Ag research is excluded. We often hear about the increase in funds as compared to State Government. All of the scholarship funds have to be segregated, as well as dedicated fund?

Bollinger: Granting funds and contract funds are unique in their own way. There is a whole set of criteria for them. The audit has to go back and look at the criteria that has been established for them by the sponsor.

Chairman Skarphol: In the audits you are referring to, I am assuming that when there are federal grants are there federal audits?

Bollinger: Yes, federal compliance audit, the operational audit, and a financial statement audit.

Chairman Skarphol: What kind of percentage can we assume is tested on an ongoing basis.

Bollinger: I don't know, each fund is its own unit. They do a random sample and they would have to answer that question. Each one is creating revenue and each one is its own unit.

Chairman Skarphol: Where are they included? Are they in the unrestricted assets?

Bollinger: Yes. Each fund has its own criteria.

Chairman Skarphol: Regarding tuition waivers, they should be called tuition discounts. Think about changing some terminology with regard to unrestricted funds, so that we have an idea of what the unrestricted funds are.

Bollinger: It does get complicated because we have accounting principles that we try to follow, it is a marriage between a lot of principles. We are back to waivers on the campuses.

Chairman Skarphol: I would like to see some of those unrestricted funds that you do actually have some flexibility so we can understand the situation.

Bollinger: Professors who receive research moneys cannot take the money and use it somewhere else, we look at it on a fund by fund basis.

Chairman Skarphol: Calling on the president to close the meeting

Dr. Bresciani: Expresses appreciation for the opportunity to present NDSUs budget.

Hearing completed.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/20/11
13130

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System, North Dakota College of Science (NDSCS).

Minutes: *Documents # 1and 2, Attachment # 1*

Chairman Skarphol: Called the Education and Environment Committee to order and asked the Clerk note that everyone is here, to hear Testimony on HB 1003, North Dakota College of Science. But first he asked for a brief review of documents handed out by Office of Management and Budget (OMB. Calling on Tammy Dolan, OMB Analyst.

Dolan: There are two documents in front of you. See Documents # 1 and 2 based on the questions you were asking about the energy efficiency grants and the American Recovery and Reinvestment Act (ARRA) Grant that comes from the Commerce Department. These are not performance but programs that have been appropriated. There is a description of each one of those.

Chairman Skarphol: That's the one with the $10M total on project size?

Dolan: Yes.

Chairman Skarphol: Annual savings of $1.49M.

Dolan: The second half of that page talks about the Performance Contracting Program, See Document #.1. The institution would contract with an energy company to do a detailed energy audit and the company comes back with potential energy savings projects. According to Century Code they have to have an energy payback of 15 years or less in order to qualify for Performance Contracting. The company would provide the financing for that project; the agency would pay for that project with their energy savings. That is approximately $22.3M of projects with an annual savings of $2.2M.

Chairman Skarphol: Did they have a list of projects that were not approved?

Dolan: They did not give me that list. The Minot State, project with windows, the estimated payback was 60 years. Windows projects are very hard because the payback is so low.

Chairman Skarphol: What types of projects were energy conservation if they weren't windows? Get those documents for us.

Dolan: Document # 2 is the ARRA grant programs for energy and efficiency and renewable

Chairman Skarphol: No windows? Get that document.

Dolan: No, No Windows.
Testimony began by introducing **Dr. John Richman, President, NDSCS.**

Dr. Richman: He began his testimony by introducing Harry Link, Vice President for Academic and Student Affairs and Mr. Mike Renk, Vice President for Administrative Affairs. "Just a quick list of facts and then we will move into our budget discussion." See Attachment # 1.

Chairman Skarphol: Headcount? What does that translate into in FTE students.

Dr. Richman: 2217 students. Continuing with testimony, See Attachment # 1, pp 1-4 stressing the budget challenges.

Chairman Skarphol: Your perspective of CT& E and how that fits into your program.

Dr. Richman: That is our lifeline. Seamless transition from secondary to post secondary.
Continuing with Attachment 1 pp. 5-7, Emphasizes the renovation of Horton Hall and appreciates support. Continuing with attachment # 1p. 8.

Chairman Skarphol: Go back to parity, top of p. 9, You say the students share parity costs fund to save tuition rate increases, except as noted and the total requested parity increase is $2.2M and the general fund request is $1.68M.

Dr. Richman: That is correct.

Chairman Skarphol: And the difference is going to be made up by.... Now when you talk about extraordinary repairs at the bottom of page 9 of $1,012,000, Is that the same as you referred to on p. 7 of $1,034,000?

Dr. Richman: The bottom of the page is the $1M that we received as one time. The One you are referring to on the bottom of page 9 is our on going for extraordinary repairs.

Chairman Skarphol: You didn't receive any extraordinary repairs appropriation last time?

Dr. Richman: We receive typically the $75,300 on an ongoing basis for extraordinary repairs. Last time we received a onetime $1M for extraordinary repairs. That additional one is not on the current request.

Dr. Richman: Continuing on p. 10, reviewing AA7, AD1 and utilities requiring additional funds.

Chairman Skarphol: Backing up to special assessments, anticipated by the city of Wahpeton special assessments. If we give you the $125,000 you are paid up to now but you are going to get another $21,000 built in this year? Then anticipate another $1M worth of specials?

Dr. Richman: There will be a project within this next year that will impact us to that $21,000 figure. It is the full length of our campus, our portion $1M, it will stretch over two bienniums.

Chairman Skarphol: The utilities issue, that is for the new facility, that you initiated in Fargo for that new facility for developmental education in Fargo?

Dr. Richman: It is not new, we've had it for about 12 years. Over a 12 year period of time we have added sections of our academic programming in that facility and we now occupy over 75% of that with either academic program or administrative space that now qualifies it to be funded for utilities through appropriations. I believe it is $87,000.

Chairman Skarphol: We haven't been paying those utilities?

Dr. Richman: No, we have a rental agreement with the State University Foundation. They are actually current owners and we rent it from them. Part of the rental agreement is that we pay all operating expenses including utilities.

Rep. Monson: Has that rent been stable or do they increase the rent as you use more of the building and to make up value of that building?

Recording Failure (15:44-16:39)
Dr. Richman: Yes, the rent has gone up but not on a rate schedule. If there would be improvement.....

Rep. Monson: Do you make those decisions or do they make the decision?

Dr. Richman: Good relationship with the foundation, 9% interest rate.....
Recording Failure (16:52-17:30)

Rep. Monson: Will the foundation own that it forever? My problem with these kinds of arrangements is....

Recording Failure (17: 56-19:41)
Dr. Richman: In the original agreement we would buy that building, but we have not been in a position to buy. NDSCS Foundation will hold the agreement for the rental arrangement.

Rep. Monson: I have never been a fan of these arrangements; I see this as a scam because it will be owned by us when it is in need of repair.
Recording Failure (21:00_21:10)

Dr. Richman: Continuing with p. 10

Chairman Skarphol: Is it in the Executive budget?

Recording Gap (21:17-21:21)
Dr. Richman: It is in the University system budget.

Chairman Skarphol: I also think that all campuses were allowed to submit seven to the board, and most have given us that list of all seven. I am assuming you have six more. Was there a monetary amount on that list?

Dr. Richman: I will get to that later. p. 11, Additional considerations: Closing on our budget area, to have a balanced budget, we need a 2% enrollment growth. It speaks to student affordability, salaries, a quality in instruction, and in housing....**Recording Failure (21:56- 24:29)**

Chairman Skarphol: What kind of enrollment growth did you have in '09 and '10?

Dr. Richman: Recording Failure (24:33-24:30) 4-5%.

Chairman Skarphol: So you had 4-5% and if you had 2% you would be inn good financial shape.

Dr. Richman: Yes

Rep. Monson: Where are the students coming from?

Dr. Richman: Recording Gap (25:21-26;30)70% North Dakota 20% Minnesota, 10% from South Dakota and Montana, a handful of international students. Our outreach, diverse efforts, liberal arts, Pathways have increased our enrollment.

Rep.Hawken: Are the West Fargo students coming to the training center or are you providing services on the other campus?

Recording Failure (26:24-27:01)
Dr. Richman: Some is happening face to face, some on-line, a combination of all of that
Transfer to a University somewhere else.

Rep. Monson: Do you give tuition waivers to any students out of state or internationals?

Recording Failure(27:30-28:24)
Dr. Richman: Yes, we grant waivers for out-of-state students. We work ours this way, they pay the.....

Chairman Skarphol: What does that amount to on a per student basis?

Dr. Richman: $420,000, per student **(Recording Failure 28:20-24).**

Mike Renk, Vice President for administrative Affairs: Introduced himself but did not speak into the microphone.

Chairman Skarphol: The Senior Living Center thing...has that resolved since you are not fully utilizing all of your capabilities on campus?

Dr. Richman: That is the driving force behind it. We asked Vice President Renk to lead a group looking at our campus and realizing that we are the 3rd largest in size but only the 5th largest in enrollment. We need to work to correct that imbalance by reducing our size. The city has a housing shortage through their assessment and need to creat housing opportunities to keep their senior citizens in the city. We had an over space but by working with the seniors we believe it will be a benefit to our educational programs such as dental, nursing, OTA. And they support the linkage and provide additional funding. We will use the city of Wahpeton to shift facilities. This is also an effort in looking at the work-force needs of North Dakota with the overabundance in residential halls.
Related to your question in enrollment growth: From Fall '08 to Fall '09 we had a 4% growth, from Fall '09-Fall'10 we had a 6.8% growth, headcount.

Rep. Martinson: You are # 5 in enrollment? P. 8 of University of North Dakota Handout shows a discrepancy.

Dr. Richman: I see us at about 5th **(Recording Failure 32:55-34:15)**
Continuing on p. 12, NDSCS submitted two capital projects, our top priority is the Old Main renovation, this a three building project for Old Main renovation and the

decommissioning and removal of Birch Hall and Hektner Hall. The description and costs are on p. 13.

(37:05)
Chairman Skarphol: Do you have any idea by how much it will be increased? I am looking at $4.8M.

Mr Renk: Inaudible

Dr. Richman: Continuing with the bottom of p 13 and moving to p. 14. This list not in a priority order. We had four priorities in order:
#1. Affordability is the most efficient way to manage financial aid, keep our tuition low.
#2. Salaries, benefit and retirement plans
#3. Appropriation for Old Main and Bisek expansion is number 4 listed at the bottom of p. 14.
There are seven small to medium projects in the priority that we would like to see done. It is the Student Center elevator project that I spoke of earlier.

Chairman Skarphol: What is the Main Oval water/ sewer?

Dr. Richman: The water lines and the sewer lines that connect us to the city we believe go back to 1903.

Rep. Monson: Are you using Old Main for anything at this time.?

Dr. Richman: Yes, a portion of the basement, first and second floor and a portion of third, but fourth has been vacated for many years.

Rep. Monson: Can you elaborate on this diesel expansion project. Was that funded in the Governor's budget?

Dr. Richman: It was our # 2 capital project, Bisek ended up at about 17th or 18th on the Board's budget. They said they would put only four projects forward for further consideration. It did not get on the Board's consideration for funding in this cycle.

Chairman Skarphol: With regard to Bisek Hall that is HB 1348, is scheduled here next week.

Dr. Richman: Moving on to p. 15. Concludes formal remarks.

Chairman Skarphol: Mental health counselor, you have no request for funding for that.

Dr. Richman: We did not put that forward as a priority on our campus. We have allocated the the resources to support on one FTE in the mental health care areas in house. We have seen a 77% increase in that office in a 3 yr period of time.

Hearing Concluded

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/24/11
13270

☐ Conference Committee

Committee Clerk Signature Meredith Trachsel

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University, North Dakota University System Office.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the hearing to order on HB 1003, and noted that everyone is present.

Brady Larson, Legislative Council: Advised he was passing out a handout with additional information that had been requested about UND that could be used to do some comparisons to NDSU, see attachment 1. The second item is the Trust Fund Analyses, and is information related to the Executive Budget Recommendation. This is not specific to higher ed.

Chairman Skarphol: We have the North Dakota University System Office (NDUS) on the agenda.

Jon Backes, President of the State Board of Higher Education: I thank the committee for hearing the testimony from the 11 campuses. It is belief of the State Board of Higher Education that the university system is the structure that allows the individual institutions to be innovative agents for the diversification of our state's economy and one of the contributors to ND's growth. The university system is also the structure that drives the institutions' set of common goals that creates efficiencies and helps to maximize access to our system. We are committed to continually improving the system for the highest quality education and student access at a cost affordable to the students and the state of ND.

Laura Glatt, Vice Chancellor for Administrative Affairs: Presented attachment 2.

Chairman Skarphol: Do we have a list of the bond payments, by project? We did seem to have a decreasing amount of bond payments because we have funded a lot of projects.

Glatt: You don't, but that can be provided. You are correct, revenue bond projects are not included in what you are currently looking at, only state general funded projects. They've tried to readjust their payment schedule so that it's more flat over the life of the bond issue,

so my understanding is there is a one-time adjustment that is necessary to flatten it out over the life. Presentation continued.

Chairman Skarphol: I understand that is somewhat of a critical need, there is a dramatic need to segregate those warehouses. Do you want to speak to that?

Glatt: If you look on page 4, you will see a separate component, which allows the Information Technology Department to separate the database for connect ND. That was not in our original budget request, OMB added $616,000. This would allow state government and higher ed to separate the connect ND finance and hr modules, the two modules currently shared. The reason for that is that the number of transactions that accumulate in the database has gotten so large that when it comes time to upgrade the system it has to be shut down for two weeks. We can't operate with shutting down finance and hr system for two weeks.

Chairman Skarphol: What happens if we separate them? Does higher ed still need to shut down for that time?

Randall Thursby, Chief Information Officer for NDUS: We're suffering from two different scenarios: the time to process regular jobs, because the files have gotten so large; and upgrade issues. Anytime we do an upgrade, due to the amount of additional workspace and the size of the files and the conversion time, the estimate from ITD and OMB is that at the next upgrade, we will probably be down for two weeks. The idea is to split the databases. ITD will still host, we still have the same core software set, but it'll be different infrastructures in order to process faster. The downtime that would be needed would be two to three days, which we can do over a weekend.

Chairman Skarphol: If you segregate them to shorten this timeframe, will you be upgrading or updating them at the same time?

Thursby: You can get to the maximum size of databases before they really slow down. We're to that point. We're really suffering from the number of indexes, the sizes of indexes, we've reached that size with the combined database that we're just not efficient.

Chairman Skarphol: We do the updates at the same time, we don't have state government doing them at one time and higher education at another?

Thursby: Not on this first go round, no. After that we could do them slightly separate, but you can't get much out of sync because there are lots of things we share.

Chairman Skarphol: And the costs associated with separating them is the 662,000 from OMB? And none of that is related to the 1.006 million?

Thursby: This is before the split, that we would need just to keep up with the size of data growth that we have within the university system.

Chairman Skarphol: What is the cost associated with state agencies in regards to this split?

Thursby: I do not know.

Rep. Monson: Why didn't higher ed ask for the 616,000?

Thursby: The decision on this was not made until around the September time frame, and it was done in conjunction with OMB and ITD. The original thought was we might be able to archive data and not do this. We learned from studying what other states and educational institutions have done, and the archiving process is hit and miss at best. It would cost us more to do the archiving and recovery than it would be to move forward with this approach.

Rep. Dosch: What is the operating cost of the Northern Tier Network?

Thursby: It is biennial cost for running Northern Tier, including the costs of the services and maintenance on the equipment.

Rep. Dosch: What service are they providing?

Thursby: There is fiber that runs from Minneapolis to Seattle. Every state pays its share of the management costs across that line.

Chairman Skarphol: How is Northern Tier different from the sonic range in DCN?

Thursby: This fiber is what is called individual right to use. It's donated by AT&T, so we did not pay for the fiber itself, we only pay for the management on that fiber. If we're getting services, we pay a certain cost for how much bandwidth we use on that network. You have your own lightwaves you manage on the fiber, and each one happens to be 10 GB. We can run up to ten 10 GB plays. Generally a major research project would require its own wave. We own the fiber as opposed to we don't own the fiber that DCN provides, they just provide a bandwidth, we buy a service from them. In this case we use as much bandwidth as we need on that fiber.

Chairman Skarphol: So Northern Tier does not own the fiber, they own the equipment at each end that determines the capacity of that fiber based on the equipment purchased.

Thursby: That's true to the point that AT&T is the one that owns the fiber, but we have an indefeasible right to use for 20 years.

Chairman Skarphol: But it is primarily and almost exclusively utilized for our research universities to do research and share research with other institutions across the nation and other research entities.

Thursby: That is correct, and any other Northern Tier state traversing ND.

Rep. Monson: The 1.87 million referenced on page 3, that is for the operating costs, who do you pay that to and how does that compare to other biennia costs? Has it stayed steady or is it going up or down?

Thursby: The original projection was slightly over 2 million; it has gone down as a result of grants that were received by NDSU for Northern Tier.

Chairman Skarphol: I did ask what the potential cost would be if ND did not operate this system. It's my understanding someone else could operate it and we could pay on a fee for service basis.

Thursby: It has been put together and was part of the presentation to the Senate Appropriations on SCR 4003, a resolution supporting Northern Tier.

Chairman Skarphol: We might want to see and hear that information as well. It would be useful to know if this is the most cost-effective methodology for us to follow.

Rep. Monson: Who gets the 1.87 million? Is it paid to ourselves, does it go out of state?

Thursby: It goes to Northwest Gigapop in Seattle, one of the managing entities; it goes to equipment carriers; WisNet, which is in Wisconsin and handles the other end going to Minneapolis; Quest here, and MidContinent Communications, who helps manage part of the fiber; IdeaOne for the local loop in Fargo; MidContinent provides the fiber between Fargo and Grand Forks; the regional research and education network. That's where all the payments go. Copies of the Northern Tier report will be provided. See attachment 3.

Glatt: Continued presenting on attachment 2, page 5.

Rep. Hawken: These programs are all going forward, how are they funded now?

Glatt: The Lake Region Wind Energy program has the opportunity to expand greatly due to student demand, but they are not expanding it because they don't have the money. The UND-NDSU joint masters in public health is being funded through a combination of sources. Some is state general fund money; additionally, both institutions are internally reallocating some money; they are also looking at additional grant and contract revenues. College of Science's nanotechnology came from internal reallocation or federal grants, $1.3 million in federal appropriation for that program. That sat on the burner for quite a while in terms of getting it off the ground, because we just simply couldn't identify the funding sources until the grant came along.

Chairman Skarphol: What will be the ongoing cost that's going to be state responsibility after the initial federal grant?

Glatt: I don't know offhand. They are generating tuition and fee revenue, so that will help support some of the ongoing costs of the program. One of the factors with the nanotechnology program was the large upfront equipment investment, so that is something that obviously is not reoccurring every year.

Chairman Skarphol: Is that not also somewhat the case with the wind energy one?

Glatt: That would certainly be a part of it; the other would be adding the instructional faculty to increase the class sizes.

Chairman Skarphol: Would you get us more information on these three projects as to what the initial high-dollar costs are for them, if any; what we should anticipate as the ongoing costs of these programs; and what is in the budget this time for them? I want to get a good handle on the start up and the progressive costs of something like these. Going back to page 5 and the current level of recent high school grads enrolled in NDUS, 32%. I thought we had a much higher level of high school kids going into college than that.

Glatt: That box on the right is how we tried to indicate the goals we are trying to address with the budget initiative that's in front of you. I need to defer to others for specific percentages.

Chairman Skarphol: Is this just related to the technical programs?

Michel Hillman, Vice Chancellor for Academic and Student Affairs, NDUS: These first numbers reflect the fact that not all the private high school student individual data is in the database. We are working at trying to get 100% coherence between the DPI dataset and the NDUS dataset. These numbers are lower than what we think they are, but these are the numbers we can absolutely document. We believe it should be twice that. These only align to matching up between the two datasets.

Rep. Dosch: In relation to that, is it so hard to track their social security numbers?

Hillman: One of the things K12 and DPI specifically do not do is collect social security numbers. The entry level of where the SSN is collected is typically with the NDUS. We have to collect it for financial aid administration purposes.

Rep. Monson: Every child is given a number, not a SSN but a number, when they enroll in kindergarten. I find it bizarre that we can't have a number that follows a kid from K12 into higher ed. It's all there.

Hillman: That's exactly what we're working on. We give them the EMPOL id number. Employees and students all have one EMPOL id number in the state, and that is a superior approach to having two different systems. That EMPOL id number is now being transferred down to DPI, so when we have that student, who may move between schools, we have the one number that goes with that student.

Chairman Skarphol: Enlighten us as to what the dilemma is in getting the high school and university identifiers to track simultaneously.

Thursby: We knew this was a problem, and we've worked on it with DPI. We did matching this last year, in which we took files from K12 to graduates, matched to higher education. Those that matched, we put the K12 identifier into the higher ed system. Likewise, we fed the student id back to K12 so they would have the EMPOL id. We are working to move this down so we actually start picking up students when they are freshmen in high school so we will have a better means to feed back to the high schools, and high

schools will have a better means to feed to us. Eventually this comes together when we have the state longitudinal data system, so we can match the records there. That will allow us to have a much better picture across all of education of what is going on. We have about an 80% hit rate between graduates and higher education.

Rep. Dosch: Once a kid is born in the state, the first thing they get is a SSN. Why isn't that number tracked when they are in school, in college, as an employee in the state? How simple is that? It reminds me of book smart and common sense dumb.

Thursby: That's what we did for many years, and there are restrictions on how the SSN may be used.

Pat Seaworth, General Counsel for NDUS: The problem with what Rep. Dosch suggests is it is not permitted under federal law. Federal law restricts the authority to require or request SSNs; K12 schools only have federal authorization to request the numbers, and not all parents voluntarily provide SSNs for their children. Federal law does not allow states to mandate that parents provide social security numbers for their children in K12 schools. We don't even have that authority in higher ed, but we can require it for employment and financial aid. 98-99% have a financial aid file, so we're able to get it for almost all students.

Rep. Dosch: I would like to see an opinion from the Attorney General on the use of this. This is so basic and we need to see what exactly the states and higher ed can and cannot use if it's for that specific purpose.

Rep. Monson: Every K12 has a number, like through PowerSchool. Why can't we use the same number? Why does higher ed have to have its own number? And why can't you match the two numbers, if you have to use different numbers?

Thursby: One reason is they started at different times. You have a lot of students in the university system who did not come through the K12 system at the time they did identifiers, or they may be from out of state. We want to match students as soon as we can to K12, so when we get into the statewide longitudinal system they're both matched and if we need to do something we have both numbers. If we have the SSN, it also goes in there for reporting. Within the law, we're doing everything we can to create a consistent dataset.

Rep. Dosch: Banks can merge all the data from different institutions within months. Talk to the private sector and you could probably do this in a few months.

Chairman Skarphol: Originally, SSN did not allow the utilization of that number for identification purposes, it was absolutely precluded from being used as an identifier. That seems to have changed recently.

Seaworth: The university system can use the SSN as the identifier, and has for many many years, based on getting it from student employment and financial aid files. We're now required to file a tax form for all US students, and for a good portion of the international students, so we can also now require it to file that. The problem with obtaining SSNs is not in higher ed, we can obtain them. The problem is the students coming into the system

whose SSN has not previously been used as an identifier. Federal law is going the other direction, Congress has recently passed additional restrictions on use of SSN. Most states are also going the other direction and prohibiting the use of SSNs as identifiers in recent years.

Chairman Skarphol: How does FERPA play into this?

Seaworth: FERPA is not the obstacle. FERPA permits sharing the data for purposes of tracking students for the purpose of research.

Glatt: Resumed presentation on attachment 2 page 1 and continuing on to page 9.

Chairman Skarphol: Somebody in the legislature had talked about introducing a bill that would require that oversight of capital projects in higher ed be done by facilities management. Did that ever get put in?

Glatt: I'm not aware of it. Presentation resumed.

Rep. Williams: The university in science put in a mental health clinician or person, prior to this budget. Did they have any concern that they were left out, since the other schools were budgeted at $120,000, and VCSU at $60,000 for half time? Why didn't the College of Science get this?

Glatt: Some campuses get to participate in a budget initiative while others don't. The mix of institutions across budget initiatives varies greatly. In this case there were six institutions that benefited from this budget request, the other five didn't. When you look at special assessment funding, there's a different sub-set of institutions, not all 11, that benefit from that. Their turn will come in another budget.

Bill Goetz, Chancellor, NDUS: The mental health service initiative is critically important to the system. The institutions not included in this budget most likely have some service already in place.

Rep. Monson: The numbers in the box on page 10 don't seem to jive with anything, is there an error here?

Glatt: Answer inaudible.

Chairman Skarphol: If a school felt it was a priority to have a mental health counselor, and found it within their budget to have one, has it been subsequently funded with general funds or has that campus had to continue to find it within their budget? It seems inconsistent to do it for some institutions.

Glatt: For the positions that already exist, they are likely funded differently at different campuses. Some may use federal funds, or internally reallocated non-appropriated dollars. Some may have used equity funding. They have the ability to make decisions on how they will access those funding sources based on their internal priorities. I also think some campuses have experienced a faster growing need for these services than others.

Chairman Skarphol: We want to be sure each campus is funded fairly. It would be good to have a report that would give us knowledge of that varied usage of funding of things that may or may not be critical to the institution to help us evaluate the needs-based budget we're asked to approve.

Glatt: It might help if I take a step back and talk about our budget process to discuss how as a system we came to these items. We asked each of the presidents to submit their requests for their institutional needs to the NDUS office. They totaled over $45 million in individual requests for specific initiatives. Additionally, we had some system-wide groups looking at specific areas of need, including mental health services. The recommendation that came out of that 11-member group representing all the institutions is what you have before you. We then had to make this list into something more reasonable to request of the legislature. We took the list of items and sorted them into campus-specific initiatives, system initiatives, and capital projects. Then we went back to each president with the list and asked them to prioritize the entire list, not just for their campus but the list for the entire system. The chancellor used that input to arrive at his recommendation to the board, and the board also heard individually from every president. Taking all that feedback into account, the board prioritized the requests.

Rep. Monson: Could we get a list that shows each goal that was requested and funded by the governor?

Glatt: That is the board's strategic plan, which can be found on the first page in System Overview in the NDUS binder. Presentation continued on attachment 2 pages 1 and 11.

Rep. Dosch: You are not anticipating any reduction in federal funding?

Glatt: There is concern of what is happening at the federal level. Those that manage the program are fairly confident the funding will remain where we expect it. Presentation continued.

Chairman Skarphol: What is the anticipated cost of the request for proposal policy?

Glatt: Right now, you're putting in $1.1 million per biennium into this. We're saying that can be reduced by $300,000. Over time that money has been used to pay out claims or to build up a reserve balance, which is what we're relying on now.

Chairman Skarphol: So the anticipated reduction is due to the fact we're going to have a higher deductible?

Glatt: Currently, we haven't had as many claims, so we've been able to build up a reserve. Going forward, I don't know until we get through that RFP process what the final contract might look like. Presentation resumed.

Chairman Skarphol: There will be a bill introduced to create a commission on higher education. Was there ever a bill introduced for the commission on K12?

Brady Larson, Legislative Council: Not that I am aware of, but that will be checked.

Glatt: Presentation continued on page 16.

Chairman Skarphol: The footnote on page 16, we had 465,000 that wasn't utilized?

Glatt: In a number of the programs, you'll see in the footnotes we had carryover or anticipate having carryover. That's pretty traditional, and happens every biennium. The dollars stay within the same program, which allows us to ask for less of an increase from the state general fund to support the program.

Chairman Skarphol: How are those carryover dollars utilized?

Glatt: It allows us in the next biennium to add more new freshman slots. If you don't grant the carryover authority, you'll need to either build in additional increases in the 11-13 budget, or we will need to reduce the number of new slots we award.

Chairman Skarphol: Why are we continually adding to this? Don't we have the same number of students graduating as coming in, keeping costs relatively the same?

Glatt: Looking at page 21, you can see the support fee for each slot. The support fee goes up every year due to tuition increases. On page 22 you can see the history of this program. We are adding more freshmen coming into the program than seniors graduating.

Chairman Skarphol: What kind of numbers have we been unable to fund?

Glatt: When you look at the number of applicants, we had 25 for vet medicine and we were able to fund 12, or 48% of them. In dentistry we had 31, funded 7, or 23%.

Chairman Skarphol: Do you collect data on the rest of the applicants, to see if they go into the profession somehow on their own?

Glatt: No, we don't track them.

Chairman Skarphol: And the selection process?

Glatt: The campuses that we contract with out of state do the selection.

Rep. Monson: Looking at the chart on page 20, can you do a similar chart on the professional student exchange programs?

Glatt: Yes we can do that.

Rep. Monson: I would like to see how many of them actually continue and graduate. I'm wondering if there's a way to get a better commitment if we're going to pay this.

Glatt: Presentation continued on page 25.

Chairman Skarphol: They are eligible for the scholarship at tribal colleges, too?

Glatt: Yes, it is for any college. Presentation continued on page 34.

Chairman Skarphol: In reading this, it appears you had 1589 meet the eligibility requirements, 1394 accepted the scholarship. Is the $3 million sufficient to cover those students for four years? Or will more need to be appropriated just for those students?

Glatt: The $10 million in the executive budget is intended to not only fund the continuation of this first class, but to add two new classes each of the next fall terms. This program will continue to ramp up. We anticipate seeing the full cost of this in the 13-15 biennium because that's when we hit four full classes of four groups.

Chairman Skarphol: Rough numbers, it looks like the amount needed to pay for 1600 students for four years is $9,600,000.

Glatt: This is covered on page 37, under 'Budget.'

Chairman Skarphol: There are states that have discontinued this program, like Michigan.

Rep. Williams: Referring to page 38, it looks like the $10 million is out of the lands and minerals trust fund.

Glatt: On HB 1003 before you, it would be $10 million out of the lands and minerals trust fund. There are other bills that were separately introduced that would look at taking it out of other funding sources, like the foundation aid stabilization fund.

Chairman Skarphol: Wherever it comes from, it's going through the general fund.

Rep. Dosch: Referring back to page 22, the professional student exchange program, of these students that we pay to go out of state to get their education, 2 out of 3 never come back. What effort is being made to get them back to North Dakota? Why do we continue to fund students out of state when they don't return?

Glatt: The support fee the state is paying is not 100% of the student cost. They pay the difference between the resident and non-resident tuition rate. The student still has to pay tuition, so they have an investment. There used to be a statutory requirement that the students repay the money if they didn't return to the state. The legislature repealed that. We would like to be able to identify on the front end those that may have the most likelihood to return, through an interview process. We don't know if this is actually working. We're not significantly increasing the total number of slots in this program. It comes down to an economic need of the state: if we don't produce these folks here, at our own colleges, and we don't have this program, then we have to rely on out-of-state individuals with no ties to our state coming here. It's an economics and incentives issue.

Rep. Dosch: You mentioned that they still pay tuition, but none of that tuition comes to North Dakota, plus we are paying the difference in that tuition. There is no economic incentive for the student to return. I think we have to rethink how we're doing this.

Rep. Martinson: I wonder if legislators in other states complain that they're subsidizing out-of-state students to go to their dentistry and optometry and veterinary schools, and then say, gee whiz, 30% go back to where they came from.

Rep. Dosch: I would be happy if 60% came back and stayed in ND, but 30% is not an acceptable margin. 50% would even be acceptable.

Chairman Skarphol: Why did they discontinue the policy of having the students repay if they didn't come back?

Glatt: It was a collection nightmare.

Chairman Skarphol: Do we have any out-of-state educated, non state-resident professionals in these areas that come here to practice?

Glatt: Industry folks could answer that question. Resumed presentation page 40.

Chairman Skarphol: You're nearly tripling the request, on page 40, correct?

Glatt: The chart on page 40 is for one year. I will let OMB address the increase.

Tammy Dolan, Office of Management and Budget: The funds are distributed on a proportionate basis, my understanding is it is based on credit hours converted to an FTE count.

Chairman Skarphol: Are there qualifying characteristics the student has to have?

Answer inaudible and speaker not identified.

Rep. Dosch: The purpose of the tribal assistance is to compensate the college in which a white non-Indian student is attending their college; do we get compensated for Indian students who attend UND or other colleges?

Glatt: When we build the NDUS budget and we look at enrollments, certainly there are Native American students on our campuses. We don't differentiate between Native American and non-Native. Presentation resumed and concluded.

Chairman Skarphol: Called a 10 minute recess, then called the committee back to order. He called for testimony in support of HB 1003.

Laurel Vermillion, President, Sitting Bull College and North Dakota Association of Tribal Colleges: See attachment 4.

Nancy Kopp, Executive Director, North Dakota Optometric Association and North Dakota Veterinary Medical Association: See attachment 5. Addressing the issue of out-of-staters coming to ND to practice, in optometry there are a few, especially in the major health care systems.

Chairman Skarphol: How can we resolve the issue of how we encourage young people who go out of state to get an education to come back? Maybe they have ideas we don't.

Kopp: Part of the problem is there aren't that many practice opportunities available each and every year. While we are spending state dollars on tuition assistance to these individuals, please keep in mind that these are programs we don't have available in our state and we're not spending money for a law, pharmacy, or med school. It is a fairness issue to these professionals.

Beth Carlson, Deputy State Veterinarian: See attachment 6.

Chairman Skarphol: Do you think all of the needs are being met in the state in the veterinary programs? Do we have a sufficient distribution of veterinarians to meet needs?

Carlson: There are areas where veterinarians are unable to be available, such as for emergencies. Specific to the agricultural sector, producers have to schedule routine work weeks in advance, even within 40-50 miles of Bismarck.

Julie Ellingson, ND Stockmen's Association: Our organization supports the professional student exchange program. They provide specialized learning opportunities for ND students to attend out of state veterinary school, which is not provided in our state. Our cattle producers regard their veterinarians as critical partners in their operations, to maintain a healthy herd, and ultimately a profitable business. We believe that the PSEP helps entice students into a critical field, as it helps reduce at least some of their student debt load by providing tuition at reciprocity rates. Many of the outstanding vets servicing our members' operations are products of the PSEP. We're hopeful students will continue to have access to, and benefit from, this program. We ask for your favorable consideration as you evaluate that portion of this budget.

Chairman Skarphol: Should there be an increased number of vets in the state, and could you give us some kind of idea of a number?

Ellingson: We are seeing that larger communities have less of a problem, but there continue to be issues in the rural areas. Routine work and availability for emergency services are both problem areas. This and the Vet Loan Repayment Program make an impact in helping to bring vets here to practice.

Chairman Skarphol: How can we find the distribution of veterinarians in the state? That would be helpful to see where the gaps are.

Kopp: We could draw up such a map.

Carlson: Because of the Veterinarian Loan Repayment Program we have a map. It is difficult to interpret, due to vet participation in professional groups, part-time practitioners, etc, but that can be provided to you with explanatory footnotes.

Chairman Skarphol: Any other comments for the committee? I would like each college, if they have a representative here, to make comments.

Dr. Jim Davis, President, Turtle Mountain Community College: See attachment 7.

Chairman Skarphol: Give me that amount again that you received.

Davis: When we were here before you in 2009, we were receiving $5304 for our Native students. The state agreed they would fund the non-beneficiary students at the same level, per student. When we calculated what the state was actually giving to the tribal colleges per student, it was about $300 less than what we received for Native American students. The way we're funded by the federal government, we are underfunded because we should be getting about $8000 per student, and we're not even getting $6000 per student. It's a good deal for any student that wants to attend our colleges, when it's affordable and accessible, and we provide the best education possible. We also have collaborations with other institutions in the state, which benefits everyone.

Chairman Skarphol: Sitting Bull College said they got about $100,000 a biennium. Based on your numbers, you're getting 350?

Davis: About $200,000. Our FTEs (full time enrollments) are right around 30 per year.

Dr. Cynthia Lindquist, President, Cankdeska Cikana (Little Hoop) Community College (Fort Totten): Personally, I am a product of the North Dakota university system. My Bachelor's and PhD are from UND. My success story is in part because of my time there. We do have a good relationship as tribal colleges with the NDUS. I believe the bill you are looking at exemplifies pieces and parts of that relationship and how we're trying to work better together for all of ND. We want to work together to support the students, both Indian and non-Indian, that attend our institutions. The ND Association of Tribal Colleges serves about 2800 students in ND. About 10% are non-Indian or what we call non-beneficiary students. I average seven to eight non-beneficiary students per semester at my college, so my numbers are very small and my proportion of this bill is less than $20,000 per year. However, that amount is most helpful and does go to support a position for an institutional counselor who serves all the students and other student support services activities. We also facilitate the issue of transferring our students to state institutions and/or other tribal colleges. These monies help not only the institution but also the students, particularly the non-Indian students. Non-Indian or non-beneficiary students could be Indians who are not enrolled tribal members, but typically they are non-Indians who live on or near the reservations, within the boundaries, our farm and ranch neighbors, or they may have married into our families. We are affordable and accessible to them. Regarding the increase, the sponsors of HB 1363, led by Rep. Kasper, thought the 1.2 million was a more appropriate number based on the formula. The formula is FTE based, not head count or enrollment count. When we originated this legislation four years ago, it was based on the federal legislation and what we get from the federal government for Indian students and how our institutions are funded. That authorizes $8000 per FTE for the Indian students attending tribal colleges nationally, but it's only funded right now at five to six thousand dollars per FTE. That's where the ND formula emanated from. Ours in ND is really a stand-alone, a tool for us to look at how to fund the non-Indian students attending our

colleges and how the state of ND can help support that education process for them. The increase in the governor's budget and the NDUS budget is $1 million, increased from $700,000 from the original legislation, and then HB 1363 right now is at $1.2 million. We're supportive of the $1.2 million because it is still less than what the federal legislation authorizes, but it helps us get a little bit more equity and it still goes to benefit the students.

Dr. David Gipp, President, United Tribes Technical College: See attachment 8. We are here in support of HB 1363 and we urge the approval of the requested amount, particularly the $1.2 million total. UTTC has about 675 students on its head count, including 47-50 non-beneficiary students. Many of the non-beneficiaries live in Bismarck-Mandan and the surrounding area and drive in. Many also participate in our online degree programs. They tend to be Caucasian, and are characteristically single parent with children, similar to many of our Native students that attend United Tribes. They are different in that they are immediately resident to the area. We think this is a very effective bill because it provides support to non-beneficiary students who would ordinarily not be fully funded, a need we see tremendously at UTTC. Often these students are coming from a background of poverty. We invest the money into key areas like increased counseling, support services, and help they need with some of the instruction.

Chairman Skarphol: What did your campus received last biennium?

Gipp: A total of $120,000-$150,000.

Robert "BJ" Rainbow, Jr., enrolled member, Turtle Mountain Band of Chippewa: See attachment 9.

Chairman Skarphol: You were not directly a beneficiary of this particular program, the non-beneficiary student program.

Rainbow: No.

Scott J. Davis, Executive Director, North Dakota Indian Affairs Commission: See attachment 10.

Written testimony in support of HB 1003 from Alicia Gourd, student intern with the North Dakota Indian Affairs Commission, and Deana Wiese, Executive Director of the Information Technology Council of North Dakota, was handed out. See attachments 11 and 12.

Chairman Skarphol: We will break until after floor session, then we'll come back and continue with the system budget.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/24/11 pm
13302

☐ Conference Committee

Committee Clerk Signature Meredith Traeholt

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System: North Dakota University System Office, continued, and general university system discussion.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Brought the Committee to order to discuss HB 1003. We will continue discussion of the general budget from the System Office. I do want the details. What they provided us with so far today tells us only about their requested increases. I asked for detail on the System Office, its overall operating costs and so forth. You have shown us the changes, we would like the current costs.

Laura Glatt, Vice Chancellor for Administrative Affairs: What we gave you this morning is only the System Office. The entire university system is in the binder handout. The campuses went over their pieces last week. The one thing we didn't talk about this morning that you may wish to is capital projects.

Chairman Skarphol: The document handed out this morning (attachment 2 in minutes for HB 1003 January 24, 2011), where are the salaries, the operating costs, etc? The committee is interested in the FTE numbers and office job descriptions, that kind of detail.

Glatt: That is on the schedule that is being brought down. Additional information you are requesting can be gathered for you if it doesn't have what you want.

Rep. Hawken: I was reading on the report pages, and I had not ever heard we had an office of acquisition and transfer.

Glatt: It should be articulation and transfer; that person handles articulation agreements with other institutions, and streamlines transferability of students and credit hours between campuses. I'm distributing additional schedules for information you requested during campus hearings. See attachment 1.

Chairman Skarphol: The North Dakota Experiment Station and the associated specials, is that the greenhouse?

Glatt: We will find that out. Presentation continued on attachment 1, schedule 2.

Rep. Williams: The two universities and college of science are blank, why?

Glatt: They are blank because there was neither any funding in the request or the executive recommendation related to parking lot projects specifically.

Rep. Monson: Williston State College requested money, and the governor recommended a fourth or a third of that. What happens if we don't fund anything differently, do they just build a smaller parking lot?

Glatt: That project is actually part of a larger project having to do with traffic flow and signage, improving the gateway to the campus.

Chairman Skarphol: When OMB did this, was there a particular parking lot they chose to fund, or is it just a reduction on a percentage basis? How did OMB make a decision on that?

Tammy Dolan, Office of Management and Budget: For Williston, a number of their small capital projects are related to what we call campus branding, a gateway type project. I could go back to that list and see which ones applied.

Chairman Skarphol: Is this related to the new residence hall, a redesign of the campus with the intent to service that area?

Dolan: I think the parking lot we're talking about is the main parking lot that serves multiple buildings.

Glatt: It is a multi-phase project, so this might only be phase 1.

Chairman Skarphol: Does this require a match?

Dolan: Yes, we required a $500,000 private local fund match for the project.

Glatt: Resumed presenting attachment 1 page 3.

Chairman Skarphol: Every campus is allowed to establish fees, correct? Fees are campus discretion unless there is a system-wide initiative, e.g., a technology fee.

Glatt: We have three different levels of authorization for fees, depending on the type. Some fees only the board can approve, and these are program fees, Connect ND fees, and the North Dakota Student Association fees. The board has delegated to the chancellor the authority to approve technology fees. All other fees are delegated to the presidents, with student input required on many of them.

Rep. Williams: Looking at NDSCS, 7-plus million from tuition, 3.2 million from fees, would that be because of the technological nature of the curriculum?

Glatt: Yes, in terms of the proportion of fees to tuition, the State College of Science would have either a number of program fees or high-cost course fees because of the vocational, technical nature of their program.

Chairman Skarphol: At UND it is fees associated with the law school, medical school....

Glatt: Flight fees.

Chairman Skarphol: At NDSU....

Glatt: Program fees, course fees, other mandatory fees. With a large student population, you have many students paying mandatory parking fees, student government fees, and they add up.

Chairman Skarphol: If you took fees as a percentage of tuition, there would be a really wide range.

Glatt: Yes, it varies based on student population size and kinds of programs they are delivering. There are 3 campuses that have a stake in program fees: UND, NDSU and College of Science.

Rep. Monson: I wanted to see not just June 30, 2010, but also a bit of history here. The legislature has been saying tuition has to be kept relatively flat. Have we seen campuses resort to increasing fees at a higher percentage? Is there a trend?

Glatt: We could give you this same snapshot for June 30 from prior years. Even if fees stayed the same but enrollment went up, you would see revenue growth. You would not necessarily be able to tell from the aggregate data that fees went up, it may have been enrollment. Do you want to see this data then, or how much more fees are per student?

Rep. Monson: On a per student basis would give us more information.

Glatt: You want to see fee revenues generated on a per student basis for two biennia? We'll see what we can do.

Chairman Skarphol: On UND take flight out of it, so as not to distort the picture from the typical student, if that's possible.

Glatt: We can take out the flight fees, but excluding the flight students may be more difficult, as they pay other fees. We'll see what we can do.

Chairman Skarphol: How about NDSU, do they have unique fees?

Glatt: Just program fees.

Rep. Williams: Are we going to have to be concerned with the university system substantially raising these fees in the next two years?

Bill Goetz, Chancellor, NDUS: Fees are at the forefront of review. We are looking at policy changes, a host of things that relate to fees and their appropriate use, transparency, student support. The state auditor's office is undertaking a performance audit of fees, also. This is a shared concern.

Rep. Hawken: We as legislators need to be very careful what we ask for in going back for these fees. You guys then call the colleges and make them do it, right?

Goetz: That is a concern of mine. We want to be clear what we ask for, and it is very difficult for the staff to do in a matter of days.

Glatt: We try to calculate and extract the data ourselves. If we can do that and get it in a format for presentation, then we send it out to the campuses for review. In some cases, we can't get to the data ourselves, and then we send it out to the institutions and ask them to pull and prepare the data.

Rep. Hawken: It seems each institution could send you a list of courses and the amount of fees. But maybe that's too simplistic, or not how it works. Aren't the fees listed somewhere already? Why does this require an audit, which costs money, when you can get a list?

Glatt: It is listed and we can get a report, but I fear if we gave you that report you would not find it very useful.

Rep. Martinson: I share the concern that we're always asking people to get us information that takes a lot of time and resources to compile. I think the point is, are we freezing or keeping tuition in line, and then raising fees to make up the difference. We can ask you that question directly, and you can say yes or no, and we either believe you or we don't. You could just tell us, and save yourselves a lot of work, are fees taking over?

Glatt: I wish it were that simple to answer. There are mandatory fees, which every student pays, regardless of which program they are in, like Connect ND, student government fees. Have those gone up at some campuses? Yes.

Rep. Martinson: I don't think it needs to be this complicated. Generally speaking, do you people in the office think fees are being increased to make up for a lack of tuition?

Glatt: In terms of mandatory fees, absolutely not, because they are not used to support the instructional mission of the campus. However, program fees and course fees are intended to support the academic mission. In the last two years have we seen a huge increase in existing program fees? No. New program fees have come on board. Course fees are at the discretion of the institution, so we don't monitor all of them.

Goetz: Your question is precisely why we are looking at fees and will continue to look at fees over the next 6-12 months. In answer to your question, yes, there is concern. To what point that concern is valid is yet to be determined. We want increased transparency of fees, and are following up on it as a continuation of our tuition and fee task force.

Rep. Williams: I'm going to suggest something. We have talked about freezing tuition at the four-year colleges for the next biennium and 2.5 in other areas. What if we froze existing fees for existing programs at the same time for the next biennium?

Goetz: I would have strong reservations about doing that. These are program related, there are any number of variables in them. To not have the flexibility to adjust program specific fees would present a problem.

Rep. Monson: If you are planning to find this information out anyway, about fees and trends, could you do a preliminary test run of this and ask them for the information?

Goetz: We can create some type of profile of how the issue will be approached, based on your concerns and requests.

Chairman Skarphol: Have you at this point in time collected the data from the campuses that would allow you to provide us with a profile of the fees at each campus, and the fee per student? Without a cumulative dollar amount, just on a per student basis. Is that something you have at your office and could just query a computer database?

Glatt: Do you mean revenue per student or the actual fee that each student pays?

Chairman Skarphol: Is it possible to provide it on a cost per student basis?

Glatt: For the state board of higher ed tuition and fee task force, we did a multi-year history on changes in mandatory fees by campus, so we have a multi-year trend of mandatory fee increases. What becomes more difficult is factoring in course fees and program fees, which not every student pays, only a select group does. We can give you a schedule with multi-year history on program fees. Those are already done.

Rep. Dosch: Who actually sets the tuition at the campuses?

Glatt: The board sets a percentage increase maximum. Last time it was 3.5%. Campuses could do less, but they cannot exceed the maximum.

Chairman Skarphol: How do they determine that?

Glatt: This biennium, it was defined by the legislature. The legislature said maximum 4%, the board said 3.5%. The board comes at it two ways. They get the input from the presidents and the chancellor on what they think is reasonable, and we also present to the board a comprehensive affordability report before they establish tuition rates. That looks at tuition, fees, room, board, total costs; how is that changing in state, how do we compare with our competitors, and what are some of the factors driving costs up. The board also looks at taxpayers' ability to pay, and those least able to afford college.

Rep. Monson: Do any actually set less than the max?

Glatt: No. The reason the board allows the campuses some flexibility is they have a different competitive pressures. If they want to go a bit lower to stay competitive in the market, they have the ability to do that.

Rep. Monson: The only reason I can think of that they would set it less is if they thought they had to come in less to be competitive.

Rep. Hawken: Philosophically, are we required to provide a college education for every student in the state? What if we didn't restrict tuition and made it a competitive market? Have you ever talked about that and what would happen as a different kind of funding formula, as opposed to equity and parity? Has that discussion happened at the board level?

Glatt: It has, on a case by case basis. The tuition study we're engaged in will let us look at what is the best approach to pricing. We all have in the back of our mind, though, the political realities of being able to do such a thing. Also, the way students come to us and the way we deliver education is changing.

Rep. Dosch: Who is conducting that study, and how do you define your competitive area?

Glatt: The 11 campuses and our office are engaged in that tuition study. At some point we'll take it back to the board, thought they are already aware of it. They would be the ultimate authority on whether or not we proceed with any changes. Our competitive market can be addressed two ways. When we look at it from a system-wide perspective, we typically look at our regional states. When you drill it down to campus level, they usually look at some additional areas, such as if they offer specialized programs.

Chairman Skarphol: If you were wanting to contract with an objective third party to do this tuition study, are there entities out there capable of and reputable enough to give you that information? How do we get objective information about appropriateness of tuition levels?

Glatt: As part of our current tuition study, UND and NDSU suggested we engage a consultant to do a price elasticity study. This would be to find at what point in changing prices you start impacting enrollment. UND identified and interviewed with a couple of firms to assist with that, but it was very cost prohibitive. There are firms out there, that aren't higher ed organizations, but you pay for them.

Chairman Skarphol: Cost prohibitive might be the opinion from one perspective, but might not from another perspective.

Robert Vallie, Executive Commissioner for Governmental Relations and Intercollegiate Affairs, NDSU Student Government: Both professionally as well as by being a poor student, there are concerns over tuition caps and freezes, and student fees. We college students don't know everything, but what we feel we've seen in recent years is that administrators want to keep tuition at a reasonable rate, they want as many students as humanly possible to be provided that education. Especially today, it is not as easy to go from high school to a solid-paying job to support yourself and your family. We recognize the challenge of finding the price that is reasonable for students to be able to pay it as well

as allow the institution to keep the lights on. From our perspective, there are times fees can be looked to, potentially, to make up additional revenue when something needs to be paid for and the funds can't be collected through tuition due to caps and freezes. That is not always the case, but there have been times it has happened or was considered. We are fortunate at our institution that we have leaders that not only like but demand student input on these concerns. Fees and the potential of what can be done with them is a concern to students, especially when it gets to a point where a significant portion of your overall bill is fees rather than just books, room and board, etc.

Chairman Skarphol: If students decide to increase fees for an emergency, does the fee go away? If the situation doesn't go away wouldn't it be appropriate to transfer it over to tuition and let the fee go away again?

Vallie: My understanding, from my experience and research, is that of the fees that student government does control, there has never been a provision where we have declared an emergency and placed an emergency fee on something. If we increase fees, it's usually because it's been five or six years since we've done so and we are trying to meet the needs of inflation or other factors to make sure our books are balanced. I'm not sure how it would be handled if it was an emergency that carried over.

Rep. Monson: Do you feel that your college is a bargain, a decent value, or too expensive for what you get.

Vallie: The second option is what I'd have to go with. Other states are freezing enrollment or hiking tuition, with unfortunate consequences. Here we have a state government willing to support higher education. The education we're getting in ND, considering what we are paying, what we could be paying with unrestricted tuition raises, I'd say we are getting a very solid education.

Glatt: Resumed presenting on attachment 1 page 4. We have vacant positions that have money attached to them and vacant positions that do not have money attached, column 11 includes both. If you are only interested in funded positions, the numbers will be different.

Chairman Skarphol: Can you make a guess what number of the 532 are special or federal funded, that we don't need to be concerned about?

Glatt: I hate to venture a guess. It varies by campus. Continued explanation onto page 5 of attachment.

Chairman Skarphol: Sales and services amounts include revenue from dorms, dining, parking....

Glatt: There could also be some funds in non-operating revenues, which is a small portion of the overall revenues, and could include some scholarship and loan dollars. They're not revenues that support the institution but are provided to the student. Moving on to capital projects, you can go to page 37 in the University System binder, in the yellow book, behind the second red tab which says 11-13 budget. Presented on the information.

Chairman Skarphol: Have any of the projects listed here been previously authorized, like the Bison Sports Arena for 29 million?

Glatt: That one is a reauthorization. Many times a campus will come in with a project, you authorize it, and then they find over the course of those two years that they didn't generate the revenue they thought they would. Then we come back the next biennium and ask for them again. The same project could occur in three different biennial appropriations. Presentation resumed.

Chairman Skarphol: On the research greenhouse (section 5), there's 6.9 million in state general funds and 2.5 in other, is that a reflection of the original required match?

Glatt: It wasn't a required match, they are just saying they believe they can generate that much from private and grant sources. It is in addition to what they may already have collected. Presentation resumed. Also, there were some things that came to the board after the executive budget was released, causing a few differences in numbers, due to timing issues of when some costs came to light. Handed out attachment 2, and then returned to binder presentation.

Dolan: We looked at those seven projects and looked at all the projects that were related to the entrance to the campus, the branding, signage, etc., and basically combined those into one large capital project instead of showing them as smaller projects. You'll see it doesn't add up to exactly 1.5 million, the amount in the budget, but based on the history of the cost increases in Williston for their projects, we wanted to leave a little flexibility for them.

Rep. Monson: You've got 1.5 million here, and less than half a million we were talking about earlier for parking lots, that was a major project and this is a small to medium? Do they add together or how does that work?

Dolan: The parking lot repairs number should be part of the $1.5 million capital project. The 1.5 is inclusive of everything.

Glatt: Added that on the schedules in attachment 1, there is a note on column 9 page 2 that the number is included in their major capital projects appropriation.

Chairman Skarphol: Most parking lots on campuses are revenue generating, aren't they?

Glatt: It varies greatly by campus. Some have mandatory parking fees, especially larger campuses, used to support parking. Smaller campuses may not charge any parking fee. Some do parking permits, fines, or both.

Rep. Williams: Why did we jump from funding number 5, on page 37 in the binder, to number 25, the Stoxen Library?

Dolan: That project was considered last biennium, and because it had made it through the legislature last session, we included funding for it in our budget this time at the same level.

Glatt: Handed out and explained attachment 3.

Chairman Skarphol: At this point we're going to take public comment.

Robert Lengenfelder: Last semester I went to Dickinson State. I ran in District 47 in Bismarck as an independent. If we want to think about morals and ethics, how we want to treat our kids, and attrition rates of kids leaving the state, we have to think of tuition. It's a constitutional thing. There are many ways you can cut tuition. If NDSU were a business, it would have gone out of business 60 years ago, because of its model. One thing they could do is have high school students take more college classes, while they're in high school, and have those count towards their first two years of college. Another thing they can do is increase the number of CLEP classes. You were speaking about fees earlier. In 1993 when I first went to BSC, I was in student government. At every group I went to with the board, they always had something to add to student fees. Students can't afford that. There is a constant raise of fees. I don't think fees and tuition should even be separate, they should be added together, because it's a misnomer. The other tremendous cost to students is books. From my perspective as a student, it does not appear to me that NDSU has as its focus the students. Its focus is to itself and its own bureaucracy. They don't seem to be creative. I went to DSU online and I tried to get a tutor; I couldn't get one because I wasn't at Dickinson State. I went house to house and must have visited at least a thousand people, and when I mentioned the four year costs of going to college at $24,000, which is quoted by NDSU, I got laughed out of the house. They said, that's not correct, try $40,000. If these students have these huge debts when they get out of college, are they going to stay in ND? They're going to have to go out of state to pay off those loans. By having these high tuitions and not lowering them, we are causing the attrition of our students to other states.

Chairman Skarphol: It is a dilemma for all of us, to get it in balance.

Lengenfelder: Students and parents are frustrated with the costs. Also, Bismarck-Mandan is a big population center in our state, and there is no four year public college. All of ND needs to work together on these education issues. Under the state constitution, more degrees could be added, to BSC for example.

Chairman Skarphol: So you want the committee to address tuition rates, because they are too high. But you also want us to increase the access to citizens in the Bismarck-Mandan area to more diverse opportunities.

Lengenfelder: Families are being separated because they go to Fargo or Grand Forks to pursue a higher education or degree, and they can't always make it back together. If something is on the internet, why do we still have to pay a lot of fees? It should cost a lower amount if you're online. I've dealt with NDUS as a student, and if you think it's hard getting answers out of them, wait until you're a student.

Chairman Skarphol: Do you believe we should increase the amount of money we spend in general fund appropriations for higher education, to control the tuition and increase the access and opportunities?

Lengenfelder: If NDUS was run like a business, you would lower tuition so low, compared to other states, that people would come flocking to ND to come to school. There is a lot of money going from the state to the university system. The legislature should make NDSU accountable for what they do. The efficiencies are not there. They need more oversight. I would be for a constitutional amendment giving the legislature more control.

Rep. Monson: Rather than the legislature crunching down, would we be wiser to take our hands off and let it be run like a business, and let each college set its own tuition and let the competition and marketplace take care of it? We've been in both places. Your suggestion would be more hands off, we won't fund it.

Lengenfelder: That would be unconstitutional though. The state constitution says the legislature has to fund higher education.

Rep. Monson: To a degree, but we could take our fingers off the switch and say, do what you want with the tuition, let each one set their own. They would have to run on tuition money; be careful what you wish for because you just might get it.

Lengenfelder: Another fact is it takes longer than 4 years for many people to get their degrees. The absolute inflexibility of NDSU to work with students that have kids is profound. If you ask them to do something, their only response is 'read the guidelines.' They are a classic bureaucracy.

Chairman Skarphol: We would like to think that we are moving in the directions you're suggesting for improving things for students, and have made significant gains in that regard. I believe there is a lot of effort being made to address many of the things you've asked for. Some of these problems aren't confined just to higher education. We appreciate your remarks. Committee, we'll adjourn until tomorrow morning.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
1/25/11
13406

☐ Conference Committee

Committee Clerk Signature Meredith Trachsel

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the North Dakota University System: University of North Dakota School of Medicine

Minutes: Attachments # 1,2,3.

Chairman Skarphol: Began the Hearing on HB 1003 UND School of Medicine.

Dr. Robert Kelley, President, University of North Dakota (UND): Introduced Dr. Wynne.

Dr. Joshua Wynne, Vice President for Health Affairs and Dean of the School of Medicine and Health Sciences, UND: Provided testimony, see attachment 1.

Randy Eken, Associate Dean for Administration and Finance: See attachment 1 beginning page 4, and attachment 2.

Chairman Skarphol: Do you have a dilemma here? You expended more than half by the first year.

Eken: No, all of our funds are in a positive cash-balance position right now. Continued on attachment 2 page 3.

Chairman Skarphol: The revenue for these operations are grants and contracts from primarily federal government?

Eken: About 83% of the grants and contracts come from federal sources. The remainder is mostly from foundations or other private sector funds. About 2/3 of expenditures are spent on research, the remainder is on community service, public service.

Chairman Skarphol: Have grant dollars been moving up and should we expect them to stay there?

Eken: We see no drop off. The faculty are working hard at submitting grants.

Chairman Skarphol: Are there general fund expenditures in this category at all, or is it 100% grant funded?

Eken: 100% grant funds. Continued on attachment 2 page 4.

Chairman Skarphol: Can you guess as to how much additional revenue on page 5?

Eken: We should be able to purchase most of the system with the $225,000. Ongoing staffing and training will be paid through normal operating funds within the clinic. Continued with attachment 2 page 6.

Dave Molmen, Chief Executive Officer, Altru Health System, and Chair, School of Medicine and Health Sciences Advisory Council: Presented attachment 3, the First Biennial Report on Health Issues for the State of North Dakota.

Wynne: Continued with attachment 1 page 6.

Dr. Charles Peterson, Professor and Dean of the College of Pharmacy, Nursing and Allied Sciences at North Dakota State University (NDSU): See attachment 1 page 6.

Rep. Monson: Does anyone in the state or nation offer a Bachelor's in public health?

Peterson: Yes, there are various degree programs in public health, including baccalaureate, masters, and doctoral levels.

Wynne: UND is proposing an undergraduate degree in public health education, though I am not sure about the current status.

Rep. Monson: I thought I heard this would be the first in the nation.

Peterson: There are several master of public health degree programs across the nation. None are configured like ours, with the partnership between two schools of medicine and pharmacy, and our program will focus specifically on rural areas.

Chairman Skarphol: What should we anticipate for recurring costs?

Wynne: We will provide that to you. Most of the growth will be through tuition.

Rep. Dosch: What will an individual with a Masters of Public Health do?

Peterson: The focus of these individuals would be community education programs and intervention that would help improve lifestyles, specifically in areas that do not have access to health care.

Rep. Dosch: In Bismarck, a public health nurse already takes care of these problems. How is this different?

Wynne: There are three major groups we think will be interested in this. The first is precisely the health care workers you are talking about. Dr. Terry Dwelle, the State Health Officer, was one of the initiators of this program. There are hundreds of public health workers throughout the state. Dr. Dwelle feels they need additional training to carry out their duties. The second group is physicians and other providers. We are looking for a community-focused approach to public health. The third group is administrators and other supervisors that work in clinics and critical-access hospitals, where many don't have the training and skills to optimize their performance.

Chairman Skarphol: What kind of workforce do we anticipate will result from this program?

Wynne: From the standpoint of workers already in the state and associated with the health department, Dr. Dwelle estimated hundreds. Not all would be for a degree program. There will also be a certificate program developed.

Peterson: Public health activities cannot keep up with the demand. This is not to usurp the responsibilities of the nurse. This goes beyond discipline-specific activities. Half of the public health workforce is projected to be lost, due to retirement or changing jobs, over the next four or five years. We want to be able to utilize those health professionals we have, add to the workforce, and expand our capability of doing health promotion and disease prevention at all levels of healthcare.

Chairman Skarphol: The updated plan is to add 8 students at $1.779 million, from page 90 of attachment 3. If you do that, do you need an additional appropriation? If we commence that, what are the implications three years from now?

Wynne: That proposal was not included in the Executive Budget. We feel it is critical to initiate the increase in the class size, even though space is tight. The hope is for an interim study and a decision to go with the full program. If we initiate this, start the students, but then you decide not to fund this anymore and there is no funding for a new building or the full implementation, there would be a moral obligation to see these initial 8, 15, and 9 students from page 90 through. The total costs for these students with no further expansion would be $6 million, including the $1.8 million here.

Chairman Skarphol: You had mentioned previously if we went to the full program expansion, it would be $43 million that would be requested.

Wynne: We can bring those data back for everyone to see, the way it was presented was both total and incremental costs. It builds on what is done before. There are two reasons the numbers escalate. One, you have students added to students. When we say 16 students, when it's fully implemented four years down the road, it is 64 students. The really big cost is point number two, the residency costs. This is critical, because 2 out of 3 students who go to our school and do their residency in North Dakota, stay. If we provide the attractive residencies that I think we can, we have the best chance of keeping them. I also believe at some point the federal government is going to step in and help, reducing state costs. The problems we have are not unique to ND. Medical schools are increasing

medical school class size but are not increasing residencies at the same rate, and that prevents us from getting more doctors out of the programs. That's what our proposal is.

Rep. Dosch: How many residency slots do we currently have?

Wynne: UND has 96 and Altru Health System has 15.

Chairman Skarphol: Please provide us with a spreadsheet showing your programs.

Rep. Dosch: You graduate about 55 doctors a year, but have 96 residency slots?

Wynne: The 96 is for multiple years, because the average residency is a little over three years. For a graduating class of 55, there are roughly 30-35 first year, or finishing, residency slots. That ratio of the number of residencies to the number of students is the lowest in the country. The nationwide average is 1.1. In ND it is .42 over time.

Rep. Dosch: You indicated under your proposal you wanted to establish 17 new slots.

Wynne: National organizations have suggested a 30% increase in class size is required to meet the physician shortage, which is where the 16 additional students in our full proposal comes from. We wanted to match the additional medical student slots with residency slots. The ideas is that this maximizes the chance we'll retain them in state.

Rep. Dosch: Those who go to medical school but don't do their residency in North Dakota, two out of three will leave and not come back. Are there any proposals to better retain these people, give them incentives to stay, or to help offset the difference in cost to train the medical students who leave? One idea would be a student loan forgiveness policy, related to in-state practice.

Wynne: One out of three who just go to medical school here leave the state, but it is not the case that they never come back. Some students, to get the requisite training, have to go out of state because we don't or can't provide the residency training here, and they fully intend to come back to the state. The goal of our proposal is increased retention. We believe the admission process is part of the way of addressing this. It's hard to predict who will stay or practice in a rural area, but we can admit more students who have rural backgrounds, and enhance their opportunities in rural areas. There is also the goal of reducing disease burden, that's why the MPH and geriatrics programs are important. The third part is increased class size for the reasons we discussed. But retention will account for half of the physicians we need. We want residency slots that meet the health care needs of ND and are attractive to our students. The last issue, tuition, is one we've given considerable thought to. Physicians tend to do well financially but the people of ND are subsidizing their education. However, if tuition were raised, it might drive them out of state to a cheaper place. Students are concerned about making a long-term commitment early on in medical school, such as is required for some loan-forgiveness programs. I'm concerned there might be some perverse outcomes if not handled very carefully, with lots of student feedback. We need to get started on these goals and we need your support.

Vice Chairman Hawken: Any other questions or testimony? This hearing is closed.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
2/7/11
14126

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

To discuss the NDUS Budget.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: The committee was called together to discuss the North Dakota University System budget. Referring the Committee to p. 3 of Handout # 1, HB 1003, the proposed changes. This is a compilation of items that could be removed from this budget. This summarizes our discussions and we can review the items. The front sheet of that document is out of the green book provided by the Office of Management and Budget and it gives us some summary of what is not incorporated on here is the $5M under # 9, p. 2 of Handout # 1. Referring to # 10 on p. 2 is $1M from the General Fund for a start up fund available to campus to allow some flexibility to two year campuses. Explaining that he is touching on the ones that are not listed on p. 3. If they don't want to carry forward they may not need it in the base. What was carried forward, just add it to the base because it was left as carryover. That would be all of the smaller amounts and under item #s 1 and 2 is limiting tuition and # 3 is removing the equity funding to the campuses, # 4 is funding for the Stoxen Library and # 5 is the diesel tech building at Wahpeton. As I said, if you go back to the front page, there is $5M for the performance funding scenario from the Governor's proposal

Rep. Hawken: .....that was because it would be a change over from the funding formula we have now from the parity and equity stuff. If we fund it, it would change it to some degree. We've already decided what the performance pay was going to pay.

Chairman Skarphol: Would it be more logical to take the 3% that is included in parity and tell them to use that?

Rep. Hawken: I don't think you can use that.

Chairman Skarphol: You can't because you don't need to assume that they are entitled to 3%. We can pay them for performance based on their performance and if it is good they get more than 3%....

Rep. Hawken: But it is after the fact. I don't know that you can do that backwards because you still have kids, professionals, buildings and all the rest of it. I don't think you can do it backwards. You have to fund it.

Chairman Skarphol: Parity includes a raise. A 3% raise.

Rep. Hawken: You can take that out. You don't have to give them raises.

Chairman Skarphol: And allow that to be used for the performance funding if they so desire.

Rep. Hawken: But isn't parity more than that?

Chairman Skarphol: Yes, there is the health insurance and utilities but if the parity number is $32.6M from the general fund for campus parity. Addressing Brady Larson, Legislative Council Representative or Tammy Dolan OMB Analyst, can you tell me what percent of that is a salary increase, what percent is health insurance, utility costs; can you break that down quickly? It can be found on p. 1 of Handout # 1, item # 2.
Pages are numbered for reference.
Tammy, there are $32.6M in that parity number. What percent is health insurance?

Dolan: (Inaudible)

Chairman Skarphol: 9.8%?

Dolan: Each campus is different in the way they calculate it based on the type of utilities they have and their heat sources. 9.8% of the $32.6M.

Chairman Skarphol: We are still not at 100% but we are close, we are between 96-97%.

Dolan: .....The health insurance increase is 11.5%, the 2011-'13 increase which is the 3%, annual increase is 50.2%, utility increases for existing buildings is 9.8%, and utility costs for new buildings that are coming on line during the biennium is 2.2%.

Rep. Hawken: Why wasn't the salary increase in the last biennium? Why are we doing that now?

Dolan: That is a factor in every single budget that has salaries.
For the 2009-'11 biennium we had the salary increase that was given on July 1, 2010. That was only given for 12 months of the biennium because it started in the mid point of the biennium. In the '11-'13 we have to pay that salary increase for 24 months versus the 12 months.

Rep.Hawken: My question is, when we gave them the raise in the last Legislative Session did we not say it was 4 and 4 or whatever? Didn't we budget it then?

Dolan: We budgeted it for the 12 months of the...

Rep. Hawken: Why didn't we budget for the full 24?

Dolan: Because you would have inflated their budgets, you gave them the amount of money that they needed to spend during the 2009-11biennium. The impact of that is that for the '11-'13 biennium, you need to fund that second year salary increase for 24 months.

Rep. Hawken: I see what you are saying.

Dolan: It is because of the timing of the second year salary increase.

Rep. Dosch: Addressing Chairman Skarphol, I think you are right on. Let's keep that line item but subtract it out of their parity. If they do their job like they should be doing, they will get the money.

Chairman Skarphol: You are saying, allow them to keep the $5M but take it out of the parity line as opposed to a new general fund appropriation.

Rep. Hawken: I think it is real easy to throw out things like do their job. What does that mean? The idea from the Governor was to set up some parameters of what you would utilize for performance funding. What would you pay, what is performance funding? It is doing their job, they are allotted six days.

Chairman Skarphol: The Governor's commission is going to establish what performance funding will be. If the Governor's commission passes, it will establish ....when that commission starts to meet, it will take them a period of time to Use the 3% and use it for performance pay. Why should we give them $5M when they are not going to distribute it until the second half of the biennium and maybe even or in the biennium at all?

Rep. Hawken: I don't disagree with one thing you are saying. I disagree with is unless we are going to say is we are not giving you any raises. You still have to fund the second half of the biennium. Then if you want to take the rest of it off, it is a slash in higher ed salaries.

Chairman Skarphol: Some of us think that higher education should be grateful for the fact that they are not getting cut. By allowing $5M of the $32M to be used for pay for performance funding, if it ever gets implemented in the biennium would reward those who have performed above and beyond. Raise can be used for performance funding.
$32.6M What percent is salaries, utilities?

Rep. Hawken: If in fact we knew what it was. I would agree with you but since we don't, it is really not fair.

Chairman Skarphol: If that is the case we shouldn't fund it until we get a better definition.

Rep.Hawken: Agree.

Chairman Skarphol: Then we should take the $5M out.

Rep.Hawken: If we are not going to have a commission.

Chairman Skarphol: That has not been decided

Rep. Hawken: I think if heard we are not having it.

Chairman Skarphol: the K-12 Commission was an Executive order and not a legislative initiative.

Rep. Hawken: You know I like it, so...

Chairman Skarphol: What is reflected on p. 3, (Handout # 1) is what this committee wants to do.

Rep. Hawken: I am not so sure...

Chairman Skarphol: It is part of...

Rep. Hawken: I have absolutely no problem doing a little bit more there. I get concerned without physically being on every campus, I don't know what...

Chairman Skarphol: If you say that you are not sure that it is enough, then what else?

Rep. Hawken: We need to look at what the budget is, you don't want to dismantle it unless we just want them all fired and start over.

Chairman Skarphol: This document, referring to Handout # 1, gives you a summary of what is in the budget.

Rep. Hawken: I am just talking about the System Office.

Chairman Skarphol: Do we need to give Brady more direction than what we have here? Are we interested in taking out the $5M for the student completion rates? Hearing the affirmative, that should be added to the list.

Rep. Hawken: Referring to # 10, if it is going to be there....

Chairman Skarphol: That's the flexibility money that the two year institutions would have...

Rep. Hawken: Then it shouldn't be in commerce where we have $2M. It is similar.

Dolan: The difference between those two is, the $1M is for expanding and initiating new academic programs. Such as start up of their new wind tower program. So they can start up more quickly rather than have to wait for another program to close down. This money goes to the campus for the academic and technical needs they have for those programs. The other one is straight Workforce initiatives, not necessarily academic programs.

Chairman Skarphol: The $2M?

Dolan: Yes, mainly for non credit type programs for workforce needs.

Chairman Skarphol: You said they would have this money to initiate new programs until they got the other ones shut down. So if they are going to start a new program and shut one down, let's make this into a revolving type of scenario to where the one that shuts down has to put the money back into this million dollar fund in order to perpetuate the opportunity to do additional new programs. If that is legitimately the reason for the money that it gives them the opportunity to start up new programs while they are shutting something else down... That provides extra revenue for the million dollar pool, is that a correct scenario?

Dolan: That could be a scenario but it could be that they have to start a new program and they are not shutting something down, too.

Rep. Monson: You are assuming that one starts up and one shuts down at that same campus, or on other campuses and the pool of money is used where ever there is the greatest need to start it up. It is the two year.

Dolan: That would be our intent but it is a line item in the system office budget similar to other line items where the board would determine where to spread out. The campus would probably come with an application or a proposal for this new program that they would want to start. It would not necessarily fund the whole program.

Rep. Martinson: That is really where the money is. If we are really a system that is the way the money ought to be so that if Bismarck wants to start a new program and Wahpeton is ending a program.

Chairman Skarphol: That would be my vision of..

Rep. Martinson: We should create a University System, sometime. That is not a bad idea. Laughter.

Rep.Hawken: In the Career and Technical budget there are grants for post secondary which was exactly the same as this for $357,000. This is for developing curriculum.

Dolan: Would have to consult .....

Larson: I am not familiar with that.

Rep. Martinson: Wahpeton had a welding system that they were not using and Bismarck wanted it because they have more students. Wahpeton wanted $250,000 for it. If you were a system they would be asked to send it to Bismarck.

Rep. Hawken: Or schedule it.

Rep. Williams: Repeat that.

Rep. Martinson: Last time we were told that Wahpeton had a mobile welding type vehicle but not enough students. Bismarck had enough students and wanted it but Wahpeton said they would sell it to them for $250,000.

Chairman Skarphol: Excuses himself for another meeting.

Rep. Monson: This would be the two years because the four universities would have a big enough pool of money they could do this on their own without a million dollars.

Rep. Hawken: I think we put the $1M in because training is different. If you have a specialized diesel class that is needed you don't want to wait until next fall.

Meeting adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
2/10/11
14329

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Committee to order to discuss HB 1003, the budget.

Rep. Martinson: Move to reconsider our action by which we appropriated the $5M carry over from the High Plains Energy Center to Bismarck State College for the renovation of the fourth floor.

Rep. Hawken: Second

Rep. Monson: Your motion is to move the whole amount? Just the building.

Rep. Martinson: I haven't made a motion to move anything, just to reconsider so that we can talk about it.

Voice Vote Carries

Rep. Martinson: I would move to take $4.335M from the $5M carry over from the High Plains Energy Center and transfer that to HB 1003 for the renovation of the fourth floor of the National Energy Center of Excellence at Bismarck State College. Basically, what we are doing is adding the money from the Commerce Department. HB 1018 to higher Ed HB 1003.

Rep. Hawken: Second

Chairman Skarphol: There could be the perception that we are trying to hide something.

Motion Carries 6-0-0

Rep. Martinson: To respond to the Nekoma deal, that is still there, right?

Chairman Skarphol: I don't know that it should be affected.

Rep. Williams: I have a great appreciation for Mr. Martinson's transparency.

Rep. Monson: that motion was dealing with HB 1018, correct?

Chairman Skarphol: Requests a copy of Attachment # 1 be provided to Chancellor Goetz. This has been the result of discussion over several days. These are the things that the Committee feels they want to address. The only change that we made was is that we did transfer the money from the Commerce budget, the largest portion of the $5M from High Plains Energy Center at BSC that never got built, and moved $4.335M to this bill for the renovation of the fourth floor of the National Energy Center of Excellence at Bismarck State College. We have extensive discussion about all of these particular issues and Rep. Hawken has a question she would like to ask.

Rep. Hawken: Addressing the carry-over moneys for the office, what truly upset me about these pieces is that it then went to the base. This grows the base, it is not that they were hidden, but it was not articulated that they went to the base. I have tried to convince my colleagues that we need to be more trusting. When is see this, I wonder what else is there? I did not know that there are 74 people on the NDSU campus that really belong to you and IT. When I say "How many people are there who work for the system?", 26 really is not the right answer. Then there is an internal auditor who is being shared by all of the campuses and they seem to be fine with it. But, it has been extremely distressing. Maybe you can help me with that.

Bill Goetz, Chancellor: As far as the carryover becoming a part of the base, that is a procedure on going, no attempt to hide anything. OMB has been very much aware of this but rather the process that...

Rep. Hawken: It appeared to be hidden because we asked why the base had grown so much. If it was just a procedural thing I would hope that in the future that stuff is mapped out. It should be separate

Goetz: I acknowledge that and I first became aware of it recently myself. Employees, the North Dakota University Office System of 25-26 FTE, and we have the System Information Technology Services (SITS) operation that is located both at NDSU and UND.

Chairman Skarphol: There should be a better articulated data report. From my information the Data center is at UND in Grand Forks. Why are 27 people in Grand Forks and 74 people at NDSU?

Goetz: I can get that breakout as to Randall Thursby"s, Chief Information Officer, oversight of this and what these individual's tasks are. If we need to segment that staffing we can do that.

Chairman Skarphol: Referring to the Green Sheet, the growth in that particular area, the cost of technology. To the extent you can, can you explain the level of significant growth that has been seen over the years. What is happening that would drive that?

Goetz: The telecommunications, the tie of the student services piece that has grown in terms of centralized services versus having those services on each individual campus, has been a part of that. Technology is becoming more a part of our delivery system is significant. I would need an analysis done on why and where that increase has been.

Chairman Skarphol: Addressing Brady Larson, Legislative Council Representative, do you have any information on such areas as Bandwidth?

Larson: Are you discussing prior increases?

Chairman Skarphol: Bandwidth costs have gone up if you look at the traffic that is generated in higher education. Do you have any kind of document that reflects that?

Larson: I can get that report on prior increases.

Chairman Skarphol: Yes, get that for us. I understand that there have been some Bandwidth increases. The utilization has doubled. That may be part of the escalation in cost. What are we doing that is doubling the cost and is it necessary. It is likely not a result of Northern Tier. That is a separate cost.

Goetz: Will get a report.
Addressing Rep. Hawken to be sure all questions are answered.

Rep. Hawken: Expresses forthrightness of Mr. Goetz. The concerns with leaving equity funding where it is they are in a crises mode. Some members think that they have too many students and that is their own fault. We fund our colleges right now. We are taking away a portion of the funding.

Goetz: The current funding plan is troubling. From day one the Peer concept has been an issue. There are inequities. Troubling also is how we fund community colleges. We have to give weight to those programs and how they are funded.

Rep. Martinson: This did not come from Dr. Skogen but how are presidents' salaries determined?

Goetz: It is based on three tiers, the two research universities, based on national data. Likewise the regional universities and then the community colleges. The guidelines established by the compensation task force committee is where it is at.

Rep. Martinson: Comparing President's salaries at BSC and Mayville and the number of students at each, is this fair?

Goetz: In all honesty, no.

Chairman Skarphol: Along those same lines that NDSU is most affected by the equity dollars. If we are going to do something, maybe we ought to be considering investing in

deferred maintenance. If we were going to do that, we would like information provided that would give us a capability of knowing and evaluating how to maximize any money put in. If we put X number of dollars in to something that would reduce the deferred maintenance by 1/2X somewhat specifically by campus so we could see if that would reduce deferred maintenance costs fairly substantially along with the investment. As in Mayville, when we built the new building it took off 62%. That is the type of information that the Committee would like to see for the purpose of discussion. You could generate that information in various ways.

Rep. Hawken: We passed a bill that would change your job description. It would fund the three tiers in a different way but would give opportunities for success. Last session $1.5M went for the four year campuses, instead of it being a plan from the campuses. And that also went to the base. Not all those campuses are the same yet they all received it. We continue to do that and it is troubling.

Goetz: The $1.5M that was appropriated was the Science, Technology, Engineering and Math (STEM) initiative, part of it was the base and granted out to the campuses. It was to the system and granted out to the schools based upon a grant proposal they were to be diversified in approach as to how we can further enhance STEM across the state.

Rep. Hawken: They were $250,000 to each. Were those proposals equal?

Goetz: There was a lot of time spent in the initial write of those grants and the rewrites, review by the board, a very thorough analysis. A conference was held following that to gain best practices. That was money well spent a great tie to K-12..

Chairman Skarphol: It was a developed curricula. Once it is developed curricula is there not an ongoing cost?

Goetz: More than curricula, there was soft ware, equipment expenditures, tieing K-12 into the regional education areas. University faculty is working with K-12 to enhance professional development. There are great differences across the state to improve K-12. All of this information was put together, consolidated to arrive at best practices for the K-12 teaching profession.

Chairman Skarphol: What you said sounds like a onetime cost rather than ongoing. The cost should not be recurring for that.
Requesting an opinion from Randall Thursby on campus unity.

Rep. Hawken: There was mention that a construction manager person was going to be hired. We do not think this is a good thing to do. Comparing that to sharing an auditor.
I would like to see you not do that.

Goetz: Explains rational for the proposal. When campuses come with their capital construction proposals there is challenge to determine accuracy of construction costs. Good information in terms of the project purpose, construction management. It is being focused here.

Rep. Hawken: I think there are other things in place that could do that.

Goetz: I wish you could see the experience that we go through in the duration of two years as it relates to capital construction projects. Yes, NDSU is in good shape having the resources in that area. UND is very good but when you look at what is going on in other campuses, manage the situation, we need good information. When you think of the $10Ms of dollars in deferred maintenance in capital construction it would in turn be a savings, in the end. In terms of good stewardship in what is going on in the campuses and the information that I receive in my office. Stewardship of the taxpayers' dollars is the intent.

Chairman Skarphol: Senator Christmann thought about introducing a piece of legislation that would put the management of construction of higher education facilities under the auspices of Facilities Management to take the responsibility for construction on campuses. Would it be of value to higher education to have some other objective, subjectively to give validity to the information for the purposes of higher education. He was told it is unconstitutional. Would there be resistance from the board for that type of concept?

Goetz: That has a lot of merit. Several sessions ago there was a position created but it is in OMB. I am grasping for some support to legitimize the process and the information I receive. I am not comfortable with the way Capital projects are handled. There is that responsibility especially after what has happened.

Meeting adjourned

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
2/11/11
14431, 14437, 14443

☐ Conference Committee

Committee Clerk Signature Julia Heiser

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency.

Minutes: Job # 14431

You may make reference to attachments ONE-THREE

Chairman Skarphol: The Committee came to order to discuss HB 1003, The University System Budget, starting with pgs 37-38 of the yellow book in the University system budget book (NDSU Major Capital Projects Priorities, Comparison of SBHE request/priorities to executive recommendation), examining renovation, addition, new construction, revenue sources (labeled as attachment **THREE**).

Rep. Dosch: what assurances do we have that there is a sufficient revenue stream to pay for the bonds or operations of these? How do we know that these special funded projects are going to be self sustaining and that we aren't going to see them next biennium on the budget, requesting more operating funds to operate?
Chairman Skarphol: Addressing **Roxanne Woeste, Legislative Council Representative** for an explanation. Would the revenue produced by the pay the operating cost?

Woeste: typically that is correct. Of course it can't be guaranteed that they won't ask for further payment for operating expenses for buildings built with special funds.

Rep. Dosch: We see where the bond payment is part of their operating budget. How do we know that we are going to build it, but then we're not going to see the bond payment coming through their budget?

Chairman Skarphol: Auditor's office would do verification that, that's actually the case through the audits that they do.

Tammy Dolan, OMB Analyst: yes, they would, but the difference between the bond payments that you see, those were state bonds, intended to be paid for with state dollars. These are revenue bonds. The college campuses go to a bonding agency and they get it set up through the bonding agency and they pay those back there. They are supposed to

pay all their auxiliary services and operating expenses with the same revenue source that they paid for their bonds.

Chairman Skarphol: Most of these are renovations of existing facilities with utilities being upgraded. Some of the new construction is private funds and I would hope we have that assurance.

Rep. Monson: If it is a renovation, there is no way you are going to keep the operating / utilities separate from the rest of the building for any length of time.

Rep. Hawken: If it is a dorm it is always kept separate. It is paid for by the revenue that they get from the room and board thus it will not show up on our budget because they are paid for. We have years of history of them paying for it.

Rep. Monson: the revenue bonds are paid for with the revenue from the project, but I am curious about the operation of those. We heard stories of the office space in downtown Fargo that was donated to the University so if they get a donated building we have to pay for the renovation and operation. I am having an amendment drawn up for full committee that anticipated revenue, expenses, etc. will be provided on any new capital projects so we have a better idea of what we are getting into.

Chairman Skarphol: Not all buildings produce revenue. Any discussion on top of pg 38 (attachment **THREE**)? There is nearly $82M there, if it happens.

Rep. Hawken: They are not doing it until they get to a certain point and they are really being careful.

Chairman Skarphol: Section 4 on that same pg, the $6.991M, is the only one that got funded. Moving onto # 2 in Section 1, p. 37, this has been revised to put Williston workforce training at the top (we'll come back to this, they don't need $700,000). There is $17M for the IT facility in the budget.

Rep. Monson: We have a breakdown from them to include a couple of different options as far as just the building, the building and office space, etc. There were a few different scenarios.

Chairman Skarphol: one of them was for this 11. 2, another was for 14.3, one of them was for 17.6, which was their actual request.

Rep. Dosch: This is the basic one.

Rep. Monson: this is a completely new building. Where would this be?

Chairman Skarphol: Currently, they are located in five different places; some of which are in basements.

Rep. Monson: How can we make a decision that will turn over what they have done? Have they tried to find good buildings that would be on their campus as an option?

Rep. Martinson: A sizable building can be built for $11M and even that's too much for what IT needs. Are there buildings setting vacant anywhere that could be renovated? Does it have to be in Grand Forks? Two-thirds of the people are in Fargo. Are they going to move?

Chairman Skarphol: Calling **Gordon Smith, from the Auditor's Office** to the podium to answer questions regarding non state funded projects in higher ed. How certain can we be that we're not being asked to pay the operating costs of these facilities?

Smith: The Higher Ed System would keep track of those revenue producing entities separately and be able to demonstrate that they are using that revenue to pay those costs. Some of those operating costs may be a bit more subjective into how they are allocating a heat bill for instance. I'm assuming federal funding monies are kept track of.

Chairman Skarphol: Who does the audits of the federal funding?

Smith: We would audit those and John would audit the money being spent at the higher ed level, but frankly that doesn't mean that we would go down and audit a cost and make sure that it's associated with a given building.

Chairman Skarphol: Is the higher education capper completed?

Smith: Yes, it is

Chairman Skarphol: Requesting a copy for each committee member on this.

Rep. Dosch: On a revenue bond, the revenue source is dedicated. If the bond is $100,000 and the building collects $100,000 in rent income, is that what it is attached to or is it attached to the net income of that building, meaning their revenue, rental revenue minus their expenses, etc. Do they have to demonstrate that their net income sufficient to pay revenue bond or do they look at just the gross income because that is what they have a claim to?

Smith: they are looking at the gross revenue. The first priority is to make that bond payment. I'd be surprised if they are talking about net revenue going there.

Chairman Skarphol: Would the bonding company demand that?

Smith: It is a bond indenture requirement that would say the money has to go here, but I can't think of anything from a policy standpoint that would require this.

Rep. Dosch: My concern is they say don't worry about your expenses if it is a special funded revenue bond, but what is the assurance that they don't simply get the income and we get stuck with the expense.

Woeste: I don't think that they will only have enough income coming in to pay the bond payment. They will set the room and board high enough so they cover their expenses.

Dolan: When they do the analysis to issue those revenue bonds, a bonding company looks at their overall ability to pay thus they have to look at the whole revenue stream and the other expenses related to that building to ensure that expenses are covered before they issue those bonds.

Rep. Martinson: The state of North Dakota is liable for them and has paid for them in the past, so there's no incentive for this kind of analysis.

Chairman Skarphol: However, for instance, when Williston state needed to develop a bonding for their dorm, they had a difficult time getting a bond rating because of the fact that the state wasn't standing behind them.

Dolen: Each campus has to stand on its own.

Chairman Skarphol: How about the private funded facilities like Bison sports arena? What assurance of segregation is there between the costs of that facility and the system?

Smith stated he would get back to the committee with an answer.

Chairman Skarphol: Returning to discussion of the IT facility, let's talk about Rhodes Science center at Valley City requesting $8.9M. There is a real concern with Devils Lake.

Rep. Monson: We could be looking at collecting from FEMA. I know that some insurance companies do not cover a building until it's built. We could have a ½ constructed building and have it flooded. Is FEMA or the insurance company going to come in?

Chairman Skarphol addressed Chancellor Goetz to address the concerns about IT facilities.

Goetz: The IT facility proposal, $11.2M was a carryover from last session. The board went in at about $17M. The governor came back with the same original request two years ago. Evaluating the proposal, we consulted the architect and after careful consideration (by UND and our CIO), the board (not fully addressing staff consolidation) would come in at $14.3M.

Chairman Skarphol: How many staff are we looking at?

Goetz: You'll be getting that information today.

Chairman Skarphol: are we looking at relocating any of those people?

Goetz: Under the proposal you have now, it would not offer a full consolidation of staff as had originally been planned. We thought we would be brining all the UND folks and the Systems Information Technology Services (SITS) personnel under one roof, however under the circumstances, in terms of the reduction, that has taken place that would not be possible.

Chairman Skarphol: The Governor's recommendation would be 19,500 square feet and you are saying if we were to expand it, you could have over twice that much, according to Randall Thursby's, Chief Information Officer, document.

Goetz: It is $14.3M would bring the square footage to 39,000.

Chairman Skarphol: How many square feet are you in now as you are in five different places?

Goetz: I can't tell you the square footage as far as what is occupied currently. We have various locations on the campus there are concerns regarding infrastructure (flooding).

Rep. Monson: the square footage that is being requested is not necessarily to house equipment because the hardware is likely a minimal part of this whole thing. You are saying it's to house all the people that are dealing with IT who are scattered around, right?

Goetz: This facility would provide the necessary space for the consolidation of the university system technology staff that provide the support that in turn manages and oversees the IT operations.

Rep. Monson: It is more important to house the hardware someplace. Why do all people have to be in the same building? The main priority is to get your hardware safe.

Goetz: That is what we have now, and in terms of operation, continuity, communication, it is not a good situation. Even under this proposed circumstance, not all the staff will be consolidated. In examining the tiers and levels of staff, most critical is that staff behind the data center operation needs to be on site location.

Dolan: In reference to a previous question, the square footage is about 36,000 sq ft located in 7-8 locations throughout UND campus.

Chairman Skarphol: Most hardware is in the basement and ventilation is an issue. What is the recommended location?

Goetz: the objective is to have it on University land within the confines of the existing university.

Chairman Skarphol: Is it realistic that most Fargo employees could go to Grand Forks?

Goetz: I could not answer that today without Randall's input.

Chairman Skarphol: Do you have more detailed information on the facility that is being proposed? In this document, they talk about the green geothermal technology elements to reduce operating costs.

Goetz: The last option that we asked the architect to go back to work on contains all aspects of green technology, as being proposed (geothermal, solar efficiencies).

Chairman Skarphol: Do you have projections as to operating costs on that facility as to what you are operating on today?

Dolan: Architectural plan and costs are available.

Chairman Skarphol: yes, ask him if he has a comparative on operating costs because the $14.3M would be about the same size square footage wise thus we could see if the green technology reduces utilities costs.

Rep. Dosch: There would be no reduction in cost because they would use the space for expanding other areas.

Chairman Skarphol: I am not talking about an overall reduction, but rather a comparative analysis.

Rep. Hawken: In this instance, it comes to you for additional screening.

Dolan. There are some checks and balances.

Rep. Monson: What did the Governor's office and your office think about Rhoades Science Center in regards to the flood potential? Has that been discussed?

Goetz: Flood potential has not been discussed. I would have to visit with President Shirley and make a determination with him as to the location elevation. The science building is at a higher elevation on campus than other buildings.

Rep. Monson: Assurances are needed that it will be built at a high enough level. It is an addition and a renovation so it is where it is. I need to know how serious this threat would be to them.

Rep. Williams: Is the Science building, up by the old president's house?

Goetz: Yes.

Rep. Willimas: that building is as high as the dorm buildings next to it.

Switched gears and item # 4: old main renovation discussed on pg 37 with no imminent concerns.

Chairman Skarphol: item # 5: plant services building at BSC, what do they do? It is their heating facility?

Dolan: It's the old storage building.

Chairman Skarphol confirmed that the old building is being torn down. What happens with old Main and the Science Center? If we invest that kind of money, what is the net effect on the preferred maintenance schedule?
Office of Management and Budget looking for schedule

Chairman Skarphol: while Tami is looking for this, let's look at the science center at Williston State which is listed as continued. The reason for that is that the appropriation for 09-11, when they bid it, came in at $1.3M over the appropriated amount. Rather than move forward with a reduce sized facility, they suspended the addition in hopes of getting it to be the size that they thought they needed, correct?

Goetz: Yes, the costs exceeded the appropriation and every effort was made to reduce the size. In fact, there were reductions made and it was re-bid and the cost was higher. Following discussion, a conclusion was reached that giving consideration as to the purpose of the project and a point that it would no longer serve its purpose under that kind of a reduction. Thus, as a result we have the proposal that was brought forward.

Chairman Skarphol: Is the $590,000 other funds a local match?

Goetz: Yes

Chairman Skarphol: was appropriation from the previous biennium carried forward automatically?

Dolan: Capital project carry over

Chairman Skarphol: that $1.61M is incorporated in their previous baseline appropriation capital project?

Dolan: Yes.

Rep. Monson: The Stevens Hall and renovation was not funded. Isn't science housed in Stevens Hall?

Chairman Skarphol: The science addition would be on the north end of Stevens Hall.

Rep. Monson: It's totally separate from the renovation from Stevens Hall.

Chairman Skarphol: when they bid the science addition, the concrete costs were nearly twice as what was estimated.

Rep. Williams: Bidding in Wahpeton, $136 a yard.

Chairman Skarphol: $341 a yard in Williston. The $1.3M can be kept in for the addition for the science piece. I don't believe we can do the $10M for Stevens Hall and I already informed them of this. He confirmed the $1.3M was in the governor's budget.

Rep. Williams: How did Stoxen Hall jump from 25 to 7?

Dolan: That project was approved by the last legislative assembly, but funding did not come through for that budget, so it was added to this budget.

Chairman Skarphol: there was announcement it was funded, then it came back later that there was a mistake and it wasn't funded.

Rep. Monson: We haven't talked about the Erlandson Center in Devils Lake. There is a need for new technicians in Devils Lake. In speaking with the president from Devils Lake, he told me that 10 Wind Towers take 1 technician and Basin Electric needs 6 technicians in ND and 5 in SD and he says they won't be ready until next year.

Rep. Hawken: inaudible question

Rep. Monson: The only option would be the school for the Deaf for those kind of renovations.

Rep. Hawken: Devils Lake is a very small school; do we want to invest in buildings? This is place that could flood.

Rep. Monson: Devils Lake College is out of the flood plain. It has a need for people in the state to include mostly local individuals and when they graduate, they stay and work here for the most part. They need room for their nursing program. We don't have the budget for the school for the Deaf but there is a building at the school for the Deaf that would work for the Nursing program. Once we get the bill from the senate, there is a possibility that we could do something with renovating one of those buildings that are unused on the school for the Deaf ground and turning it into a nursing program. It is about a block or two away.

Chairman Skarphol: Did we invest in the school for the Deaf? We talked about renovating and renting it out. We did provide spending authority.

Rep. Monson: I would like to keep that as an option even though moving money from one budget to another gets tricky at times. I would hope that we can somehow find dollars to explore this.

Chairman Skarphol: Campus branding for Williston State is about upgrading the campus and they would like a match; they would have to have the money before they can get the match.

Dolan: They need the match in order to have the funding for the projects. I do have the deferred maintenance breakdown: no deferred maintenance attached to the IT building at UND (it's a new construction).

Chairman Skarphol: what would the deferred maintenance be on the other 5-6 locations? Would they still have to do it?

Dolan: I don't have the deferred maintenance costs.

Chairman Skarphol: are they incorporated in the $11M?

Dolan: No, they are not. I do not know when you should anticipate seeing an appropriation from them. Moving on, the Rhoades Science Center has $587,400 (attached deferred

maintenance) and it would go away when the project is completed. Per Skarphol's request, Dolan will check on what would be remaining. Old Main at Wahpeton has $1,675,000 (attached deferred maintenance) because the project includes the decommissioning of two other buildings on campus.

Rep. Monson: Would that be the total deferred maintenance on three buildings?

Dolan: This would be the total deferred maintenance that would be reduced from their overall total for the campus with the completion of this project.

Rep Monson: Does that include the cost to demolish those buildings?

Dolan: Yes, it does include the cost of demolition. Erlandson renovation at Lake Region has $224,000 (attached deferred maintenance). Stevens Hall at Williston has $3,275,000 (attached deferred maintenance). The science center addition at Williston has $1,610,000 (attached deferred maintenance) – Skarphol requested Dolan to explore this further as this amount was for the entire building last session. The law school renovation has $150,000 (attached deferred maintenance). Plant Services building has no attached deferred maintenance as they are planning to tear it down.

Chairman Skarphol: You stated $1.675M deferred maintenance on Old Main. When I look at science and go across to deferred maintenance, it's $1.034M in total.

Dolan: I'll have to work with them to reconcile those two.

Chairman Skarphol: If we do that project, science according to this would have no deferred maintenance?

Dolan: The president said this would take care of all their deferred maintenance on campus.

Rep. Martinson: Move to take Valley City off the list

Dosch: Second

Rep. Monson: I would agree with that and would have no problem putting them back in if we were given assurances later. I'm sure the senate will address that. For today, I think that, that is a good move.

Rep. Hawken: My concern is for buildings in our areas. There should be consistency in campuses. How about we look at not building it yet as they are growing. Certainly the science area is the spot that they are utilizing to build their campus. We are to make sure that our state grows that we have the correct training.

Rep. Monson: The number 1 mission in higher ed is to serve North Dakota kids to educate them, resulting in getting a job (hopefully in North Dakota). Buildings that serve kids directly should be the highest priority. We need to get more answers. There is an immediate demand for wind tower techs in ND.

Chairman Skarphol: Remove it to get a good discussion and maybe it will come back in. Rep. Monson, check with Devils Lake as to what the implications are if we did make space for the nurses at school for the Deaf.

Rep. Dosch: The IT facility should be cut down to $5M because the square footage that they need is about 10,000 square feet for that building and the $11.2 contains about double that (they are looking at administrative space) and move that money to Valley City on a reduced scale that effects the kids directly rather than some more office space up at the other colleges.

Dolan: there's a detail planning report upstairs for the Valley City project because there was State Planning money used to do the analysis of that project. This will be reviewed to determine if there are any elevation issues that were discussed. On the IT building, the appropriation includes the space for just the data center and the most directly related offices for that space. $5M would not even allow for the completion of the data center, let alone the space.

Due to no further discussion:
Roll Call Vote: 4-2-0

Rep. Hawken: Will we discuss deferred maintenance?

Chairman Skarphol: Last session, we took out equity and it got put back in. Campuses used that money for different purposes. If we put it back in $10M, we put it back into deferred maintenance. $4.44M exists now.

Dolan: that's a $4.4M increase. In total, there would be $11.2M for extra ordinary repairs or maintenance project, bringing it to 15% of the Office of Management and Budget calculated formula. There was a onetime $20M infusion to address deferred maintenance system wide last time.

Chairman Skarphol: Did $20M actually cause a reduction from last time to this time? We need to know that before we act on this budget.
Dolan will locate this information and get back to the committee.

Rep. Hawken: in the budget, they asked the campuses to do those small repair budgets? Do we want to do anything with that?

Chairman Skarphol: If we are going to do something, later on to put some money into the deferred maintenance, we should do it in a fashion that would allow them to use it for deferred maintenance or one of their top three small projects, but they need to report on what they do with it, so we know next time, what we should anticipate the reduction in deferred maintenance to be. Going back to the actual budget on Higher Ed itself, walking through the NDUS office itself. Referring to list of proposed changes to HB 1003, attachment **ONE.** There has been discussion, but no motions have been made, except for funding for BSC and the motion today about Valley City.

Rep. Martinson: Move to accept the proposed changes to the document Brady (Legislative Council) gave us which is attachment **ONE**.

Rep. Dosch: Second

Rep. Hawken: Let the record show that I oppose the equity money being removed

Due to no further discussion:
Roll Call Vote: 5-1-0, motion carries

Rep. Dosch: under the system of information technology line, on the bill itself, we are looking at $5.8M increase. Last biennium, the IT figure was at $25.9M and was enhanced $4.2M last session. Thus a 40% increase over two bienniums to get us to the $36M that's being proposed in IT. We need to throttle back on some of this stuff.

Chairman Skarphol: On the second page of the green sheet, sub categories are explained regarding the increase. Before we move the budget out of here, we should have Randall Thursby speak to this Committee to address the increases and what benefit we are accruing from that kind of increase.

Goetz: We can take care of it Monday morning after Revenue Forecast and also address building details.

Rep. Martinson: We could build the building for IT in Mayville because have ½ staff in Fargo and ½ staff in Grand Forks.

Office of Management and Budget: I have a list of outstanding questions and discussion areas that they committee had wanted a reminder on. Should I talk about them?

Chairman Skarphol: Yes, let's talk about them. Mr. Goetz, One point of discussion was whether or not, you can go out and start a position (auditing position) and assess the campuses and then come back and try to general fund it later. What's the frequency of that been?

Goetz: the frequency of that has been minimal. This is the first case that we have given that consideration. However, we did not ask the campuses to contribute because we did have the dollars in the office as a result of other staff, occurrences where this individual would be paid without having to seek allocations from the campuses.

Rep. Hawken: Why is there an assistant attorney, when the campuses have attorneys?

Goetz: Only 2 campuses have attorneys (UND and NDSU). All 9 do not. In light of the increased work that is occurring due to federal laws, grants, contracts that need to be reviewed; the assistant attorney assists the other campuses that are without legal assistance.

Chairman Skarphol: Did that reduce your contracting costs for outside counsel?

Goetz: Yes.

Rep. Monson: UND and NDSU have attorneys; are they busy enough so they can't be contracted with the other 9?

Goetz: They are more than busy as evidenced by the research at those campuses, intellectual property issues, etc. / / I made a call to Valley City and the site location did have water exposures at the time of the flood, so I asked them to gather more information on that issue for you thus you'll get s better insight into elevation and exposure to potential flooding.

Chairman Skarphol: Map of Valley City provided and confirmed that IT is a renovation and an addition. / / Should we fund the academic CT&E scholarships out of the land and minerals trust on a continuing appropriation basis. That's the governor's proposal.

Rep. Dosch: Should we look at that line item separately?

Goetz: I agree; when the budget was presented to the board, it was separated out.

Rep. Dosch: Let the record show that the Chancellor and I agree on something. *Laughter*

Goetz: You would be surprised at how much we agree on.

Chairman Skarphol: are there any needed changes due to the retirement contribution increases? We did have budgets where they were decreased.

Dolan: the budget recommendation and request both reflected the funding needs related to the anticipated contribution changes so as long as it stays as it was proposed (the 2% annual increases) the funding should be in the budget for those.

Chairman Skarphol: We discussed the pool of dollars for new initiatives. If a new initiative was started by a campus and the campus shut down something, they would put that money back into that same pool and try to make it a revolving pool. We should put language in stating that if there are savings that result of starting a program, they have to replenish that pool rather than keep pumping money into it.

Rep. Monson: You are talking about a pool across campuses that would regenerate itself. I like that idea, but it won't be lucrative. If Bismarck starts a new one and Valley City stops one and the money that was going to Valley City campus, how muddy does that get?

Chairman Skarphol: I was thinking in terms of, for instance, in Devils Lake of starting the wind program and discontinuing the diesel program thus there would be a transition period when they are running both and they would need some money and when that transition period was over, there should be perceived savings by shutting down a program.

Rep. Monson: It would not have to be a pool of money at the university system, but more so revolving.

Chairman Skarphol: Moving on: Bisek Hall handouts, Office of Management and Budget has these. / / A person CAN qualify for both the SEMS occupation loan forgiveness program and the teacher loan forgiveness program, but it would be rare. / / Previous funding for the SITS pool: 07-09, the increase was two different onetime funding scenarios and it did not add to the base line. One was for northern tier ($2.7M) and the other for ($2.3M) for general funded other projects. 09-11 increase in parity was $2.3M, bandwidth costs was $1.2M, and connectND support positions with funding from the student loan trust fund.

Brady Larson, LC: ConnectND positions were paid for by the bank of ND. I am not sure if these positions benefitted both the university system and the band of ND, however the funding for those positions was transferred to the student loan trust fund. I will find out more information.

Chairman Skarphol: there is $3.52M increase for parity and bandwidth costs.

Goetz: We've picked up some costs there with the college access grant program in helping the bank maintain these positions, so Legislative Council can look into this too.

Chairman Skarphol: TrainND building at UND had a general fund request.

Rep. Martinson: Move to give $250,000 and bond for the rest ($2M)

Rep. Hawken: Second

Due to no further discussion, voice vote taken:
Voice Vote passed, motion carried

Goetz: President Shirley from Valley City State texted to confirm that they are in the 500 year flood plain of that building, not the 100 year according to the plant service maps.

Chairman Skarphol: We will finish Higher Ed on Monday Feb 14 after the joint meeting with Senate appropriations.

Discussion closed and Chairman Skarphol adjourned hearing.

Resume with discussion regarding HB 1003 (Job 14437)

Chairman Skarphol: On that Tribal College issue, there is money in the higher ed budget and there's money in the bill. The bill sponsor would like to have the money stay in the bill. He's satisfied taking it to $1M. We would have to take it out if we are going to leave it in that bill. If that's what the sponsor wants, perhaps we need to give in.

Rep. Williams: We cut it to $700,000 and he wants it at $1M.

Rep. Dosch: Motion that the Tribal College sponsorship of $700,000 be removed

Rep. Monson: Second. If we take it out of here and his bill fails, then there's nothing. After I am hearing more on the details of that bill, I'm thinking that one is going to be in trouble

Rep. Martinson: Let's give it to each individual student.
Rep. Monson: We have not acted on it in full committee.

Due to no further discussion, voice vote taken:
Voice Vote passed, motion carried

Chairman Skarphol: Legislative Council, is there anything else that we need to address on this bill, besides the IT issues?

Brady Larson, Legislative Council Representative: The academic and technical revolving fund has $1M in the budget and it has not been removed, just for a point of clarification.

Rep. Monson: Is this the one for the 2 year colleges?

Larson: Not limited to 2 year colleges, but would more likely be the recipients.

Chairman Skarphol: we'll leave it in there

Discussion closed.

Resume with discussion regarding HB 1003 (Job 14443)

Gordon Smith: Returned with additional information on operating expenses and referred the last 2 pages of Attachment **TWO**. On projects such as the Bison sports arena, either the institution will pay for some or all of that or there will be student fees assessed so that a student would pay. As a general rule, if you take their operating revenue from an accounting standpoint, they won't cover it. they are subsidized by other activities. When higher ed puts a schedule together, they'll say operating revenue, less operating expenses, you'll see in a supplementary schedule that's not audited, it'll show that the costs are all covered. The costs are alright because a lot of those are allocated like heat for instance. Some of them even charge an indirect cost to each of the auxiliary funds. Our concern with the schedule is that it has operating revenue that aren't operating revenues; they are other revenue. Explained operating revenue. On the last two pages, there should be a schedule on supplementary information and it says unaudited at the top.

Rep. Monson: operating revenues should be the direct fee that a student pays for staying in that dorm. What other operating revenues would you see in the case of a dorm?

Smith: it would be what I am paying for living in the dorm unless there was some other revenue like fines to students for damage for example. Any type that in the normal course of operation of the building should be what operating revenue would entail. If I used general funds to pay for it, that's not operating revenue. That would be down somewhere lower on the line that would show you where did I get money to pay off my expenses. University system says that it's required by that section of Century Code of 15-55-20 and John has a

meeting with the board this month to go over the internal control and the compliance report where we would have our recommendations.

Rep. Monson: In taking BSC down here now to net revenue available for debt retirement; that's a small number in comparison to their operating revenue up above. Shouldn't it be close? What's happening to the rest of the revenue?

Smith: Operating expenses would take $3.7M of it.

Rep. Dosch: If it is run properly, you want some excess dollars when you are done with everything to have a reserve fund, just in case, so this may be reasonable.

Smith: if there is a bond, you have a debt there; that bond may require you to keep $100,000 on hand or whatever they may say.

Rep. Monson: In going all the way to the bottom in there, and they do split out the principles is only $105,000, the interest $204,000 so total debt service on this bond is $308,000; they've got $522,000 available (net revenue) for debt retirement so they are going ahead substantially in this case.

Smith: That $308,000 debt service, that's this year's. The balance may be millions for all I know.

Chairman Skarphol: Go across to Mayville and explain why they paid $80,000 in interest and no principle.

Smith: I can't explain that to you. If you have questions on this report, let me know.

Rep. Dosch: With the operating expense, is it restricted what they can pay for operating? Can they shift some of that operating expense where it would be picked up in the operating line budget of the college itself?

Smith: That is what happens. For instance, janitorial services may not be charged to that building whatsoever. The college would allocate that back to buildings. I don't know what they use as their basis for allocation.

Allen Knudson, Legislative Council Representative: you give them a lot of flexibility with the block grant and the continuing appropriation.

Chairman Skarphol: We'll get into it another time. In looking at pp 68-69 (attachment TWO), it states there are unrestricted funds in the institution meaning that they are not encumbered by an appropriation or a commitment. It is flexible dollars that they have and utilized to do things, scholarships for instance. That's auxiliary money, but if you look across, it's significant in places.

Rep. Hawken: Both Alice and Mr. Bollinger said that funds are not restricted and a part of a grant which would be in one silo, a scholarship that would be in another silo. They have specific reasons to use them, so the term unrestricted is incorrect.

Chairman Skarphol: They are unrestricted to the extent that the institution can decide which silo to put them in.

Rep. Hawken: Most of it is tied. One of the changes that should be made is in the verbage we use there because in many instances it is tied. It is an auditing term.

Chairman Skarphol: Does the NDUS system have the authority to change this verbage?

Smith: It's dictated by the standards.

Chairman Skarphol: could they have it as unrestricted funds, designated and unrestricted fund, not designated?

Smith: No and if they are designated in accounting terms, they're internally designated so if I'm the president and I say I'm going to take $10M and use it for X practice over here, that would be an internal designation.

Chairman Skarphol: You need to have awareness that, that number is there and there are some criteria that need to be in it.

Discussion Closed and meeting adjourned.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
2/14/11

14483, 14512

☐ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Committee to order to review the budget for HB 1003. All members are present. A guest is Rep. Rosco Streyle (R-3) who represents IT because of his background in working at a bank in Minot.
Introducing **Randall Thursby CIO for the NDUS** to discuss the technology bservices budget history.

Mr. Thursby: Referring to Attachment #s 1 and 2. The single sheet with the yellow across the top shows you the appropriated and the nonappropriated funding to System Information Technology starting with the '05-'07 biennium and going through the what the Executive recommendation is for '11-'13. With the '07-'05, because I actually participated in the development of '07-'09. Beginning with the overview, Attachment # 2, p.2 the funding, the history of the funding showing how they have been either created, removed, or shifted.

Chairman Skarphol: The total number of employees in System Information Technology Services (SITS) right now?

Thursby: It is 78.

Chairman Skarphol: There are 128. How many are at UND

Thursby: On page 6 of Attachment # 2, the breakdown is delineated. I will explain it further when we get to that.

Chairman Skarphol: They are all going to be under NDSU personnel.

Thursby: Yes, if they are SITS. If they are NDSU employees they are under NDSu budget. If they are UND employees they are under the UND personnel.

Chairman Skarphol: So all of the SITS staff is at NDSU.

Thursby: As far as SITS staffing works. The staff isn't located there.

Chairman Skarphol: How are the 78 SITS staff are located at UND?

Thursby: The majority are located at UND, 54.

Chairman Skarphol: How many are at NDSU of the SITS staff?

Thursby: We have approximately 18 at NDSU. Ane they are located at the skills and technology center.

Rep. Hawken: I understand that NDSU staff is 84. None of these numbers are adding up.

Thursby: If I can walk you through...

Rep. Hawken: Add to you explanation at the end, who pays the rent for those people being on whatever campus they are on.

Thursby: Continuing with Attachment # 2, p. 2, bullet point # 4 and continuing with p. 3.

Chairman Skarphol: On the Northern Tier thing, are you saying that was to purchase the hardware to operate Northern Tier?

Thursby: Yes, continuing with testimony for Attachment # 2, explaining the parity increase.

Chairman Skarphol: And that was to fix the problems that were seemingly unfixable.

Thursby: Continuing with pp. 3-4.

Chairman Skarphol: Those FTE existed within your system? The only thing that changed was the funding source.

Thursby: It went from non allocated to allocated. Continuing with p. 4. Mayville, Devils Lake, did not need....They will becoming up.

Chairman Skarphol: The StageNet backbone is just for Higher Education.

Thursby: No, it is not. ITD, when they do an upgrade and they let us know what our share of the cost is.

Chairman Skarphol: Your share was $1.22M. What was the State's portion?

Thursby: I do not know. We are typically the largest part at 65%, based on usage.

Chairman Skarphol: What kind of Bandwidth increase was it?

Thursby: At the end we more than doubled our total. Because the costs went down under the new contracts. At institutions, depending on locations, it went up as much as a factor of 10. In some cases it was double what it was before.
Continuing with p. 4.

Chairman Skarphol: Is that reflected in the reduction in the system office?

Thursby: Going to the '11-'13 recommendation on p. 5 of Attachment # 2. They were funded with the grant that was carried over from the last biennium. It was installed in '09 and carried forward into this biennium to cover a portion of the costs. Continuing with p. 5.

Chairman Skarphol: What kind of Bandwidth did you move in this... versus where you are at?

Thursby: On the Internet One is just shifting of the ratio that they are having to pay versus what the state K-12 is paying. Our usage went up faster. This covers 18 months of that upgrade. Those numbers come from ITD. Continuing with p. 5.

Chairman Skarphol: Of the last two, the later is connected with the split. That is your cost?

Thursby: Correct. Continuing with p. 5. We tend to be more licensed..because most of it is tied in with people who serve students such as faculty. There is maintanence, plant. IT will always be heavier in the nonpersonal services side. With vendors, we can only estimate what they will charge us..

Chairman Skarphol: Is there also not the issue of diversity of demands coming out of the higher education system. You have individuals who want to do things a certain way and make demands.

Thursby: We have worked very hard to try to cut down some of that.

Rep. Hawken: So, we have 11 very different universities with different demands and one size does not fit all. It would be hard to have exactly the same things when you have technical schools, research universities and so the needs would not be the same.

Thursby: In most areas it is not any different. Explaining his experience in larger areas. We are having to work with the funding that we have and the opportunities that we have. We have made great progress. We need flexibility. Flexibility means a revolving pool that can be used to move things ahead faster so you have the money while you are doing the transition but then you have the savings to put back into the pool. Eliminating services or changing services are the only ways to cut back costs. It can have impact on funding for positions.

Rep. Dosch: The bottom line is what you are asking for is a 19% increase just since last biennium. What if we were in the same situation as 47 other states where higher ed is

decreases in funding are happening. What if we don't allocate the $15.8M in funding that you are requesting? We have gone from a $25M IT budget to $36M. We can't afford these types of increases.

Thursby: One, you don't do them. The IT Services budget has not been increased. InternetOne costs can be cut by $300,000 but I cannot do that because I am not allowed to transfer InternetOne traffic across the Northern Tier because of state law.

Rep. Dosch: Why don't you come forward and say "We have some dumb laws on the books"?

Chairman Skarphol: We would agree with you but it is the result of some influential people who have been opposed to what Mr. Thursby just said.
We have some dumb laws on the books.

Chairman Skarphol: We would have to agree with you on the dumb law concept. We fought the battle and lost. There is a republican caucus, and Democratic caucus and an coop caucus. The coop caucus wins.

Thursby: It is still their operation and they control costs. Northern tier is very important as far as UND research but it doesn't provide service to.... But the state chose to do that. That is managed by NDSU. We pass through those costs. If you look at ConnectND upgrades that is hosted by ITD and it is their operation. It affects state agencies as well as the institutions.

Chairman Skarphol: I requested that information be provided as to what the cost of operating Northern Tier would be if we did not do it. If we just let it go and someone else were to run that operation, what would be the comparative cost. We haven't seen that.
Distributed Attachment #4 referring to the last page, he explains the NTN-North Dakota

Thursby: Cost comparisons between services, referring to p. 9 of Attachment #2. We had to buy bandwidth at almost $10M and that is similar to South Dakota's modelbut they are paying significantly more.

Chairman Skarphol: The cost of $9.8M to purchase Bandwidth to replace Northern Tier.

Thursby: Yes, it might be a little bit more.

Chairman Skarphol: If we were to add those figures together we come up with...

Thursby: We are actually at $786,000 with the partnerships, per year.

Chairman Skarphol: Northern Tier request for $8.70M, it would cover that cost plus...

Thursby: It would cover that cost plus personnel, maintenance, software, hardware.

Chairman Skarphol: About $400,000 less of other costs.

Thursby: We run InternetTwo traffic over Northern Tier. That includes traffic for K-12 off of StageNet and runds through Northern Tier.

Chairman Skarphol: The annual costs to run Northern Tier are about 10% of what it would be if we were to try to buy Bandwidth.

Thursby: That was based on this point in time.

Rep. Dosch: Shouldn't this cost be covered with the grants from the research institutes and the ...We blur the line between what is an educational and an academic cost and what we are spending on the research arm at our universities. The research brings in an amount but we gotta build them buildings, employ people, provide these systems to them. Shouldn't the grants cover this?

Thursby: The request came forward from UND and NDSU and was supported by the governor.

Chairman Skarphol: The $1.8M is this the total cost?

Thursby: Not the total, some are still in additional grants coming forward, like the South Dakota portion. The startup operational costs are paid for by a grant.
Continuing with Attachment # 2, p. 6 discussing the history of the FTE positions by each biennium.
We added to make that a full time position.

Chairman Skarphol: Not appropriated, how? Bank of North Dakota and moved over to general funds?

Thursby: They were moved over to Student Loan Trust fund and this year to general funds. Continuing with explanation of FTE transfers on p.7.
The changes are delineated on p. 7. p. 8 illustrates the improvements in services.
Learning Management Systems (LMS) was upgraded and went from six to three .

Chairman Skarphol: But the reductions, does that save on licensing and support?

Thursby: Yes it does. Before, we were storing credit numbers and that is not a good thing to do. The value in being able to pay fees by credit card is a benefit to students and parents. Continuing with discussion on pp. 8-9.

Chairman Skarphol: We can access MicrosoftB on line.

Thursby: Continuing with future critical issues delineated on p. 9.
Bandwidth allows for the consolidation of services.

Chairman Skarphol: I didn't realize that you don't have that flexibility.

Thursby: I requested a pool that we can go back into the pool to access the savings. I want to move things forward faster. Not for permanent funding but to move things forward.

Chairman Skarphol: Do you control the demands of the students and faculty with bandwidth demands? Demands double every year.

Thursby: That is going to increase, video, high definition create huge demands.

Rep. Hawken: Are students keyed in with their iphones?

Thursby: If they are at home that is their bandwidth.

Rep. Martinson: Can we move on to the building of the IT facility discussion.

Chairman Skarphol: Distributes Attachment # 5, the question is whether or not this is more building than we need. What do you envision the space being used for and what are the differences in the proposals. The smallest of those is being funded, the $11.2M, the system office is requesting the $14.3M . Talk about the differences amongst those.

Thursby: The $11.2M is not delineated in this budget. Nothing is spelled out in terms of offices and we didn't find that adequate.
Seven different locations exist now, this building would create an improvement in productivity of $350,000 a year. In the current facility there are electric, sewer, conditions that could create shutdowns.
He distributed a document entitled "The Business Case" to illustrate his case, see Attachment # 3.

Chairman Skarphol: The footprint of this building is10,000 sq ft with 2 levels.
Is any portion of it underground?

Thursby: Maybe slightly below but mostly above ground.

Chairman Skarphol: The square footage for hardware, how does this compare with square footage now?

Thursby: About 4,000 square feet.

Chairman Skarphol: There is hardware in other locations, footage that is not reflected that would be brought into the new facility.
Is it realistic to double the size?

Thursby: You have expanding storage space for the expanding disc size. Storage for standing disc space is required. Every year we keep adding and we can't take anything away.

Chairman Skarphol: How much do you have to add on an annual basis?

Thursby: Probably 8 to 10 terabytes. It is a terabyte an hour of growth.

Rep. Streyle: What is the percentage of the servers that are virtualized right now?

Thursby: Somewhere in the neighborhood of 80-85%. The big movement is to virtualize applications so that you are not storing anything.

Rep. Streyle: Virtual desktops now?

Thursby: Yes, some as a pilot...Valley City, UND are probably the chief places on that.

Chairman Skarphol: Educate the Committee on what that actually means.

Rep. Streyle: We had 12 physical servers in various places. We bought one IBM Blade Center in it you load three physical servers in the one big chassis . That hardware can be used to create virtual servers therefore it load balances between those physical servers so if one fails, I move the virtual server on to a physical one. You would never lose a server outside of a complete power failure. We have had no failures in the past year and if you do you drag it over to the new server, bring it up and away you go in 15 minutes.

Chairman Skarphol: The thirteen virtual server would there not be a capacity limit?

Rep. Streyle: You are speaking of storage. They would be created on the storage device. They could be created on the physical device but it doesn't make sense to do that. You just keep adding drives to it if you need more servers.

Thursby: When we shifted to virtual server concept we could add them only when we needed them for registration.

Chairman Skarphol: You were using it here for this purpose and move it to another place, does that information stay?

Rep. Streyle: It is in storage, they can be reassigned. Five virtual servers can be on one physical server. You are maximizing your utilization of processor speed. It is as if you were running a $10,000 server at 10% compared to 5 virtual servers at 80%.

Thursby: This is what we are trying to do.

Rep. Streyle: With virtual services there is a more efficient use of the equipment, maximizing the ...with the virtual desktops you don't need the antivirus, you as the administrator are telling them what they can and can not do. If you use WebApps, like LAWS all it needs is a web browser. They are $300-400 as compared to $800 and then you don't have the hardware failure and in some cases they don't fail.

Thursby: The risk of saving that information is not necessary with this hardware.

Chairman Skarphol: You are suggesting doing what Roscoe is doing with the revenue you have.

Rep. Streyle: It is less than the $800. Some of this, I can't believe wasn't done. On the description of the square footage, I understand more of where this is. I concur that there is

a need to do something. I can't imagine how you are working in seven different locations. The consolidation of services is perfect. Is there a disaster recovery (DR)?

Thursby: We don't have another site. We would like to do data DR somewhere else. We want this facility to be DR for other campuses using virtualized servers so we can serve as a backup site here.

Rep. Streyle: Do any of the proposals cover hardware costs, cost to run the fiber to the new building, the backup generator, etc.?

Thursby: Yes, the Research Energy Center.

Rep. Streyle: So they are truly not a DR center right now. None was used before

Thursby: We don't have DR recovery

Rep. Streyle: Is there a plan for ...phones as ... or are they all hard lined right now?

Thursby: We have some Voight between Lake Region and Voice Over IT between two. There are four campuses on now and Williston coming on and hoping to have nine by the end of the biennium.

Rep. Streyle: In the new building will it be completely voice over IP for the most part? All that is is one Phone to PC.

Thursby: Explains further how mail is transferred on Microsoft.

Rep. Streyle: With the Microsoft email, you are going to the Cloud computing. Are there plans for that or are you going to stay with virtual?

Thursby: Yes, we are totally Cloud as far as mail service.

Rep. Streyle: There are six different email systems. In this building the entire IT staff will be under one building.

Thursby: We don't have enough to bring in UND, when we cut down from $17.6M to this, it is not enough space, so we have to leave some of them out.

Rep. Streyle: I could see going forward with this and you could turn down FTE with the efficiencies.

Thursby: We are increasing the efficiencies and maintaining our staff.

Rep. Streyle: Will it be geothermal, figured into this?

Thursby: Yes. It is built into the cost. It drives it up somewhat in the front end but will save long term operating costs significantly.

Rep. Streyle: Since '05-'07 you have done a lot if you can get it up to 90% virtual and go to desktops. That is the way you should go.

Chairman Skarphol: What percentage are you?

Thursby: The servers are about 80-85%. We have very few application and desktop. That is the next thing we have to attack.

Chairman Skarphol: Addressing Rep. Streyle, Some think that going to the $14.3M is excessive. Do you deem the rooms and spaces to be appropriate?

Rep. Streyle: I would support more than the $11.2M if you are going to consolidate services. You will see cost savings going forward on that. The Break room at 1400 square feet is too high.

Thursby: It would be doubling as a conference room.

Rep. Monson: Geothermal is a way to cool or also to heat?

Thursby: It functions both ways.

Rep. Monson: It would be a heat pump both ways.

Chairman Skarphol: Do you have a schematic drawing of the building.

Thursby: We have one from "06.

Rep. Streyle: You have a lot of storage.

Chairman Skarphol: Addressing Rep. Steryle to ask if he would like a schematic.

Thursby: Explains storage for ConnectND, probably 1.5-1.10 terabytes for the system. The UND research data is significant.

Chairman Skarphol: 1.10 per year, or?

Thursby: That is where we are at currently. It grows at about 20 terabytes a year for us. Faster for research centers.

Chairman Skarphol: If you at the dollar amounts associated with nonappropriated $15M, I assume that is student fees and other amounts generated and not appropriated.

Thursby: Most of that is the ConnectND Student fee. Library is about $1.4M.

Break
Beginning Job # 14512
Chairman Skarphol: Asking Mr. Thursby if he has any more information to offer.

Thursby (Inaudible) UND and NDSU charges a few, addressing Rep. Dosch earlier question regarding VISA Credit card use for paying fees.

Rep. Dosch: Even if they don't allow for the pass back, wouldn't it be nice to give people that option? Do they accept Discover?

Thursby: Yes. The other institutions don't charge for using the credit card, NDSU and UND do.

Rep. Dosch: They eat up the fees.

Chairman Skarphol: We passed some legislation to allow for the state agencies ..Did we include Universities? Requesting **Roxanne Woeste, Legislative Council Representative** to check on that. Did you check on the schematic?

Thursby: I will have that sent. One other question regarding billing. You can pay when billed or pay the fee the year of the issuing of the fee. Next January, the parent is actually billed in Sept. but the 1098T is not issued until the following year. They should issue a 1098T for everything through December 31 of that year.

Chairman Skarphol: When does the school year begin and when is the bill due?

Thursby: It begins the first week in January. The bill isn't due until then. If you pay by credit card, you can pay in December and have it reflected on you taxes that year.

Chairman Skarphol: Reads email from Karlene Fine regarding a housing bond for Williston. "Williston State had a very difficult time getting a bond rating to build their new residence hall. Should that be the case, or is it a case of the first time through the process."
Her response is: "It is not surprising since I don't believe they have been in a housing bond for a number of years. Sometimes smaller campuses have problems with sufficient revenue to meet debt service payments. Rating services have become more cautious in giving their ratings."
Then I go on to say: "We are suggesting they bond a new TrainND facility and they are telling me that do not believe they have that capacity. Without looking at the details of the colleges financial statements, I cannot comment on what their capacity is." Then I say: "Is it possible that there is something else we should do, as employer payments of training costs should be more than able to cover the costs."
She asks: "What is the dollar size of the facility, is it a classroom facility or is there something unique for TrainND? I have looked at other options, public finance does not work because Williston State does not qualify as a political subdivision. The other option would be to have the legislature authorize the North Dakota building authority to issue the bonds for the project which would make them appropriation bonds which would have the rating of the building authority rather than to stand on its own. There could be some challenges with the authority doing this bonding. It doesn't fall into the general category the legislature has approved in the past for North Dakota building authority debt. Generally North Dakota building authority projects do not rely on revenues from outside sources with no signed contracts. The legislature did approve a project for the Veterans Home which

was based on nursing home fees. But as you know, that project had a lot of federal dollars. The state only bonded for a small portion of the project."

Rep. Martinson: We should establish our own pool of money and loan it out with interest.

Chairman Skarphol: I am not sure we need to address it at this time. It is something they need to work on on the other side a little bit. Put effort into getting their issues addressed.

Rep. Monson: This is going to be a state owned building on state owned property. Even though it is a revenue bond, that the good name of the state of North Dakota is behind this. Credit should go to the state because it will not default.

Chairman Skarphol: Typically when the campus is going to do revenue bonds, they do them by institution. Addressing Woeste.

Woeste: Yes. They do revenue bonds by institution.

Chairman Skarphol: Is there a lot of variation in their bond ratings between campuses. We do have to make some decisions to get this out of here.

Rep. Martinson: Going from being a skeptic to a supporter and fund the IT building. Lets do it and do it right so they don't have to come back and ask for more.

Rep. Monson: It is $11.2M in the Governor's budget. Being somewhat familiar with the campus, it is not going to work without a new building.

Rep. Williams: Are you talking about the Governor's budget or the other one?

Rep. Martinson: Technology was supposed to save us money.

Chairman Skarphol: It gives us answers in a hurry but does not save money.

Rep. Williams: Referring to attachment # 1, $11.2M has 19,500 sq ft. Originally it had 52,500 sq. ft. Which of the columns was recommended by the Board of Higher Ed?

Goetz: He did not approach the podium. Stated 39,000 for $24.3M is the recommended.

Chairman Skarphol: A $14.3M facility offers you about the same square footage as you have today but in a more well organized format than you have today.

Rep. Williams: If you look at the square footage that you are getting for $14.3M and the square footage you are getting for $11.2M it is double.

Chairman Skarphol: It would appear to be a good investment if you need the space.

Rep. Williams: None of it is renovation.

Chairman Skarphol: It is all new.

Rep. Williams: It is double in that column, We may as well go with the $14.3M
So Move

Rep. Martinson: Second

Roll Call Vote: 5-1-0, Motion Carries. Rep. Dosch: Opposed

Rep. Hawken: (No audibility)

Chairman Skarphol: To understand which employees actually work in SITS and which employees work for UND or NDSU in technology. Requesting Chancellor Goetz to address the question. Looking at p. 6 of Attachment # 2, SITS appropriated and non appropriated, according to this NDSU has 20 people there and they are telling us they have 74.

Goetz: Six to eight months ago, there was a need for consistency in one location and not two. All employees are under one policy. All employees now are under one single personnel policy system. We still have the locations but one policy.

Chairman Skarphol: Why do we have employees at UND working for NDSU? They will be working at UND for the most part now.

Goetz: No real change in that regard is foreseen. We will still have employees at two locations. Once we have the system established we will see efficiencies. We should be able to reduce the number of employees.

Rep. Monson: Why would they be either UND or NDSU when they are actually system?

Goetz: It is arranged that way for payroll purposes under the SITS Budget. When this was set up originally it was known as the Higher Education Computer Network. The arrangements made with NDSU and UND as the staff was to be allocated and where it was to be located.

Recording failure (23:00)

Rep. Monson: We are going to build this new building now. Who will own that building, it is going to be system wide. Is this going to be in the system office, is it going to be half NDSU and half UND?

Goetz: It will be a North Dakota University System Building.

Chairman Skarphol: Requesting new handout for the $28M funding change, addressing Woeste.

Woeste: Distributes handout # 1. It would include everything that you have done except for the previous motion.

Chairman Skarphol: We have a bill in full committee dealing with the Tribal College and the nonbeneficiary students and the sponsor wishes to have the money remain in that bill

rather than the higher ed budget and for us to adjust that. It does remove that tribal funding so it has gone out of this bill altogether.

Rep. Martinson: I'm not really in favor of that.

Chairman Skarphol: There is a policy change included in that bill and the dollars are in there too. If the bill sponsor wishes to take the chance of that bill not succeeding, then there would be no benefit to the non beneficiary students at the Tribal colleges..

Rep. Martinson: His bill appropriates money to the schools.

Woeste: Speaking to HB 1363, the total $1M has been removed from this bill.

Goetz: He did not approach the podium $700,000,

Rep. Monson: We zeroed it out because he wanted his $1.2M that is in the other bill to go forward. After I hear some of the details on how that money is distributed, I am not in favor of that bill now. If he wants to let that one ride, I wouldn't vot for it.

Chairman Skarphol: Addressing Woeste, What is the difference between that and what the new bill recommendation is?

Woeste: HB 1363 appropriates $1.2M from the permanent oil tax trust fund. There is an additional $200,000 that was above the Governor's budget to the State Board of Higher Education for providing this grant assistance to tribally controlled community colleges. That changes the formula to distribute the dollars. Currently it provides grants of $5,304 per full time equivalent non beneficiary student. The current procedure is to provide grants to these community colleges based on full time equivalent non beneficiary students. HB 1363 changes that formula to provide that the grants are to be sent out $10,000 for the first ten $10,000 to the first 10 non beneficiary FTS to go to the full time equivalent non beneficiary students and $7,500 for the next ten full time equivalent non beneficiary students. It goes to the system office and they give out the money to the colleges, not to the students.

Chairman Skarphol: If a campus had four students. Under the current formula they get over $20,000. Under the new proposal they would get $10,000.

Woeste: The bill says $10,000 for the first 10 full time equivalent students. It is because of the wide variation. This way it is meant to give them a minimum amount each. Each college would receive $10,000.

Chairman Skarphol: It would seem to be less equitable to the campuses. We have taken $1M out.

Rep. Monson: Requests a repeat of the bill. I understand it to be is that for the first 10 students they will get $10,000 per student.

Woeste: The word "per" is not in that language. You have 1-10 you get $10,000 and $7500 if you have more than 10.

Rep. Monson: If they have nine students they could get $10,000 total. And if they have nine students under the present system they get close to $50,000.

Woeste: The Board shall distribute to the Tribally Controlled Community College during each year of the biennium $10,000 for the first ten full time equivalent non beneficiary students and $7,500 for the next 10 full time equivalent non beneficiary students. Any remainder amount appropriated and available for distribution during each year of the biennium must be prorated among other full time equivalent students

Rep. Williams: I want to make sure we are not talking about $10,000 for each student and $100,000 for the first ten and $70,000 for the next seven.

Chairman Skarphol: What would the fiscal note on this be, 149 students? How many campuses get more than ten?

Tammy Dolan, OMB Analyst: The last distribution in April 2010, as far as the full time equivalent students, Fort Berthold had 22.7, 6.5 at Cankdeska Cikana (Little Hoop) Community College, Turtle Mountain had 29, Sitting Bull 4.8, and United Tribes had about 49. So, three of the five that had more than 10 full time equivilant students.

Chairman Skarphol: Two out of the five would get $10,000 per year. So that is $40,000. The other ones, based on your numbers, Roxanne, is $10,000 for the first ten, $7,500 for the next ten. And the subsequent groups of ten.

Woeste: The bill just speaks to the next ten. So that would be 11-20 they get $7,500. The remainder of any amount appropriated and available for distribution must be prorated among the other full time equivalent non beneficiary students.

Chairman Skarphol: For the first 20 you would get $17,500 per year. So we have three campuses, if we get that it would amount $111,000. The balance of the money would be distributed on prorated bases to those students in excess of 20. Or prorated to all of the students?

Woeste: The language said the remainder available for distribution must be prorated among all other full time equivalent non beneficiary students. That must be those students in excess of 20.

Chairman Skarphol: There would be about 40 students who would get the other $850,000 so that would be about $10,000 a biennia. We have removed the money, we'll see what happens.

Rep. Hawken: Information has come from Dr. Shirley regarding the science center. It is in the 100 year flood plain. As we move forward I would hope to amend what we said. We are in so many ways in what we are doing punishing success. It is important to help it succeed. It is our job to be supportive.

Chairman Skarphol: I would hate to see us invest $7M in a facility that would be flooded and we get to do it over again.

Rep. Monson: Devils Lake, the elevation on that campus is at 1469.1, that is 11 feet above the flood plain. If the dam that holds back the water were to breach, that would be a disaster for the whole city but the campus would not flood unless it is like the bottom of the bowl where the water rushes in so fast that it comes like a tidal wave and goes up the other side.

Rep. Martinson: Move do Pass As Amended

Rep. Monson: Second

Roll Call Vote: 4-2-0. Opposed by Rep. Hawken and Rep. Dosch

Chairman Skarphol: The Auditor's office did check with John Grettum who does the auditing for the University System and he says there is no externally restricted money in the unrestricted totals. He confirmed that any externally restricted funds are segregated into the restricted categories. Even though the Presidents may have committed to using those moneys in a certain ways in the event of emergencies, things can be moved within that segment of funds. In most cases there is not even a formal documentation of the internal designation of money.

Meeting on HB 1003 closed.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee
Roughrider Room, State Capitol

HB 1003
2/18/11
14754

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; and to declare an emergency.

Minutes: You may make reference to "attached testimony."

Chairman Delzer: We'll call the committee back to order. We'll take up 1003.

Representative Skarphol: The bill was introduced. The University System has provided a summary of the work of our committee. There is a letter from NDUS (attachment 1) that lays out our changes along with Amendment 1003. We will go off 1003 first. The University system's general fund increase is 3.7%. pp. 1-12.

Chairman Delzer: That is all money that was appropriated to them last time, they didn't use, and they're adding it to the base?

Representative Skarphol: Yes
Continued on attachment 1, p. 3.

Chairman Delzer: Was that the sum total, the 4.3? Would that have taken them all the way off?

Representative Skarphol: It would have removed them entirely and over the life of the special assessment payments, it would have saved them $2.8M, our decision was that we would wait two years to see if we wanted to go that route and we would make their payments this time around. Continuing with explanation of Attachment #1.

Representative Nelson: It says it wasn't on the priority list for '11-'13. Was it a late addition or are we ignoring the Board of Higher Ed priority list at this time?

Representative Skarphol: Probably the latter. We decided we wanted to educate students for jobs in North Dakota and there is not room for the increased class sizes. Continuing with explanation of Attachment # 1, the amendment 1003.

Chairman Delzer: On that issue, what is expected to happen to those buildings where they are currently housing the equipment now? Is there gonna be renovation cost?

Representative Skarphol: Unfortunately, after the flood in 1997, the decision was made to locate most of the hardware for IT in the basement of one facility. It's almost impossible to cool the facility. The air quality is such that the people that work there can barely tolerate it. It is seven locations that they would abandon to locate into one.

Chairman Delzer: Does this include the costs for the move?

Representative Skarphol: We were given the assurance the cost was all inclusive $14.3M.
That pretty well summarizes the actions of our committee. That is a reduction of $31,816,163.
I move to adopt Amendment 01003.

Representative Monson: Second

Representative Metcalf: I'm taken aback by your removal of the Rhoads Science Complex that we have worked on for years. Getting it up to the point where it was number one in the construction level for the University System. The flooding prospect is a concern, I have never seen the campus flood. I suggest that if you take that $9.71M and take it out of the budget and use it for some other purpose you give us a chance to provide proof regarding the flooding concerns.

Representative Skarphol: You're right. Our consternation was over a potential flood. I don't argue that it will probably get put back in in the Senate. But we do need to know whether it is in the 100 or the 500 year flood plain. It will be a different concern if the flow gets to 1400 cfs.

Representative Metcalf: And I can't tell you that. But the engineers right now say that we won't increase to more than 6000 cubic square feet and that wouldn't be near flooding stage.

Representative Kaldor: I'd like to talk about the college affordability section. While we don't directly set tuition, this will have an impact, and relate this also to the Science, technology, engineering and mathematics (STEM) funding. This development is very very important, considering what was talked about earlier with math and science scores.
With the energy center, is there any match requirements?

Representative Skarphol: No, that has not been a trend of late to require a match in a non revenue producing project.
Representative Nelson: George Kaiser's bill last time, I thought that was leveraged with private funds.

Representative Metcalf: It was for that building but it did not go forward and this was returned, the commerce department was going to use it for Centers of Excellence.

Representative Nelson: The $4.5M was reallocated to Bismarck State for this project.

Representative Pollard: I would hope we have an open mind, I am an old Viking fan. I know they are high on the priority and there is concern about the Devil's Lake outlet.

Representative Nelson: I have two sons in our higher ed institutions...what is the situation with the tuition increase? What was the reason for removing that $6.6M?

Representative Skarphol: It was the consensus of our committee we should not be setting tuition.

Representative Nelson: If we don't have control over the limitations of tuition and we don't appropriate operating money, aren't we setting tuition?

Representative Skarphol: That is what I was referring to earlier. How do we control the costs of higher education?

Representative Dosch: We had a bill about tuition and the body killed that bill on the floor last week. We should take this out and let the universities have their way and the body decided that is the way they want it.

Representative Nelson: If we remove the operating money, we do affect tuition rates. The governor thought, in his executive budget, this $6.6M would stabilize or address that situation. I can't imagine that it won't increase.

Chairman Delzer: Further discussion on motion to amend with .01003?

Representative Kaldor: On BSC, you're talking about the third floor with all the concrete, did they provide you with a plan?

Representative Martinson: It's the fourth floor, and yes they did.

Representative Kaldor: What's the plan?

Representative Martinson: I didn't see a floor plan, but they have one, and a budget, which I'll share with you later.

Voice Vote for the Adoption of Amendment 01003 passed.

Chairman Delzer: Note that Amendment 01003 is adopted.

Representative Wieland: I request a roll call vote.

Roll Call Vote: 12-7-2. Motion carried.

Representative Skarphol: I'd like to talk about amend .01002. What this amend does is remove the funding for four different areas. It involves funding that does not reflect FTEs. It's not the system that did not reflect FTEs, it was OMB. I find that extremely disturbing.

Recording glitch around 31:15

Chairman Delzer: Are these new programs?

Representative Skarphol: With the nurses consortium, what that involves is $550,000 for simulators, 5 ½ FTE that should have been reflected rather than zero. In the mental health category there should have been five and one-half, they should have shown seven in nursing, five in the Masters of Public Health and two in geriatrics training. It isn't that the system tried to deceive us.

Chairman Delzer: Do they exist?

Representative Skarphol: They're all new. A total of 19 ½ FTE.

Chairman Delzer: If they're all new, I don't see why we...

Representative Skarphol: As far as funding for mental health services...I'm not arguing for or against it, but it would bring everybody into some degree of uniformity in mental health counseling

Chairman Delzer: What are the committee's wishes?

Representative Kaldor: My concern is it doesn't create uniformity, specifically in regard to mental health. It looks like there are a number of these campuses, but not all of them, and if that's a person that can assist...I commend the governor for putting them in the budget...we're punishing in the wrong place. The Masters in Public Health, there is another bill for funding. It seems like all the programs are well thought out.

Chairman Delzer: That might be true, but the question is whether or not we want to expand all of these areas with new programming that will continue in the future.

Representative Monson: We talked about each of these areas, and discussed whether we should remove the money or leave the money. I don't think I will support this amendment but I am glad we had this discussion.

Chairman Delzer: I need some explanation what the new programs are. What is geriatrics training?

Representative Kroeber: Geriatrics training is a program where people can have specialized training for our state's aging population, for older individuals.

Chairman Delzer: I can understand that in general, but we have a $2M training program in the budget in Human Services. You don't think we have qualified personnel taking care of our elderly now? I would argue that point.

Representative Skarphol: The geriatrics training is 2 new positions at the medical school. Mental health is three new faculty positions, two positions in mental health at the medical school.

Chairman Delzer: What's the goal of the new program? At a $1.51M I would imagine it is programming to try to train people. Are we in a position to think we are not taking care of our elderly already?

Representative Skarphol: There is anticipation as our population ages there will be more need for that. The simulators for the nursing consortium should move forward.

Chairman Delzer: Were there any studies brought forward as to why they needed this and why they couldn't fund this within their own programs? The mental health issue is of great concern and hopefully it will help. I have trouble with starting new programs at that kind of cost.

Representative Skarphol: This particular appropriation offers new Masters at NDSU at a cost of $1.067M. That is in the NDSU budget. It is a joint program, half at NDSU and half at UND.

Representative Hawken: The masters in public health we have a tremendous need in this state for health professionals. This degree program does a number of things we've asked of the system, which is to work together...it's inventive, it's the two schools working together...it's exactly what we've been asking them to do. It provides Nursing Physicians Assistants, public health people who work in all parts of the state with this degree. This piece is policy, now if you want to take the money out, then they can't do it. To not funnd it is punitive.

Representative Monson: This is the medical school looking at an area...We did look at those programs to provide people to take care of an ageing population. They have the flexibility to do this on their own to do this. We let the colleges administer their own affairs. We don't micromanage.

Chairman Delzer: Does anyone wish to move any part of this amendment

Representative Skarphol: On the masters of public health, this $1.2M is general fund. The Associated money at NDSU is special funded. It is a joint program.

Chairman Delzer: I don't want to dwell on this. I see no offers of a motion, so we'll move on.

Representative Dosch: I'd like to move amend .01004 See attachment.

Vice Chairman Kempenich: Second

Representative Dosch: Explained amendment. It takes out 1.8 million of general fund. It should be funded out of their grants.

Representative Skarphol: I understand Representative Dosch's frustration, but Northern Tier network is critical...Referring to the Green Sheet pg. 2. If we don't operate it, and we pay for the amount of traffic we're going to try to use through a vendor, they estimate the cost at 9.8 million dollars. We can do this; tell them they've got to take out of their grant funding.

Representative Dosch: At no time did I say it was not necessary, needed, or critical. I want them to fund it out of grant funds, where it was originally, and it shouldn't be moving into general funds. It should be funded out of grants as it originally was.

Representative Skarphol: I beg to differ on the funding source. It was funded out of carryover, from the prior biennia and a general fund appropriation last time.

Representative Monson: I recall some of the grants and some of the discussion around these grants the same story was coming to us. Many of these federal grants are being changed. It is harder to find grants that are as rich as they used to be. They could take the FTE and the various line items and fund them from there and now the requirements in these grants are being squeezed out.

Amendment fails on voice vote.

Representative Skarphol: In the research area there are costs associated with these grants. The indirect costs assessed against the grant is 42% and that is the cost the researcher pays to the university to use the facilities. I don't disagree with Representative Dosch that we should have as information the utilization of those dollars.
Move a DO Pass as Amended on HB 1003.

Representative Monson: Second.

Roll Call Vote: 15-4-2 Motion Carries.

Carrier: Representative Skarphol

Meeting closed on HB 1003.

Date: 2/10/11
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations – Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Monson Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
Chairman Bob Skarphol	X		Clark Williams	X	
Vice Chair Hawken	X				
Mark Dosch	X				
Rep. Martinson:	X				
David Monson	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/11/11
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1003

House Appropriations – Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☒ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Martinson Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
Chairman Bob Skarphol	X		Clark Williams		X
Vice Chair Hawken		X			
Mark Dosch	X				
Rep. Martinson:	X				
David Monson	X				

Total (Yes) 4 No 2

Absent 0

Floor Assignment

Rep. _____

If the vote is on an amendment, briefly indicate intent:

Remove Valley City

Date: 2/11/11
Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations – Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☒ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Martinson Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
Chairman Bob Skarphol	X		Clark Williams	X	
Vice Chair Hawken		X			
Mark Dosch	X				
Rep. Martinson:	X				
David Monson	X				

Total (Yes) 5 No 1

Absent 0

Floor Assignment

Rep. _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/14/11
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations – Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Williams Seconded By Rep. Martinson

Representatives	Yes	No	Representatives	Yes	No
Chairman Bob Skarphol	X		Clark Williams	X	
Vice Chair Hawken	X				
Mark Dosch		X			
Rep. Martinson:	X				
David Monson	X				

Total (Yes) 5 No 1

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/14/11
Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations – Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Martinson Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Bob Skarphol	X		Clark Williams	X	
Vice Chair Hawken		X			
Mark Dosch		X			
Rep. Martinson:	X				
David Monson	X				

Total (Yes) 4 No 2

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Prepared by the Legislative Council staff for House Appropriations - Education and Environment
February 15, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to provide an exemption;"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$240,721	$12,254,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	191,660	7,377,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0
Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college	700,000	(700,000)	0

grants			
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Grants	100,000	(100,000)	0
Student mental health	0	168,000	168,000
Academic and technical program revolving fund	0	1,000,000	1,000,000
Total all funds	$93,507,640	$1,204,323	$94,711,963
Less estimated income	4,748,958	(1,994,240)	2,754,718
Total general fund	$88,758,682	$3,198,563	$91,957,245
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$2,256,082	$26,460,087
Capital assets	243,481	9,399,192	9,642,673
Total all funds	$24,447,486	$11,655,274	$36,102,760
Less estimated income	0	7,500,000	7,500,000
Total general fund	$24,447,486	$4,155,274	$28,602,760
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$783,603	$8,739,813
Capital assets	43,662	111,705	155,367

Total all funds	$7,999,872	$895,308	$8,895,180
Less estimated income	0	0	0
Total general fund	$7,999,872	$895,308	$8,895,180
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$824,468	$8,521,467
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$5,980,794	$13,764,268
Less estimated income	0	4,820,000	4,820,000
Total general fund	$7,783,474	$1,160,794	$8,944,268
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$11,557,009	$136,593,792
Capital assets	2,300,545	38,208,167	40,508,712
Total all funds	$127,337,328	$49,765,176	$177,102,504
Less estimated income	0	21,700,000	21,700,000
Total general fund	$127,337,328	$28,065,176	$155,402,504
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$9,959,467	$118,327,089
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$47,372,169	$157,432,016

Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$11,272,169	$121,332,016
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,006,991	$33,614,146
Capital assets	753,332	29,498,520	30,251,852
Total all funds	$32,360,487	$31,505,511	$63,865,998
Less estimated income	0	10,500,000	10,500,000
Total general fund	$32,360,487	$21,005,511	$53,365,998
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$1,653,209	$21,776,946
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$1,678,597	$22,186,024
Less estimated income	0	0	0
Total general fund	$20,507,427	$1,678,597	$22,186,024
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$845,777	$12,475,393
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,080,291	$12,918,898
Less estimated income	0	0	0

Total general fund	$11,838,607	$1,080,291	$12,918,898
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$2,417,646	$37,041,353
Capital assets	596,870	5,352,750	5,949,620
Total all funds	$35,220,577	$7,770,396	$42,990,973
Less estimated income	0	5,050,000	5,050,000
Total general fund	$35,220,577	$2,720,396	$37,940,973
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$848,027	$17,216,028
Capital assets	258,416	1,013,319	1,271,735
Total all funds	$16,626,417	$1,861,346	$18,487,763
Less estimated income	0	815,000	815,000
Total general fund	$16,626,417	$1,046,346	$17,672,763
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$498,633	$6,361,005
Capital assets	109,725	5,782	115,507
Total all funds	$5,972,097	$504,415	$6,476,512
Less estimated income	0	0	0
Total general fund	$5,972,097	$504,415	$6,476,512

Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$4,600,229	$45,490,630
Total all funds	$40,890,401	$4,600,229	$45,490,630
Less estimated income	0	0	0
Total general fund	$40,890,401	$4,600,229	$45,490,630
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	61,153	97,791
Total all funds	$4,507,678	$702,280	$5,209,958
Less estimated income	997,486	0	997,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$166,576,109	$705,635,447
Grand total special funds	5,746,444	84,490,760	90,237,204
Grand total general fund	$533,312,894	$82,085,349	$615,398,243"

Page 7, replace line 17 with:

"Capital projects - General fund 39,008,248 34,705,000"

Page 7, replace line 18 with:

"Capital projects - Other funds 166,958,000 84,165,000"

Page 7, replace line 20 with:

"Special assessments payments 0 787,231"

Page 7, replace line 23 with:

"Total all funds $257,001,168 $122,383,231"

Page 7, replace line 24 with:

"Total other funds 197,017,920 86,485,000"

Page 7, replace line 25 with:

"Total general fund $59,983,248 $35,898,231"

Page 7, after line 29, insert:

"**SECTION 3. EXEMPTION - TRANSFER.** Up to $4,335,000 of the amount appropriated for the great plains applied energy research center in section 1 of chapter 26 of the 2009 Session Laws is not subject to section 54-44.1-11. The department of commerce shall transfer $4,335,000 of unexpended funds from this line item to Bismarck state college for the purpose of completing the national energy center of excellence fourth floor renovation project, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 8, line 2, replace "biennium beginning July 1, 2011," with "period beginning with the effective date of this Act"

Page 8, line 8, replace "$36,061,999" with "$36,006,667"

Page 9, remove lines 17 through 23

Page 10, after line 4, insert:

"Williston state college workforce training center 2,000,000"

Page 10, replace line 10 with:

"Total special funds $40,500,000"

Page 10, line 12, replace "sections 1," with "section 1 of this Act and sections"

Page 10, line 12, after the second comma insert "4,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of House Action

	Executive Budget	House Changes	House Version
University System Office			
Total all funds	$103,926,168	($9,214,205)	$94,711,963
Less estimated income	3,754,718	(1,000,000)	2,754,718
General fund	$100,171,450	($8,214,205)	$91,957,245
Bismarck State College			
Total all funds	$38,053,301	($1,950,541)	$36,102,760
Less estimated income	7,500,000	0	7,500,000
General fund	$30,553,301	($1,950,541)	$28,602,760
Lake Region State College			
Total all funds	$9,314,859	($419,679)	$8,895,180

Less estimated income	0	0	0
General fund	$9,314,859	($419,679)	$8,895,180
Williston State College			
Total all funds	$11,920,096	$1,844,172	$13,764,268
Less estimated income	2,820,000	2,000,000	4,820,000
General fund	$9,100,096	($155,828)	$8,944,268
University of North Dakota			
Total all funds	$178,573,093	($1,470,589)	$177,102,504
Less estimated income	21,700,000	0	21,700,000
General fund	$156,873,093	($1,470,589)	$155,402,504
UND Medical Center			
Total all funds	$46,653,406	($1,162,776)	$45,490,630
Less estimated income	0	0	0
General fund	$46,653,406	($1,162,776)	$45,490,630
North Dakota State University			
Total all funds	$166,286,316	($8,854,300)	$157,432,016
Less estimated income	36,100,000	0	36,100,000
General fund	$130,186,316	($8,854,300)	$121,332,016
State College of Science			
Total all funds	$54,203,080	$9,662,918	$63,865,998
Less estimated income	10,500,000	0	10,500,000
General fund	$43,703,080	$9,662,918	$53,365,998
Dickinson State University			
Total all funds	$31,757,019	($9,570,995)	$22,186,024
Less estimated income	0	0	0
General fund	$31,757,019	($9,570,995)	$22,186,024
Mayville State University			
Total all funds	$13,685,384	($766,486)	$12,918,898
Less estimated income	0	0	0
General fund	$13,685,384	($766,486)	$12,918,898
Minot State University			
Total all funds	$43,860,736	($869,763)	$42,990,973
Less estimated income	5,050,000	0	5,050,000
General fund	$38,810,736	($869,763)	$37,940,973
Valley City State University			
Total all funds	$27,259,465	($8,771,702)	$18,487,763
Less estimated income	815,000	0	815,000
General fund	$26,444,465	($8,771,702)	$17,672,763
Dakota College at Bottineau			
Total all funds	$6,748,729	($272,217)	$6,476,512
Less estimated income	0	0	0
General fund	$6,748,729	($272,217)	$6,476,512
Forest Service			
Total all funds	$5,209,958	$0	$5,209,958
Less estimated income	997,486	0	997,486
General fund	$4,212,472	$0	$4,212,472
Bill total			
Total all funds	$737,451,610	($31,816,163)	$705,635,447
Less estimated income	89,237,204	1,000,000	90,237,204
General fund	$648,214,406	($32,816,163)	$615,398,243

House Bill No. 1003 - General Fund Summary

	Executive Budget	House Changes	House Version
University System Office	$100,171,450	($8,214,205)	$91,957,245
Bismarck State College	30,553,301	(1,950,541)	28,602,760
Lake Region State College	9,314,859	(419,679)	8,895,180
Williston State College	9,100,096	(155,828)	8,944,268

University of North Dakota	156,873,093	(1,470,589)	155,402,504
UND Medical Center	46,653,406	(1,162,776)	45,490,630
North Dakota State University	130,186,316	(8,854,300)	121,332,016
State College of Science	43,703,080	9,662,918	53,365,998
Dickinson State University	31,757,019	(9,570,995)	22,186,024
Mayville State University	13,685,384	(766,486)	12,918,898
Minot State University	38,810,736	(869,763)	37,940,973
Valley City State University	26,444,465	(8,771,702)	17,672,763
Dakota College at Bottineau	6,748,729	(272,217)	6,476,512
Forest Service	4,212,472		4,212,472
Total general fund	$648,214,406	($32,816,163)	$615,398,243

Detail of House Changes to the General Fund

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office	($1,564,205)	($1,650,000)	($5,000,000)			
Bismarck State College					(731,556)	(543,985)
Lake Region State College					(200,540)	(219,139)
Williston State College					(214,161)	(166,667)
University of North Dakota					(1,676,738)	(2,459,984)
UND Medical Center					(571,224)	(591,552)
North Dakota State University					(1,858,284)	(4,698,999)
State College of Science					(604,037)	(166,667)
Dickinson State University					(48,128)	(472,867)
Mayville State University					(41,839)	(166,667)
Minot State University					(439,621)	(180,142)
Valley City State University					(148,884)	(166,667)
Dakota College at Bottineau					(105,550)	(166,667)
Forest Service						
Total general fund	($1,564,205)	($1,650,000)	($5,000,000)	$0	($6,640,562)	($10,000,003)

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total General Fund Changes
University System Office				($8,214,205)
Bismarck State College		(675,000)		(1,950,541)
Lake Region State College				(419,679)
Williston State College			225,000	(155,828)
University of North Dakota	(250,000)	(183,867)	3,100,000	(1,470,589)
UND Medical Center				(1,162,776)
North Dakota State University	(250,000)	(2,047,017)		(8,854,300)
State College of Science		(66,378)	10,500,000	9,662,918
Dickinson State University	(250,000)		(8,800,000)	(9,570,995)
Mayville State University	(250,000)	(307,980)		(766,486)
Minot State University	(250,000)			(869,763)
Valley City State University	(250,000)	(235,151)	(7,971,000)	(8,771,702)
Dakota College at Bottineau				(272,217)
Forest Service				
Total general fund	($1,500,000)	($3,515,393)	($2,946,000)	($32,816,163)

House Bill No. 1003 - Other Funds Summary

	Executive Budget	House Changes	House Version
University System Office	$3,754,718	($1,000,000)	$2,754,718
Bismarck State College	7,500,000		7,500,000
Lake Region State College			
Williston State College	2,820,000	2,000,000	4,820,000
University of North Dakota	21,700,000		21,700,000
UND Medical Center			
North Dakota State University	36,100,000		36,100,000
State College of Science	10,500,000		10,500,000

Dickinson State University			
Mayville State University			
Minot State University	5,050,000		5,050,000
Valley City State University	815,000		815,000
Dakota College at Bottineau			
Forest Service	997,486		997,486
Total other funds	$89,237,204	$1,000,000	$90,237,204

Detail of House Changes to Other Funds

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office				($1,000,000)		
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	($1,000,000)	$0	$0

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total Other Funds Changes
University System Office				($1,000,000)
Bismarck State College				
Lake Region State College				
Williston State College			2,000,000	2,000,000
University of North Dakota				
UND Medical Center				
North Dakota State University				
State College of Science				
Dickinson State University				
Mayville State University				
Minot State University				
Valley City State University				
Dakota College at Bottineau				
Forest Service				
Total other funds	$0	$0	$2,000,000	$1,000,000

House Bill No. 1003 - All Funds Summary

	Executive Budget	House Changes	House Version
University System Office	$103,926,168	($9,214,205)	$94,711,963
Bismarck State College	38,053,301	(1,950,541)	36,102,760
Lake Region State College	9,314,859	(419,679)	8,895,180
Williston State College	11,920,096	1,844,172	13,764,268
University of North Dakota	178,573,093	(1,470,589)	177,102,504
UND Medical Center	46,653,406	(1,162,776)	45,490,630
North Dakota State University	166,286,316	(8,854,300)	157,432,016
State College of Science	54,203,080	9,662,918	63,865,998
Dickinson State University	31,757,019	(9,570,995)	22,186,024
Mayville State University	13,685,384	(766,486)	12,918,898
Minot State University	43,860,736	(869,763)	42,990,973
Valley City State University	27,259,465	(8,771,702)	18,487,763

Dakota College at Bottineau	6,748,729	(272,217)	6,476,512
Forest Service	5,209,958		5,209,958
Total all funds	$737,451,610	($31,816,163)	$705,635,447
FTE	2245.51	0.00	2245.51

Detail of House Changes to All Funds

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office	($1,564,205)	($1,650,000)	($5,000,000)	($1,000,000)		
Bismarck State College					(731,556)	(543,985)
Lake Region State College					(200,540)	(219,139)
Williston State College					(214,161)	(166,667)
University of North Dakota					(1,676,738)	(2,459,984)
UND Medical Center					(571,224)	(591,552)
North Dakota State University					(1,858,284)	(4,698,999)
State College of Science					(604,037)	(166,667)
Dickinson State University					(48,128)	(472,867)
Mayville State University					(41,839)	(166,667)
Minot State University					(439,621)	(180,142)
Valley City State University					(148,884)	(166,667)
Dakota College at Bottineau					(105,550)	(166,667)
Forest Service						
Total all funds	($1,564,205)	($1,650,000)	($5,000,000)	($1,000,000)	($6,640,562)	($10,000,003)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total All Funds Changes
University System Office				($9,214,205)
Bismarck State College		(675,000)		(1,950,541)
Lake Region State College				(419,679)
Williston State College			2,225,000	1,844,172
University of North Dakota	(250,000)	(183,867)	3,100,000	(1,470,589)
UND Medical Center				(1,162,776)
North Dakota State University	(250,000)	(2,047,017)		(8,854,300)
State College of Science		(66,378)	10,500,000	9,662,918
Dickinson State University	(250,000)		(8,800,000)	(9,570,995)
Mayville State University	(250,000)	(307,980)		(766,486)
Minot State University	(250,000)			(869,763)
Valley City State University	(250,000)	(235,151)	(7,971,000)	(8,771,702)
Dakota College at Bottineau				(272,217)
Forest Service				
Total all funds	($1,500,000)	($3,515,393)	($946,000)	($31,816,163)
FTE	0.00	0.00	0.00	0.00

[1] This amendment removes funding included in the executive budget related to continuing 2007-09 carryover amounts for various University System office line items.

[2] This amendment removes increased funding of $1,650,000 included in the executive budget for competitive research to provide total funding of $7,050,000, the same as the 2009-11 biennium.

[3] Funding added in the executive budget for performance-based funding distributions to institutions is removed.

[4] Funding from the permanent oil tax trust fund for tribal college assistance grants is removed.

[5] This amendment removes funding included in the executive budget to limit tuition increases.

[6] This amendment removes $10 million of equity funding for campuses.

[7] This amendment removes funding included in the executive recommendation for science, technology, engineering, and mathematics (STEM) teacher education enhancement that was originally added by the 2009 Legislative Assembly.

[8] Funding of $4,302,624 included in the executive budget to pay off special assessment balances at institutions is removed and $787,231 for estimated 2011-13 special assessment payments is added to affected campus budgets.

[9] This amendment provides for the following adjustments to capital projects:

- Adds $2,225,000, of which $225,000 is from the general fund and $2 million is from special funds, for the Williston State College workforce training building project. Authorization is also provided to Williston State College to issue $2 million of revenue bonds for the project.
- Increases funding for the North Dakota University System/University of North Dakota joint information technology facility to provide total project funding of $14.3 million.
- Adds $10.5 million from the general fund for the State College of Science Bisek Hall renovation and addition project.
- Removes $8.8 million from the general fund for the Dickinson State University Stoxen Library project.
- Removes $7,971,000 from the general fund for the Valley City State University Rhoades Science Center project.

House Bill No. 1003 - Other Changes - House Action

This amendment also:

- Adds a section to allow the Department of Commerce to continue up to $4,335,000 of unspent 2009-11 biennium funding for the Great Plains Applied Energy Research Center project into the 2011-13 biennium and transfers the funding to Bismarck State College for the National Energy Center of Excellence fourth floor remodeling project.
- Removes Section 11 relating to grants to tribally controlled community colleges.
- Amends Section 12 to authorize Williston State College to issue up to $2 million of revenue bonds for the workforce training center project.

Date: 2/18
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

Legislative Council Amendment Number 01003

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Skarphol Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Nelson		X
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol	X				
Representative Thoreson	X		Representative Glassheim		X
Representative Bellew	X		Representative Kaldor		X
Representative Brandenburg	X		Representative Kroeber		X
Representative Dahl			Representative Metcalf		X
Representative Dosch	X		Representative Williams		
Representative Hawken		X			
Representative Klein		X			
Representative Kreidt	X				
Representative Martinson	X				
Representative Monson	X				

Total (Yes) 12 No 7

Absent 2

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

voice vote carries
roll requested

11.8155.01004
Title.

Prepared by the Legislative Council staff for
Representative Dosch
February 18, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, replace line 20 with:

"System information technology 30,230,038 4,031,961 34,261,999"

Page 2, replace line 18 with:

"Total all funds $93,507,640 $8,618,528 $102,126,168"

Page 2, replace line 20 with:

"Total general fund $88,758,682 $9,612,768 $98,371,450"

Page 7, replace line 3 with:

"Grand total all funds $539,059,338 $196,592,272 $735,651,610"

Page 7, replace line 5 with:

"Grand total general fund $533,312,894 $113,101,512 $646,414,406"

Page 8, line 8, replace "$36,061,999" with "$34,261,999"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

North Dakota University System office - This amendment removes a $1.8 million increase in funding from the general fund included in the executive budget for Northern Tier Network operating costs.

Date: 2/18
Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

Legislative Council Amendment Number 01004

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Dosch Seconded By Rep. Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Nelson		
Vice Chairman Kempenich			Representative Wieland		
Representative Pollert					
Representative Skarphol					
Representative Thoreson			Representative Glassheim		
Representative Bellew			Representative Kaldor		
Representative Brandenburg			Representative Kroeber		
Representative Dahl			Representative Metcalf		
Representative Dosch			Representative Williams		
Representative Hawken					
Representative Klein					
Representative Kreidt					
Representative Martinson					
Representative Monson					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

(further amend) 01004: remove $1.8 million of general funding

Voice vote fails

Date: 2/18
Roll Call Vote #: 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

House Appropriations Committee

Legislative Council Amendment Number

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Skarphol Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Nelson	X	
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol	X				
Representative Thoreson	X		Representative Glassheim		X
Representative Bellew	X		Representative Kaldor		X
Representative Brandenburg	X		Representative Kroeber	X	
Representative Dahl			Representative Metcalf		X
Representative Dosch	X		Representative Williams		
Representative Hawken		X			
Representative Klein	X				
Representative Kreidt	X				
Representative Martinson	X				
Representative Monson	X				

Total (Yes) 15 No 4

Absent 2

Floor Assignment Rep. Skarphol

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1003: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING). HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to provide an exemption;"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$240,721	$12,254,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	191,660	7,377,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0
Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	(700,000)	0
Security and emergency preparedness	750,000	(750,000)	0

Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Grants	100,000	(100,000)	0
Student mental health	0	168,000	168,000
Academic and technical program revolving fund	0	1,000,000	1,000,000
Total all funds	$93,507,640	$1,204,323	$94,711,963
Less estimated income	4,748,958	(1,994,240)	2,754,718
Total general fund	$88,758,682	$3,198,563	$91,957,245
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$2,256,082	$26,460,087
Capital assets	243,481	9,399,192	9,642,673
Total all funds	$24,447,486	$11,655,274	$36,102,760
Less estimated income	0	7,500,000	7,500,000
Total general fund	$24,447,486	$4,155,274	$28,602,760
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$783,603	$8,739,813
Capital assets	43,662	111,705	155,367
Total all funds	$7,999,872	$895,308	$8,895,180
Less estimated income	0	0	0
Total general fund	$7,999,872	$895,308	$8,895,180
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$824,468	$8,521,467
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$5,980,794	$13,764,268
Less estimated income	0	4,820,000	4,820,000
Total general fund	$7,783,474	$1,160,794	$8,944,268
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$11,557,009	$136,593,792
Capital assets	2,300,545	38,208,167	40,508,712
Total all funds	$127,337,328	$49,765,176	$177,102,504
Less estimated income	0	21,700,000	21,700,000
Total general fund	$127,337,328	$28,065,176	$155,402,504
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$9,959,467	$118,327,089
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$47,372,169	$157,432,016
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$11,272,169	$121,332,016
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,006,991	$33,614,146
Capital assets	753,332	29,498,520	30,251,852

Total all funds	$32,360,487	$31,505,511	$63,865,998
Less estimated income	0	10,500,000	10,500,000
Total general fund	$32,360,487	$21,005,511	$53,365,998
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$1,653,209	$21,776,946
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$1,678,597	$22,186,024
Less estimated income	0	0	0
Total general fund	$20,507,427	$1,678,597	$22,186,024
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$845,777	$12,475,393
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,080,291	$12,918,898
Less estimated income	0	0	0
Total general fund	$11,838,607	$1,080,291	$12,918,898
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$2,417,646	$37,041,353
Capital assets	596,870	5,352,750	5,949,620
Total all funds	$35,220,577	$7,770,396	$42,990,973
Less estimated income	0	5,050,000	5,050,000
Total general fund	$35,220,577	$2,720,396	$37,940,973
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$848,027	$17,216,028
Capital assets	258,416	1,013,319	1,271,735
Total all funds	$16,626,417	$1,861,346	$18,487,763
Less estimated income	0	815,000	815,000
Total general fund	$16,626,417	$1,046,346	$17,672,763
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$498,633	$6,361,005
Capital assets	109,725	5,782	115,507
Total all funds	$5,972,097	$504,415	$6,476,512
Less estimated income	0	0	0
Total general fund	$5,972,097	$504,415	$6,476,512
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$4,600,229	$45,490,630
Total all funds	$40,890,401	$4,600,229	$45,490,630
Less estimated income	0	0	0
Total general fund	$40,890,401	$4,600,229	$45,490,630
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167

Capital assets	36,638	61,153	97,791
Total all funds	$4,507,678	$702,280	$5,209,958
Less estimated income	997,486	0	997,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$166,576,109	$705,635,447
Grand total special funds	5,746,444	84,490,760	90,237,204
Grand total general fund	$533,312,894	$82,085,349	$615,398,243"

Page 7, replace line 17 with:

"Capital projects - General fund	39,008,248	34,705,000"

Page 7, replace line 18 with:

"Capital projects - Other funds	166,958,000	84,165,000"

Page 7, replace line 20 with:

"Special assessments payments	0	787,231"

Page 7, replace line 23 with:

"Total all funds	$257,001,168	$122,383,231"

Page 7, replace line 24 with:

"Total other funds	197,017,920	86,485,000"

Page 7, replace line 25 with:

"Total general fund	$59,983,248	$35,898,231"

Page 7, after line 29, insert:

"**SECTION 3. EXEMPTION - TRANSFER.** Up to $4,335,000 of the amount appropriated for the great plains applied energy research center in section 1 of chapter 26 of the 2009 Session Laws is not subject to section 54-44.1-11. The department of commerce shall transfer $4,335,000 of unexpended funds from this line item to Bismarck state college for the purpose of completing the national energy center of excellence fourth floor renovation project, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 8, line 2, replace "biennium beginning July 1, 2011," with "period beginning with the effective date of this Act"

Page 8, line 8, replace "$36,061,999" with "$36,006,667"

Page 9, remove lines 17 through 23

Page 10, after line 4, insert:

"Williston state college workforce training center 2,000,000"

Page 10, replace line 10 with:

"Total special funds $40,500,000"

Page 10, line 12, replace "sections 1," with "section 1 of this Act and sections"

Page 10, line 12, after the second comma insert "4,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of House Action

	Executive Budget	House Changes	House Version
University System Office			
Total all funds	$103,926,168	($9,214,205)	$94,711,963
Less estimated income	3,754,718	(1,000,000)	2,754,718
General fund	$100,171,450	($8,214,205)	$91,957,245
Bismarck State College			
Total all funds	$38,053,301	($1,950,541)	$36,102,760
Less estimated income	7,500,000	0	7,500,000
General fund	$30,553,301	($1,950,541)	$28,602,760
Lake Region State College			
Total all funds	$9,314,859	($419,679)	$8,895,180
Less estimated income	0	0	0
General fund	$9,314,859	($419,679)	$8,895,180
Williston State College			
Total all funds	$11,920,096	$1,844,172	$13,764,268
Less estimated income	2,820,000	2,000,000	4,820,000
General fund	$9,100,096	($155,828)	$8,944,268
University of North Dakota			
Total all funds	$178,573,093	($1,470,589)	$177,102,504
Less estimated income	21,700,000	0	21,700,000
General fund	$156,873,093	($1,470,589)	$155,402,504
UND Medical Center			
Total all funds	$46,653,406	($1,162,776)	$45,490,630
Less estimated income	0	0	0
General fund	$46,653,406	($1,162,776)	$45,490,630
North Dakota State University			
Total all funds	$166,286,316	($8,854,300)	$157,432,016
Less estimated income	36,100,000	0	36,100,000
General fund	$130,186,316	($8,854,300)	$121,332,016
State College of Science			
Total all funds	$54,203,080	$9,662,918	$63,865,998
Less estimated income	10,500,000	0	10,500,000

General fund	$43,703,080	$9,662,918	$53,365,998
Dickinson State University			
Total all funds	$31,757,019	($9,570,995)	$22,186,024
Less estimated income	0	0	0
General fund	$31,757,019	($9,570,995)	$22,186,024
Mayville State University			
Total all funds	$13,685,384	($766,486)	$12,918,898
Less estimated income	0	0	0
General fund	$13,685,384	($766,486)	$12,918,898
Minot State University			
Total all funds	$43,860,736	($869,763)	$42,990,973
Less estimated income	5,050,000	0	5,050,000
General fund	$38,810,736	($869,763)	$37,940,973
Valley City State University			
Total all funds	$27,259,465	($8,771,702)	$18,487,763
Less estimated income	815,000	0	815,000
General fund	$26,444,465	($8,771,702)	$17,672,763
Dakota College at Bottineau			
Total all funds	$6,748,729	($272,217)	$6,476,512
Less estimated income	0	0	0
General fund	$6,748,729	($272,217)	$6,476,512
Forest Service			
Total all funds	$5,209,958	$0	$5,209,958
Less estimated income	997,486	0	997,486
General fund	$4,212,472	$0	$4,212,472
Bill total			
Total all funds	$737,451,610	($31,816,163)	$705,635,447
Less estimated income	89,237,204	1,000,000	90,237,204
General fund	$648,214,406	($32,816,163)	$615,398,243

House Bill No. 1003 - General Fund Summary

	Executive Budget	House Changes	House Version
University System Office	$100,171,450	($8,214,205)	$91,957,245
Bismarck State College	30,553,301	(1,950,541)	28,602,760
Lake Region State College	9,314,859	(419,679)	8,895,180
Williston State College	9,100,096	(155,828)	8,944,268
University of North Dakota	156,873,093	(1,470,589)	155,402,504
UND Medical Center	46,653,406	(1,162,776)	45,490,630
North Dakota State University	130,186,316	(8,854,300)	121,332,016
State College of Science	43,703,080	9,662,918	53,365,998
Dickinson State University	31,757,019	(9,570,995)	22,186,024
Mayville State University	13,685,384	(766,486)	12,918,898
Minot State University	38,810,736	(869,763)	37,940,973
Valley City State University	26,444,465	(8,771,702)	17,672,763
Dakota College at Bottineau	6,748,729	(272,217)	6,476,512
Forest Service	4,212,472		4,212,472
Total general fund	$648,214,406	($32,816,163)	$615,398,243

Detail of House Changes to the General Fund

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office	($1,564,205)	($1,650,000)	($5,000,000)			
Bismarck State College					(731,556)	(543,985)
Lake Region State College					(200,540)	(219,139)
Williston State College					(214,161)	(166,667)
University of North Dakota					(1,676,738)	(2,459,984)
UND Medical Center					(571,224)	(591,552)
North Dakota State University					(1,858,284)	(4,698,999)
State College of Science					(604,037)	(166,667)
Dickinson State University					(48,128)	(472,867)
Mayville State University					(41,839)	(166,667)
Minot State University					(439,621)	(180,142)
Valley City State University					(148,884)	(166,667)
Dakota College at Bottineau					(105,550)	(166,667)
Forest Service						
Total general fund	($1,564,205)	($1,650,000)	($5,000,000)	$0	($6,640,562)	($10,000,003)

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total General Fund Changes
University System Office				($8,214,205)
Bismarck State College		(675,000)		(1,950,541)
Lake Region State College				(419,679)
Williston State College			225,000	(155,828)
University of	(250,000)	(183,867)	3,100,000	(1,470,589)

North Dakota UND Medical Center				(1,162,776)
North Dakota State University	(250,000)	(2,047,017)		(8,854,300)
State College of Science		(66,378)	10,500,000	9,662,918
Dickinson State University	(250,000)		(8,800,000)	(9,570,995)
Mayville State University	(250,000)	(307,980)		(766,486)
Minot State University	(250,000)			(889,763)
Valley City State University	(250,000)	(235,151)	(7,971,000)	(8,771,702)
Dakota College at Bottineau				(272,217)
Forest Service				
Total general fund	($1,500,000)	($3,515,393)	($2,946,000)	($32,816,163)

House Bill No. 1003 - Other Funds Summary

	Executive Budget	House Changes	House Version
University System Office	$3,754,718	($1,000,000)	$2,754,718
Bismarck State College	7,500,000		7,500,000
Lake Region State College			
Williston State College	2,820,000	2,000,000	4,820,000
University of North Dakota	21,700,000		21,700,000
UND Medical Center			
North Dakota State University	36,100,000		36,100,000
State College of Science	10,500,000		10,500,000
Dickinson State University			
Mayville State University			
Minot State University	5,050,000		5,050,000
Valley City State University	815,000		815,000
Dakota College at Bottineau			
Forest Service	997,486		997,486
Total other funds	$89,237,204	$1,000,000	$90,237,204

Detail of House Changes to Other Funds

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office				($1,000,000)		
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						

UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	($1,000,000)	$0	$0

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total Other Funds Changes
University System Office				($1,000,000)
Bismarck State College				
Lake Region State College				
Williston State College			2,000,000	2,000,000
University of North Dakota				
UND Medical Center				
North Dakota State University				
State College of Science				
Dickinson State University				
Mayville State University				
Minot State University				
Valley City State University				
Dakota College at Bottineau				
Forest Service				
Total other funds	$0	$0	$2,000,000	$1,000,000

House Bill No. 1003 - All Funds Summary

	Executive	House	House

	Budget	Changes	Version
University System Office	$103,926,168	($9,214,205)	$94,711,963
Bismarck State College	38,053,301	(1,950,541)	36,102,760
Lake Region State College	9,314,859	(419,679)	8,895,180
Williston State College	11,920,096	1,844,172	13,764,268
University of North Dakota	178,573,093	(1,470,589)	177,102,504
UND Medical Center	46,653,406	(1,162,776)	45,490,630
North Dakota State University	166,286,316	(8,854,300)	157,432,016
State College of Science	54,203,080	9,662,918	63,865,998
Dickinson State University	31,757,019	(9,570,995)	22,186,024
Mayville State University	13,685,384	(766,486)	12,918,898
Minot State University	43,860,736	(869,763)	42,990,973
Valley City State University	27,259,465	(8,771,702)	18,487,763
Dakota College at Bottineau	6,748,729	(272,217)	6,476,512
Forest Service	5,209,958		5,209,958
Total all funds	$737,451,610	($31,816,163)	$705,635,447
FTE	2245.51	0.00	2245.51

Detail of House Changes to All Funds

	Removes Carryover Funding[1]	Removes Increased Competitive Research Funding[2]	Removes Performance-Based Funding[3]	Removes Funding for Tribal College Assistance Grants[4]	Removes Tuition Affordability Funding[5]	Removes Equity Funding[6]
University System Office	($1,564,205)	($1,650,000)	($5,000,000)	($1,000,000)		
Bismarck State College					(731,556)	(543,985)
Lake Region State College					(200,540)	(219,139)
Williston State College					(214,161)	(166,667)
University of North Dakota					(1,676,738)	(2,459,984)
UND Medical Center					(571,224)	(591,552)
North Dakota State University					(1,858,284)	(4,698,999)
State College of Science					(604,037)	(166,667)
Dickinson State University					(48,128)	(472,867)
Mayville State University					(41,839)	(166,667)
Minot State University					(439,621)	(180,142)
Valley City State					(148,884)	(166,667)

University of North Dakota					(105,550)	(166,667)
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total all funds	($1,564,205)	($1,650,000)	($5,000,000)	($1,000,000)	($6,640,562)	($10,000,003)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessments[8]	Adjusts Funding for Capital Projects[9]	Total All Funds Changes
University System Office				($9,214,205)
Bismarck State College		(675,000)		(1,950,541)
Lake Region State College				(419,679)
Williston State College			2,225,000	1,844,172
University of North Dakota	(250,000)	(183,867)	3,100,000	(1,470,589)
UND Medical Center				(1,162,776)
North Dakota State University	(250,000)	(2,047,017)		(8,854,300)
State College of Science		(66,378)	10,500,000	9,662,918
Dickinson State University	(250,000)		(8,800,000)	(9,570,995)
Mayville State University	(250,000)	(307,980)		(766,486)
Minot State University	(250,000)			(869,763)
Valley City State University	(250,000)	(235,151)	(7,971,000)	(8,771,702)
Dakota College at Bottineau				(272,217)
Forest Service				
Total all funds	($1,500,000)	($3,515,393)	($946,000)	($31,816,163)
FTE	0.00	0.00	0.00	0.00

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[1] This amendment removes funding included in the executive budget related to continuing 2007-09 carryover amounts for various University System office line items.

[2] This amendment removes increased funding of $1,650,000 included in the executive budget for competitive research to provide total funding of $7,050,000, the same as the 2009-11 biennium.

[3] Funding added in the executive budget for performance-based funding distributions to institutions is removed.

[4] Funding from the permanent oil tax trust fund for tribal college assistance grants is removed.

[5] This amendment removes funding included in the executive budget to limit tuition increases.

[6] This amendment removes $10 million of equity funding for campuses.

[7] This amendment removes funding included in the executive recommendation for science, technology, engineering, and mathematics (STEM) teacher education enhancement that was originally added by the 2009 Legislative Assembly.

[8] Funding of $4,302,624 included in the executive budget to pay off special assessment balances at institutions is removed and $787,231 for estimated 2011-13 special assessment payments is added to affected campus budgets.

[9] This amendment provides for the following adjustments to capital projects:

- Adds $2,225,000, of which $225,000 is from the general fund and $2 million is from special funds, for the Williston State College workforce training building project. Authorization is also provided to Williston State College to issue $2 million of revenue bonds for the project.
- Increases funding for the North Dakota University System/University of North Dakota joint information technology facility to provide total project funding of $14.3 million.
- Adds $10.5 million from the general fund for the State College of Science Bisek Hall renovation and addition project.
- Removes $8.8 million from the general fund for the Dickinson State University Stoxen Library project.
- Removes $7,971,000 from the general fund for the Valley City State University Rhoades Science Center project.

House Bill No. 1003 - Other Changes - House Action

This amendment also:

- Adds a section to allow the Department of Commerce to continue up to $4,335,000 of unspent 2009-11 biennium funding for the Great Plains Applied Energy Research Center project into the 2011-13 biennium and transfers the funding to Bismarck State College for the National Energy Center of Excellence fourth floor remodeling project.
- Removes Section 11 relating to grants to tribally controlled community colleges.
- Amends Section 12 to authorize Williston State College to issue up to $2 million of revenue bonds for the workforce training center project.

2011 SENATE APPROPRIATIONS

HB 1003

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – NDUS - OVERVIEW
03-9-2011
Job # 15145

☐ Conference Committee

Committee Clerk Signature Alicia Pulzer

Explanation or reason for introduction of bill/resolution:

OVERVIEW OF NORTH DAKOTA UNIVERSITY SYSTEM BUDGET

Minutes: See attached testimony.

Chairman Holmberg called the committee to order on Wednesday, March 9, 2011 at 8:30 am in reference to HB 1003. Roll call was taken. All committee members were present. Tammy R. Dolan, OMB and Brady Larson, Legislative council were also present. We have today and actually over the next few days, have HB 1003, the University system and HB 1020, Extension Service Bills. **The subcommittee on HB 1003 will by Chairman Holmberg, Senators Bowman, Krebsbach and Robinson**. The subcommittee on HB 1020 will be Senator Bowman, as chairman, and Senators Christmann, Holmberg and O'Connell.

William Goetz, Chancellor of NDUS testified in favor of HB 1003 and provided (Written **Testimony attached # 1)**. Thank-you for this opportunity to be a part of presenting the NDUS budget over this week, both the NDUS budget and the Ag Extensions Research. Appreciation is extended to you as well from the past session and the duration of this current biennium. Again, I have to say that the University System continues to play a major part and role in the state of ND, not only in the provision of providing of an education but also in a host of other areas of research, and so forth, that our campuses will speak to. I want to make just a few comments in terms of the overall change, the environment of the University System and how it continues to evolve. It is imperative that, we each in our role as legislators, as members of the NDUS, that we look at the dollars that are invested in the NDUS as providing and bringing about value added investment. It's a public good that pays dividends back to the citizens to the state of ND, and the role that the state of North Dakota plays, within the region of this country. We will have campus presentations. But I plead with you when we look at the budget, let's also be thinking about our future and think about it in terms of policy. You are going to hear from Ag Extension Research. Yes it's about dollars, but it is as much about our future, our vision and where we want to go, as far as policy is concerned, in directing Ag and Research, Ag Extension Research, again, as a major player in the future of agriculture, in this state. We need to be thinking in those terms. When the medical school makes a presentation, we need to be thinking about, where we as citizens of ND, expect to be ten years from now, in terms of medical care, in this state and rural health care. It's not about just a building and it's not just about adding slots for additional students in the medical school. It's about where we want to be going and what we expect for citizens from health care in the future. The profile of

our students continues to change. I heard reference yesterday and I don't take it happens, but as I was testifying before you yesterday on another bill, I heard the reference to "those kids at college". I take exception to the fact that; we are talking about kids in college, in this day and age, in terms of composition. Composition of our students is changing. We're much more diversified in terms of student profile. Our students are older, our students are back in the class room for any number of reasons and so, when we look at the composition of our students, we're talking about really a population that has varying objectives, great variables as far as age is concerned, and a requirement on our part to provide the necessary services for those students because it's a whole lot different than it was 10, 15 years ago, in terms of that profile. The colleges work on collaboration. I have to really commend our campuses and our presidents, and you should, I hope you gain an appreciation for what is going on out there in terms of the collaboration that is taking place between campuses. The University of ND and ND State University joined together and put together a Masters in Public Health. 5-10 years ago, that would not have happened. We know that. It has happened. We have our campuses, such as Lake Region and Wahpeton State College of Science, playing a part on UND and NDSU, in helping in the area of remedial and developmental education. They are on those campuses. We have a number of campuses here in Bismarck, offering courses to this region of the state, so that our people in this region of our state, have accessibility to four year programs. That's collaboration. That's cost efficiency. That's avoiding duplication. Our community colleges are very responsive to workforce needs. With legislative support, we've been able to hold down tuition costs, at a time, when many states had double digit tuition increases. I'd like to share with you the 30 second commercial, that you helped fund last session, to elevate the importance of community colleges in this state. (a clip was shown to the committee) This effort, again thanks to your support, has done a great deal to changing the culture in the state, in terms, explaining the role of the community college. The community college plays an important role, as a feeder, to our Universities across the state, again appreciation to you for that support. We have world class research that will be discussed. That will be presented by our Research Universities. We have in 2010 alone, as far as that effort, have had 1,510 businesses that have been served by TrainND, and 11,644 employees trained under that program. Williston is the area, where a great deal of this is being done, in supporting the oil field effort. We need to be aware of the emerging need of the forefront of program offerings. The program I already talked about would be the master's degree in Public Health, developed by NDSU and UND, and will be offering a program, that certainly speaks to a great need, across the state and across the region. Many efforts are being made in terms of relationship building between our campuses and K-12 schools; this continues to grow. Each of our campuses provides multiple examples of outreach in relationship with local schools K-12. I have to mention that again, due to past legislative action, and what was once referred to as joint powers, now is referred to as regional education, association organizations across the state of K-12 schools, that in each of those regions. We do have a campus and those campuses play a very critical important role with those school districts in integrating and providing seamless support and seamless education, professional development, in so many ways, in each of those regions. On-line courses in technology, the University system in ND, are very much at the forefront in terms of utilizing technology in the delivery of education. On-line course registrations for the fall of 2010 totaled 15,799, a 16.3% increase in enrollment courses delivered, through the use of technology, between the fall of 2007 and 2010. Another important point, where we do an awful lot of work is, we've spent a lot of tax payer dollars in the area of encouraging businesses to locate in ND. We've done a lot to encourage the expansion of business in ND. The University System also needs to be recognized as a part of

that effort. The percentage of graduates, who now remain in the state at one year after graduation, continues to grow. Why? Because the opportunities are likewise growing. We have to acknowledge the fact that our students today are putting a real priority on things like quality of life and it is beginning to make a difference. And so, when we debate the issues, of the non-resident student and we talk about how many students are remaining in the state after they complete a college education, we have to recognize, in truth, what is taking place, relative to the retention of these students and certainly the duration of this. We can go into much more detail on that. The University System's strategic plan is very much "hand in glove" with the Department of Commerce. When we look at, both the strategic plan of the commerce department and the strategic plan of NDUS, again, it's hand in hand working together, meeting the objectives of economic development in this state. And then finally, I want to make a comment, relative to the State Board of Higher Education. Today you will find that the State Board of Education is policy driven. It's driven by a strategic plan that has been developed, adopted and it is from that, that we derive good policy. It is from that, which drives the budget that is before you. It is a very conscious delivered effort and again, I think that when we look at the strength of the University System and the work that is taking place, not only in terms of education, research, policy development, meeting the needs in so many areas for the state and its citizens. A lot of credit needs to go to the Board, in terms, of that direction. I deem it a privilege, again, to be before this committee and I certainly look forward to the week in terms of information that can be provided and the tremendous support that our presidents will demonstrate here over this week, in terms of their role in meeting the objectives, of the University System for the state of ND, which I think we can all be proud of.

Chairman Holmberg states, we'll just move along and when John comes we will hear his testimony.

Chancellor Goetz states, I would want to introduce Mr. David Farnsworth, who's the Manager, Power Generation Engineered Leader, Great River Energy and then following him will be Mr. Andy Peterson, who is President of the ND Chamber of Commerce.

V. Chair Grindberg states at 9:20 or so will you be doing a wrap-up a long side Laura. He was told yes.

David Farnsworth, Manager, Power Generation & Engineering Services for Great River Energies, for 3 ND power facilities. Over the years, I have worked with labor and state government and higher ed., to help build programs and curricula for our technicians and college graduates for high paying jobs that are in the ND energy field. (Look at book for testimony). Dealing with the impacts and benefits of the expanding energy industry, is central to many of your deliberations in this session. ND has been blessed with abundant energy resources and a favorable business climate that has allowed those resources to be developed. Our ability to continue to grow our energy industry is highly dependent on our ability to grow a workforce of skilled technicians, operators, engineers and managers. That is where higher education comes into play. At least 80% of the workforce needed in today's energy industry, requires advanced technical training, certification or technical degrees. This is true, whether we are talking about the oil and gas industry, the wind industry, the mining and power sectors or the bio fuels industry. Most of the technical workforce is being educated and trained through the ND higher education system. Most of the technical workforce is being educated and trained through the ND higher education system. My company, Great River Energy,

illustrates the role of higher education, in our success. Coal Creek Station, which is ND largest power plant, is today one of the most reliable and lowest cost producers of power in the electrical dispatch area, that stretches from Saskatchewan to Pennsylvania. Nearly all of our technicians, and about 80% of our workforce, has 2 year degrees. They have been educated and trained through BSC or through the ND State College of Science. In programs, such as power and process plant technology, welding, instrumentation and control, electrical, industrial mechanics or other related programs. In recent years, engineers at Coal Creek Station, conceived and designed, built and started up a system, which refines lignite and approves plant efficiency in significantly lowers power plant air emissions. In 2010, this game changing technology, won the prestigious international power engineering project of the year award. It is important to note, that every single one of the Great River Energy engineers and managers, that were conceived and built that project, were graduates of NDSU or UND. A number of the graduates of these two universities are currently engaged in the completion of our Spiritwood Energy Station, which will use refined ND lignite, to generate power for Great River Energy's, Minnesota customers, while at the same time, supporting the agriculture industry in the state, by supplying steam to the Cargill malting plant and either to a conventional or cellulose ethanol facility. The needs for ND higher education system to educate and supply a skilled and technical workforce have never been greater. The accelerating retirements of our experienced workforce, coupled with the expanding ND energy industry, will require that the energy industry and the ND higher education system, be joined at the hip to grow this sector of the economy. I will provide you with some examples of partnerships that help higher education fulfill its mission, of not only educating its students, but also preparing ND's sons and daughters for high paying jobs within our state. Over the past 10 years, the ND energy industry has worked closely with ND two year colleges to build their programs and curricula to meet the pressing and future needs of the industry. At BSC, they have expanded their welding program, they created an industrial mechanic program, instrumentation and control program and a 4 year energy management degree, which are all outgrowths of recommendations, provided by the energy industry. The National Energy Center of Excellence was constructed and equipped, in part, with large contributions from the ND Energy Industry. My company, Great River Energy, is in the process of building a $1M state of the art control simulator that will be housed at the National Energy Center of Excellence and will be used to train our future power plant operators in the state. Other partnering efforts, such as those with the Energy and Environmental Research Center at UND, the Wind Turbine at Lake Region, the Applied Research Center and Biofuels Research at NDSU, are all worth mentioning. Much still needs to be done to closely align the requirements of the expanding energy industry, with the programs in higher education. For instance, serious consideration ought to be given to creating a petroleum engineering degree at UND. A group of representatives, from ND Power, Coal Mining, Oil and Gas and wind energy met with the School of Engineering and Architecture at NDSU this past fall, to familiarize them with the workforce needs and opportunities that exist within the energy industry, in the western part of the state. From this meeting, a set of recommendations have been provided to NDSU for inclusion in their engineering programs. Most of these don't cost money; they are just a matter of reorienting some of the things they are currently doing. Some of these recommendations include: the creation of an energy minor degree for anyone of the engineering disciplines, the strengthening of engineering internships and visiting our industry sites, so they understand what is going on, the use of energy industry advisors for their curriculum development, as well as representation on their various department advisory boards. There remain many opportunities for partnering higher education with the growing engineering industry. For the most part, those of us in the energy industry don't have a strong

opinion as to the overall level of funding, for higher education in ND, other than, don't cut it short. However, I reflect the opinion of most of my colleagues, in recommending that higher education and the legislature be very strategic in targeting their resources that they do have. In a way, that not only provides, students with a good education, but also providing them with a skills and knowledge that will help them grow the ND economy. In this effort, you will find the energy industry to be a willing partner.

Andy Peterson, President of ND Chamber of Commerce, testified in favor of HB 1003 and provided (Written Testimony attached # 3).

Senator Wardner states you've been in the state a short period of time. As a legislator, I get pounded on all the time about the university system. I think you are going to have to put your money where your mouth is. When you talk about economic development in our state, I think the private sector has to step up and say, "Look, this is what is happening out here, these are the good things that are happening". The vocal minority is being heard by some people that don't know any different. Just a comment from me and I'd like to hear what you have to say?

Andy Peterson states, I understand that criticism is out there. I have heard that criticism and I would tell you, when we build our policy statements, they really take a year. We go to all of our territories in ND; we hold meetings with local Chamber of Commerce's. We hear feedback from folks, so while the vocal minority, sometimes pounds the university system, I think at the end of the day, the business community really truly understands the economic engine that this provides. When I have had talks with folks around the state, I hear this. I have this discussion, again and again and again. When they finally get to it, there are some complaints that they do have out there but underneath it all, they do support the university system. Give me some time with this and we will work to address your concerns. However, let me assure you that at the end of the day, we do support the university system

V. Chair Grindberg states you are new, baptism by fire; you are doing a wonderful job. As a member of the roundtable, many of us have been A to Z, with the transformation, if you will, approach to higher education. If you go back and look at the 6 cornerstones, the goals, the strategies, the 6th cornerstone was sustaining the vision. Here we sit, 10-11 years later, with a significant challenge on sustaining the vision. Let's not beat around the bush, the concerns are mounting, and that is our job to continue to make sure there is common understanding, support and appreciation, for what we have built. It is being challenged. Your head is in the sand if you don't believe that. We have to figure out a way to continue to change with the times. My question is, when you step back and look at Vision ND and Growing ND campaigns in the 1980's, what I am interested in is, I want to spend some time with the Commerce budget, creating a public/private vision for ND, that would include higher education, tax structure and a number of things, that is led by the State Chamber or high level business group. I am not sure what all this is going to look like but I think we need something that doesn't say, we are going to revisit the roundtable, because it is going to continue to put us in the same environment. We know the flexibility, the tools of the roundtable are important. We need something different. I challenge you to think that through. I challenge the university system and the chancellor, about how we are going to move forward. We have our work to do here but how do we move forward.

Andy Peterson, states, let me just say, I am fairly new to ND, Since my parents were lived and worked here, I couldn't be more proud of what we have done in ND with our educational system and with our private sector. I have friends all over the country. I went to a meeting in Florida and we were in meetings all day. They were all talking about the challenges their states face, I was almost embarrassed to say that we are able to fund our educational system and be competitive. A lot of states are trying to cut those systems down as much as they can. Yes, we have some challenges and I think those challenges are healthy and I think that debate is healthy. It is good to get the criticism out on the table and then it makes us better in the end, the end game. As far as leading the charge on where our state will go, I think our organization would be honored to be a part of that. I think the private sector has a place at the table. The public sector does as well and the higher education system leading that charge. We don't live in a society that competes with MN, SD, or MT. We live in a society that competes with factories with smart people all over the globe. We still have some great things going on in this country. One, we produce 80% or more, of all manufactured goods in the world. We think it all comes from China. The cheap stuff comes from China. We produce the advanced manufacturing types of things. In GF, and you think of the Cirrus Aircraft Company. China is purchasing that company but that came as a result of American ingenuity and a couple of guys who like to fly and repair old airplanes and were smart guys who were educated. We should be proud of that kind of thing. We should push that kind of thing and I really think it is this public/private sector educational piece that makes it happen in our state. I am a believer of this and I think we should be very proud of what we have created in ND.

Andy Brown, President, ND Student Association, testified in favor of HB 1003 and provided (Written Testimony attached # 4).

Chairman Holmberg states, keep in mind it was this committee, last session that fought for the students financial aid and scholarships.

Senator Wardner states, being that you brought it up about change, there are some things that come to my attention. The university system is accused of every time they develop a program; it has to be 2 or 4 years. They used to have a short course, I do believe that the people that complain about that, out in western ND, and there could be some short courses for skill levels, to work in the oil industry. That is an example, where some feel the University system turns a deaf ear and is looking for the money and looking a year program or a two year program.

Andy Brown states, I have a friend who is taking process plant at BSC. In my discussion with him, I was amazed at the variety of things that they are actually taught. They don't necessarily teach them in process plant to have a single focus on one particular area. He was knowledgeable, not only on how to operate a water treatment plant but also how to operate a gas processing plant. The idea of separating the two, they are being addressed in the course and you can get a one year certificate but at the same time, I think it comes down to what the employers are looking for. The classes that you are discussing are being taught. When you talk of changing the university system, you also have to keep in mind, that the employers are also directing what the university system does.

John Girard, Professor of Business, Minot State University testified in favor of HB 1003 and provided (Written Testimony attached #5) (in the book) on the report recommendation,

included in the package. (In the book). Talking about salary and staff and equity issues. The compensation package represents an investment for the future growth of our NDUS institutions, our state and our citizens.

Chairman Holmberg states, you can go back to Minot, you spoke with passion.

Senator Robinson states, you reference the data 2007-2008, a lot has happened in the last couple of years. Have you done any spot checking to see, where we now are with the rest of the region?

John Girard states, I have been trying to find the most accurate data. I would be a little hesitant to jump to any conclusions until I see the data. We have seen more interest in folks coming from other parts of the country. My own experience, some have been surprised at the cost of housing. We attracted one of the best, very impressed with Swain Hall, I know she had offers at other universities and she was delighted to come to the state. What she did find, it was hard for her to find affordable housing. That is one city, one person, one institution.

Senator Robinson states it is true in your community. The housing market has been impacted by the energy impact in those oil producing counties? He was told yes.

V. Chair Bowman asks when you compare salaries with other states, do you look at indebtedness of those other states that you compare it to because if you got a good job? Even though you don't think it is high enough, if your state is going broke, is your job more secure with what you are currently getting paid? Than to go to a state, where they had higher wages but now they have to make dramatic cuts because the state can't afford to pay those salaries?

John Girard states, I understand your question. First, we have an opportunity to benefit from the less fortunate state, and that allows us to bring in quality faculty. We need to be sure they are fairly compensated. I think most people would expect there are going to be some changes in some of the numbers I suggested. I don't think we would be a number. I support the cornerstone goal of education excellence and our desire to be the most educated state in the union. We need to recruit and retain those people to stay. We produce some great folks here. My personal opinion is that we could do more to make sure that we have the best and the brightest educating our students, students of ND, to make sure that they are able to compete, globally, when they graduate from our programs.

Chairman Holmberg states to Mr. Backes, sadness, that you did not put your name back on the Board of Education.

John Backes, President, State Board of Higher Education testified in favor of HB 1003 and provided (Written Testimony attached #6). The high points I would like to hit are from the State Board of Higher Education's perspective, this budget request that you are now considering that has come through OMB and the House of Representatives is one that we began working on in 2009. We have spent an incredible amount of time, talking to the campuses, talking to the constituencies about what the priorities need to be to put this budget forth because we recognize it is our one chance to make changes with where we want to go over the next two years. The first time I went through it was a daunting challenge because I am sitting here in 2009, saying where do I want to be spending my money in 2013? That is a bit of a challenge.

We met that challenge by sitting down with the universities and presidents and saying, "What are your priorities on your campus?" Then having a discussion on about how those priorities fit with the discussion we are having about "where do we strategically see the university system in ND taking this state of ND. How do we best assist the students in achieving all that they can achieve and best assist the state in moving forward in a positive direction? Those two meet up through this budget process. I would suggest that there is probably not one of the 11 campuses that are entirely happy with everything that is in this budget. They didn't get everything they wanted. At some point you have to say, these are the issues that we think will drive our end of the vision and we hope you can get onboard and in the end it is a tribute to the presidents of those institutions. They work together and work very hard to make sure that their shared goals are reflected in this budget. That process is long and it is very involved. It requires a great deal of discussion with the universities and the campus'. Do they all get what they want? You can't always get what you want but sometimes you get what you need. We go through that process and look at that and overlay it with our strategic plan. Our strategic plan indicates that we talk about the cornerstones of the round table, and that nomenclature has fallen into a bit of disrepair maybe, or less shine on it than it maybe once had. When you look at what those cornerstones are: education excellence, economic development connection, the things that Andy talks about. Those are things that we need to focus on, as a state and as an education system. Those are the things that our strategic plan, drives. We are hopeful that we have sufficient communication, with both the executive branch and the legislative branch that our vision and our goals, as reflected in that strategic plan, encompassed the same vision and goals that those two institutions or bodies reflect. We have had over the years some very good discussions about where those shared goals are and how do we get there? We have had less beneficial discussions about that. One of the great challenges is to open that door of communication, between the state board of higher education and the legislative branch, so that we have a clear articulation of what those goals are for the state of ND and its education system are. I think we have made progress so far. I really do see those challenges come through in the disconnect, that we hear from the rhetoric that I hear, and the reality I see on the ground. We hear about the higher education being stagnant and not changing and not reflecting the needed change for the state. Do we always change as fast as we should? Probably not, but when I go to the new greenhouse at NDSU and look at what they are doing there and when I reflect on the discussion about scab, that the state was having 7 or 8 years ago, being one of the greatest challenges to the agricultural economy in the state. I listen to the radio and we live in an Ag community. We don't hear about scab today. The seed breeding people at NDSU created a variety that is resistant to that. I don't know how many billions of dollars of revenue that saves for the agricultural producers of ND but it is tremendous. That work goes on everyday there. Last week, I took a tour of the Bismarck Joint Career and Tech Center that is put together by Bismarck State and the Bismarck Public School systems. Tremendous facility. How are you getting your education done here? They said, "It's a little different process, you can start as a sophomore in high school, go through their program for 3 years in high school, go one year at BSC and graduate with an electronics degree". So that cuts one year of college off, when we talk about, do we need 2-3-4 year programs? This program for a high school student, who is focused on that particular aspect, can complete an associate's degree, in one year, following high school. That is good for the student and parent, who are not paying tuition for an extra year, great for the workforce, who has a ready, able and trained employee. Those are the kind of changes that I see in the system that I think are tremendously positive, that don't necessarily always reflect through the discussions that we hear about, cost, in those kinds of things. The same can be said for the

Workforce Training efforts out in Williston. When I look at our accountability measures and our accountability report, Workforce Training in 2006, we trained roughly 9,050 workers. In 2010, we trained 11,644. That is a good increase, due in part to the responsiveness of the system, to the workforce needs in the state. In 2006, we assisted about 1290 employers. In 2010, we assisted 1500. It is a big system, we have had our problems, there are things that will make people unhappy not matter what we do. We need to be open to the discussion, as to what does make people unhappy and how can we do things better? We also need to not be frozen in place, by the fact that we will be criticized, at some point in time. Funding is of critical importance and we respectfully request that you reinstate the cuts that were made in the House and move the states agendas forward through the University System.

Senator Wardner states, I believe the University System is being moved off the block by a vocal minority. I think the University System has to have a strategy. You need to have a strategy to counter that. Otherwise, you are losing position with the public, with all the good things you are talking about. I do not disagree with you. When you go to NDSU, you look at that greenhouse and you look at other things that are going on in the University System and you say, "Wow, this is North Dakota". You have a lot of pride and you walk out on Main St. and you have some guy giving you grief about the University System. I, for one, don't like it. I am ready for fight back. The University System has to fight back on these people. There are a lot of good things happening.

John Backes states, thank you, Senator Wardner. I couldn't agree more. How do we best approach that battle? How do we get to the blocks earlier? We set up new website, we need to do more and better, more communication with the legislative body, stand up when there are untruths that are out there and say, that simply is not. I think it is one of the great challenges the BHE faces and ND University faces. While every campus in our state has a constituency, all 11 of them, the constituency of the Board of Higher Education, are pretty limited. We need to work harder at that and I agree with you. I am hopeful my colleagues will continue that course of working harder, as we move forward.

V. Chair Bowman asks, what is the percentage of students that can't find jobs today? Are we facing that, excluding energy? The 4 year college degrees and those students, have they been able to find jobs in ND or some other state, when they graduate, or do they have to wait a year or two?

John Backes states, one of our accountability measures, talks about what percentage of our graduates are employed in the state in their respective job fields, two years after graduation, is the metric. It is one of the things we do take into account; generally speaking, a large majority of our students find jobs in their given field, out of college right now. The other piece that is important is, we hear a lot about the out of state student issue. Somewhere around 60% of our total student population, are working in the state after graduation. If our ratio is somewhere around 50% in state and out of state, that means we have a 10% net gain. It tells me we are keeping a lot of our in state students here, which is good for ND. I think those numbers will continue stronger as our economy continues to flourish and our neighboring communities continue to lag.

Senator Robinson states, he would like to echo comments of Mr. Backes. Thank you for your energy, vision and commitment and service to the system. I think you are leaving the system

in better shape than you found it. I think we have a great system. We need to all defend this system. It is our system. For every negative story that comes out, we have to make sure that there are two that respond to that in a powerful way. We are in this together.

Chairman Holmberg states there a few folks here to testify that are part of the "pass through" areas and we also want to hear them this morning. The next item on the agenda is the overview of the budget. I would suggest we do that very rapidly and come back to that later.

Laura Glatt, Vice Chairman for Administrative Affairs for the ND University System. Testified in favor of HB 1003 and provided (Written Testimony attached # 7). General fund increases. She did a PowerPoint presentation of her portion in the large book entitled **NDUS 11-13 Budget Overview.** Those parity numbers is only the state share. The students have a responsibility picking up their share of that, which is what drives the tuition rate increases. One of things we want to stress is maintaining college affordability and how the legislature might be able to do that.

Senator Wardner asks, you mentioned it should be 60% state and 40% student, but in reality, are you saying it is 75/25? Did I misunderstand you?

Laura Glatt states, on the UND/NDSU line, the student shared target is 40% and in the next column, it will tell you where we are currently at. At those institutions, students are picking up about 58%-62% of the share. The two year campuses at the bottom are the 25%/75% that is the goal. Currently at the two year campuses, you can see that students are picking up 25%. They are actually picking up between 32-53%. Our goal is to move us closer to that target over time. Another large cost component in the budget request and in the Executive recommendation, was equity funding, as you know, this is the funding that move each of our institutions closer to their peer bench mark. You will see in the request, we had $15 million in the request. The governor recommended $10 million. There is no funding remaining in equity in the engrossed bill that is before you. I will share with you how some campuses have used equity funding in the past. This funding is critically important at the institutional level because truly it does represent the only discretionary money campus' have to support their priorities and initiatives. The College Affordability slide, where the Board had asked the state, that instead of students picking up their share of the costs, the state steps in and picks up both the state and the student share, so we can either eliminate or at least limit the amount of tuition rate increase at each of our campuses in the next biennium. The legislature was very good about funding that in the current biennium and it is greatly appreciated. You will see in red at the top of the chart, the boards initial request, was to limit tuition rate increases to no more than 4% per year, at the four year campuses and no tuition increase for the 2 year campuses. The governor recommended a 2½% limit at the 4 year campuses and 0% at the two year campuses and added funding to cover that differential. In the engrossed bill, all the funding for college affordability has been taken out. What does that mean? What if we didn't put any money in the budget for college affordability? This chart tells you at a minimum, what tuition rate increases would likely have to go up by campus, by year, in terms of percent and dollar amount, in order to cover the differential. You will see it varies by campus from about 2% to a high of about 4.5% at Williston, per year. Repair and Maintenance funding, is a regular cost component of the Higher Ed. budget. We only avoid deferred maintenance, if this formula is funded at 100% per year. We have institutions that aren't even funded at 15%/yr. Which is why our deferred maintenance continues to grow. If we are funded at 15% of the formula, we

would have $11M a biennium for regular repair and maintenance, at 15% of the formula. We are currently at $6.6M. There is $3.5M included in the engrossed bill for technology maintenance. You will see that $1.8M of that is for the Northern Tier Network Operating Costs. A little over a million are to pay our share of ITD's upgrade to the data network and then there is $651,000 again for our share of the upgrade that ITD is going to make to the disc and processor capacity for Connect ND. So, those are pass-through bills from the Information Technology Department. This is a new concept. This is the first time it has been funded. You will see originally, it started at $3M and now it is at $1M in the engrossed bill. It is a fund that the Board would allocate to campuses on a revolving basis to help them start up new programs. Right now, largely what campuses have to do to start up a new program, is they have to close out an old one. The problem with closing out the old one is you have students enrolled in the program, so depending on the length of the program; it takes 2-4 years for students to wash out of that program. To start new programs on a timely basis is a challenge and this would create the opportunity and the funding to do that, on a more rapid basis. There was a recommendation for a $1.6M increase in EPSCoR funding, to generate additional federal dollars. If we got that additional $1.65M, the EPSCoR folks believe that they would be able to generate an additional $2.25M in federal funding. You are familiar with the employer contribution issue on retirement. I won't spend time on that. There is $1.67M, in this engrossed bill, for a State Wide Nursing Consortium. It will be used for Nursing Simulation equipment and technicians and to begin to implement electronic healthcare records at our delivery sites. As we put students in hospitals and clinics, that have electronic health records, we need to be able to train the students to use those as part of their curriculum. A reduction in the budget, relates to professional liability insurance, at the medical school. This is related to the medical malpractice insurance. We have had a very good record in claims and so we believe a reduction in that plan is warranted. In the governor's budget, there is talk of Completion Based Funding (page 4), the governor originally recommended $5M, that has been removed entirely in the engrossed bill. OMB recommended, this was not something in our original request, but they requested and funded an increase of $616,000, to essentially allow Higher Ed. to be separate from the state agency side of ConnectND, as it relates to the finance and HR system. The reason for that is for the number of records and data bases has become so large that upgrades in the software to that system could take 2-3 weeks, which essentially would mean, we would have to shut down our operations. This would be true on the state agency side and Higher Ed. The way to address that is to separate the data base. Special Assessments, the Board requested one time funding to pay off all special assessments at campuses. What the House opted to do instead of paying them off, was to pay the principal and interest payments for the 2011-2013 biennium. Certainly while that is appreciated, it would be good to have these off the books entirely. We estimate if we pay them off, we could save about $2M. Capital Projects, you will see the Board assigned priority order. So for example, the number one Board priority was the Workforce Training Center addition at Williston. You will see the requests vs. the executive recommendation vs. engrossed bill. The first priority, that actually came to the Board late and our process after we had submitted the request, so that is why it may not have been funded in the executive recommendation because it came late to OMB as well. What the House did was they added $225,000 in general fund and $2M in revenue bond authority. The joint IT facility, between the University System and UND, you will see the revised request is $22M, $14.3M from the general fund and $7.7M from federal funds. UND has just applied for a grant for the $7.7M, which would provide a research facility addition to that building. The executive recommendation was $11.2M and the engrossed bill is currently $14.3 million. I must mention the possibility of federal funding on this project was not

something that was discussed with the House because we were not aware of it at this time. The Valley City Rhoades Science Center, #3 priority, and the executive recommendation was $7.9 million, which was less than our request. There is nothing in the engrossed bill for that project. Old Main at State College of Science is funded at $8M and the same as the Plant Services building at BSC. The School of Medicines Health Science Building, which is to house the additional slots in the medical school, was requested at $28.9M and there is nothing in the budget for it. The same for the Geothermal project at Minot State.
The Williston Science Center addition, there is $1.3 in the engrossed bill from the permanent oil trust fund in support of that facility. The House did add funding of $10.5M for the Bisek Hall Expansion at State College of Science which is their diesel technology building. That was the Boards 18th priority and we didn't request that far down the list so it did not make the Boards original request. The Stoxen Library Project at Dickinson was part of the executive budget at $8.8M and that has been removed in the engrossed bill.

Chairman Holmberg states, there also was some transfers of money that don't appear to show up, regarding BSC, and money that was one point designed for Centers of Excellence left over money that was put in. Is that going to show up on one of these slides or is it one of those things that disappear?

Laura Glatt, states, "No, it will show up on one of the slides". This last session of the legislature, appropriated money in the Dept. of Commerce budget, for a Great Plains Technology Center at Bismarck State College. That did not come to fruition so what the House did was that they took the money that was set aside and unutilized this biennium and instead reallocated it to BSC for the completion of the fourth floor of the National Energy Centers of Excellence on the BSC campus. I think we do touch on it in the summary of the House changes. The House changes that were made as they removed the $1.6M for EPSCoR, removed the $5M for completion based funding, they removed $1M that goes to the tribal colleges for the nonbeneficiary students, they removed the $6.6 million that will allow us to limit or freeze tuition increases, $10M for equity. There was $1.25M removed, actually from the 2009-2011 base at each of the campuses that offered Teacher Ed. programs. The House removed $250,000 each to those 6 campuses for STEM. Also, $1.6 million in base funding from carryover was removed from the University System office, including several financial aid and scholarship programs. They removed the $4.3M to pay off the special assessments but added back $787,000 to make the principal and interest payments for the biennium. Removed $8.8M for the Dickinson Stoxen Library, $7.9M for Valley City Rhoades Science, added $10.5M for Bisek Hall at Wahpeton and added the project Workforce Training Center addition. The project you referred to was $4.3M reallocated from the Dept. of Commerce to Higher Ed. for the BSC project and added $3.1M for the Joint IT facility. The Board is asking for amendments to the budget, first and foremost, they would respectfully request restoration of what the House removed. In addition to that, adding funding for additional slots at the School of Medicine. Adding $110,000 at Williston State College to allow them to sustain the security personnel needed on that campus. The Emergency Commission and Budget section gave them $55,000 this year to hire security personnel. They need funding to sustain that next biennium. $510,000 for our students for an online tutoring system, $4M for some capital projects. We have two new EPA regulations. One of them has been finalized. It will require some changes in generators we use for utility peak savings. The estimated cost of those improvements at four campuses is somewhere between $400,000-$727,000 and there is no money in the budget to address those needs in the absence of a appropriation, campuses

would have to find that money, internally within their budget to address those upgrades, which must be done. Restoration of the Rhoades Science Center at Valley City and then there are new specials that come to light recently at BSC. We ask for your consideration to treat those the same as you do all other special assessments. These last items have to do with non state funded projects. There is some opportunities that have recently arisen that require your legislative authorization. They don't necessarily involve any state money so we would ask you to consider those in the formal amendment as well.

Chairman Holmberg states, we will hear more on the budget later. We will work with you

Chairman Holmberg closes the hearing on HB 1003 (North Dakota University System).

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 - VCSU
03-09-11
Job # 15154 (Meter 00 – 48.58)

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

VALLEY CITY STATE UNIVERSITY

Minutes: See attached testimony.

Chairman Holmberg called the committee back to order at 10:00 am on Wednesday, March 9, 2011 in reference to HB 1003. All committee members were present. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. The subcommittee on HB 1003 will be Chairman Holmberg, Senators Bowman, Krebsbach and O'Connell.

Steve Shirley, President of Valley City State University testified in favor of HB 1003 and provided (Written Testimony attached # 1). **Trudy Collins, VP for Business Affairs**. There are businesses here that represent the private sector and various businesses in the community, the Chamber of Commerce, Economic Development Corporation, Mercy Hospital, and our former Mayor is with us today. They are here to support today's presentation. There is an incredibly strong relationship, in Valley City, between the community and the university. That is very special and a win-win for both the community and university. To all of you here today, I say thank you on behalf of the university.
Some recent initiatives, recent accomplishments, I think provided a good ground work for where Valley City State is at today and the direction it is heading. For the 13th straight year VCSU has been ranked as the US News and World Reports, best college and for the 2nd year in a row, VCSC has been ranked the #2 public regional college in its category, in a 12 state region. That is out of 18 colleges and universities in a 12 state region. That is based upon things such as incoming average ACT scores of incoming freshmen, faculty to student ratio, alumni support, alumni giving and those kinds of metrics. There is a chart on enrollment at VCSC and you can clearly see, particularly over the last couple of years, the direction that enrollment has gone. This fall, VCSU had the largest enrollment in 40 years, since 1970. We welcomed the largest incoming freshman class, living, breathing, sleeping, eating freshman at VCSU this fall, since 1988. I have been asked, where do those come from? Nearly 70% of those freshmen are ND residents. Going on to talking about financial support and tuition caps. One of the things that get lost in the conversation is what kind of support the university is getting from the private sector. Our corporate friends, our business friends, our alumni, individual supporters are very important in the overall equation in being able to provide an affordable education. We have been very aggressive, particularly the last number of years. You can see the direction; we have gone with issuing of scholarships. We wouldn't have been

able to do that if we didn't have the support of friends and alumni and business supporters. Also, we are in the sixth year now of offering a masters of education. We have four concentrations in that area. Teaching and technology, technology education, library and information technology and English language learners. One point of interest in the M.Ed., that program is entirely on line. It is a completely a 100% online graduate program. About 70% of all students we had in the VCSU in the M.Ed. program have been North Dakotans'. The Student Satisfaction slide. (Page 4). This is a survey. We participate in that all of the ND university systems campus is a part of. Collaborations and Partnerships. (Page 5). The level of disconnect, the level of disagreement, the level of back and forth among the campus was what I noticed while I was at a SD college. In the two years I have been here, are the openness and the willingness and the commitment of campuses willing to work together collaboratively. We collaborate with NDSU in the Elementary Education program, Dakota College, Bottineau, for Fisheries and Wildlife, Dakota Nursing Network etc. for Nursing, NDSU and MSU, Moorhead for Teacher Education and Effectiveness Bush Grant, Sitting Bull College for Math/Science Partnership, NDSCS for Journey worker Technical Studies and Statewide STEM Network with K-12 & Higher Education. Also the head of our program for fisheries and wildlife went to Bottineau, then to SDSU at Brookings. We have been able to capture those students looking for that profession and can now stay in the state.

Next, Enrollment Growth in STEM fields. (Page 5). This shows the growth of those fields and majors that would be housed at the Rhoades Science Center. As we are reviewing our applications for fall 2011, we are on pace and already ahead of last year's enrollment. We are going to have back to back enrollment very historic enrollments at VCSU. The Great Plains STEM Education Center. (Page 5). They are helping us create this new STEM education network across the state of ND. Our center has been funded by a grant.

Prairie Water Education & Research Center (Page 7) deals with water education, research, and management; statewide resource for K-12 teachers and state agencies. Gives hands-on access.

Dakota Nursing Program: Health Science providing for health care providers. Statement by Keith Heuser. (Page 8). Rhoades Science Proposal. Real growth. That is a good sign. More students are coming out of high school looking for this type of education. I take that very seriously. This is a facility that has chemistry labs and there are health safety issues with this facility. We are running out of room. First new building project since 1973.

Nick Faure, junior at VCSU, majoring in health science, chemistry and biology. (Written Testimony #2). Nick plans to attend dental school. Also a member of honors society. He spent three weeks in China, a study abroad program offered by VCSU and this summer I will be going to Peru for a Spanish language course. The chairman of the science dept. is my advisor, during our time together, we have formed a friendship. He is very challenging and demanding professor but I think many people will tell you that his classes are some people's favorites. I am enrolled in an organic chemistry course and we have 16 students in our class, which is the exact number of stations in our organic lab. These stations are approximately a meter wide, and apparatus' we use are at times larger than our lab stations, which often cause clustering with having 16 students trying to run the same thing. I believe in the quality education I am receiving at VCSU but facilities are at capacity and out of date. We need additional room and new resources to grow. If the legislature and the state of ND, want to continue to seeing growth in critically important STEM fields, it is vital that the proposed expansion/renovation of the Rhoades Science Center, be approved.

V. Chair Grindberg asks if he ever heard of Senator Robinson

Nick Faure states, "Yes".

President Shirley read the comments from Jackie Mitchell, senior at Valley City State University. (Testimony attached # 5. She states that the Rhoades Science Center is a critical structure on our campus and serves as a place to cultivate science and math teachers of ND future. A training ground for upcoming scientists and medical professionals as well as a site for educating some of the finest fish and wildlife professionals in the nation. If we want to continue to grow and impact ND, economically, educationally, and through population retention and growth, this facility is in need of renovations and expansion. I encourage your support for this building renovation project at VCSU. Testimony attached # 6 – Expansion and Renovation of the L. D. Rhoades Science Center brochure.

President Shirley indicates to look at the map provided. This is from Kadrmas, Lee and Jackson, our surveyors. This indicates 100 year and the 500 year flood plain. No part of the Rhoades Science sits in the 100 year flood plain. None of the expansion does. The 500 year flood plain, much of the existing facilities, sits within this flood plain, but just a sliver of the expansion sits in the 500 year flood plain.

Senator Robinson states for the committee and those in attendance from Valley City and others, I have amendments prepared and will be working in the subcommittee to offer the amendments for the restoration of full funding for the Rhoades Science Center at VCSU.

Trudy Collins, Vice President of Business Affairs had PowerPoint of her presentation. Testified in favor of HB 1003 and provided (Written Testimony #3). Budget Overview.
2009-11 Expenses by Function: Overview and Operating Revenues: Overview. (Written Testimony #4).

Chairman Holmberg states we can review this at our leisure.

Trudy Collins went to the pie chart FY 2010 Operating Revenues. You will note, if you compare budget numbers to what you see on Financial Statements, there is a difference because we have to make certain adjustments that are accepted by general accounting principles.

Overview of 2011-13 Budget Request. She went through the changes the House made.
VCSU was hit with very high special assessments. The roads around the school are old and then the flood traffic damaged the roads and we will be hit with a rather large special assessment.

Senator Wardner asks, on the special assessments payoff, what kind of interest is that?

Trudy Collins states that the older special assessments are at 5%. I don't know what the new one would be.

Senator Wardner asks if this would this pay it off so you didn't have any?

Trudy Collins states if the full amount was funded, yes, that would get us to zero. The House left in the principal and interest.

Trudy Collins talks about the Deficiency Request, which is about $60,000. List of small/ medium size Capital Projects. Our top project is a fire alarm upgrade. We would like rest room renovations, office and classroom renovations, parking lot improvements etc. Students want upgrades to our campus exterior lighting. Future Capital Projects, from the general fund, is the Rhoades Science Center renovation and expansion and the spending authority for a fundraising project of artificial turf installation. Future capital projects for VCSU we are requesting and wanted you aware of them are various renovations for classrooms, offices, and coal boiler replacement etc.

Chairman closed the hearing on HB 1003 for VCSU. The rest of this job is filed under HB 1003- North Dakota Space Grant Program.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003
March 9, 2011
Job # 15154 (Meter 49.07)

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

Presentation of North Dakota Space Grant.

Minutes: See Attachment #1

Chairman Holmberg: Committee members, we have some folks here that want to speak to us concerning the space grant which will take just a few minutes so let's do that. It was hard to decide where Space Grant should go because they actually, even though they are sited at UND, they work with every campus and the tribal colleges so without taking anything away from what you are going to say, Dr. Seelan, please make your presentation. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. (please note that the first portion of this job is recording the hearing on HB 1003, Valley City State University).

Dr. Santhosh Seelan, Director North Dakota Space Grant: I would like to thank the governor, House and Senate for their past and continuing support of the program. It is based on part of a NASA education program. At the national level, all the states and also D.C. and Puerto Rico are members of the consortium. At the state level, we have UND, NDSU and all the public 2 and 4 year colleges and the Tribal colleges in the state are members. Since we don't have a major NASA center in ND or nearby, this program is considered the face of NASA in the state. The primary objective of this program is to get students interested in science, technology, engineering and math STEM, as we call it. It is not only to get them interested but also to keep them interests up and nurture them until they get into STEM careers. Since about 2005, the ND legislature has prorated a match for the federal dollars we get from NASA. From this program, we are able to provide scholarships and fellowships to a number of students at affiliated colleges across the state. This year alone, we will be giving $180,000 in scholarships and fellowships. We also support graduate and undergraduate students for summer internships at NASA centers. We also provide some graduate research assistantships. We also organize science workshops for K-12 teachers and to give the right tools to create some interest so they can help their students into some STEM education. We also provide some funding for the faculty, for hands-on small projects with our students. One is to get students interested in STEM and then keeping them there. We have a high altitude balloon project. We get the students involved in the launch and further development and recording of the payload etc. The students find this very interesting and get excited about it. We also have a similar thing with rocketry, planet geology and have an astronomy observatory. We work on

systems to help the farmers develop an interest and use of this side of technology for their farming practices. Last week, my colleagues were in Washington, D.C., for the national meeting of the space grant. We made a presentation on the space suit project. After the presentation, some of the folks came to us and said there are all these states doing "big balloon projects and rocket projects" but you are only state that is doing a space suit project. We also support projects in the STEM fields.

These are some of the highlights and thank you for your attention and support.

Chairman Holmberg: are there any questions of Dr. Seelan? Thank-you very much. We will close the hearing at this time.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 - NDSCS
03-09-11
Job # 15163

☐ Conference Committee

Committee Clerk Signature AT Alice Dutzer

Explanation or reason for introduction of bill/resolution:

ND STATE COLLEGE OF SCIENCE

Minutes:

See attached testimony in NDSCS tab in the 2011 Legislator's Guide to NDUS

Chairman Holmberg called the committee to order on March 9, 2011 at 10:45 am in reference to HB 1003, ND State College of Science. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present.**The subcommittee members for HB1003 are as follows: Chairman Holmberg, Senators Bowman, Krebsbach and O'Connell.**

Dr. John Richman, President of NDSCS. Thank you for allowing us to come before you today. I would like to introduce my colleagues, **Mr. Harvey Link, Vice President for Academic and Student Affairs, Mike Renk, Vice President for Administrative Affairs** (who is ill today and could not be with us) and **Barbara Spaeth Bonn**. Testified in favor of HB 1003 and provided written Testimony attached # 1.Handout – NDSCS, The Science of Success – attached to NDSCS tab in the 2011 Legislator's Guide to NDSCS. Speaking from handout: Draw your attention to page 2 where we have some facts on graduates and placement rates. There is also more detailed placement data on page 3. On page 4, is a partial list of initiatives that impact our budget. Our campus size. We have the 3rd largest physical plant within the university system but we are only 5th in enrollment. That is an imbalance that we are trying to address. Our utilization with Lutheran Social Services will help us address that. We also have an on campus enrollment growth plan that is being implemented. We analyze the current jobs in ND that exist today. We align that with the current academic programs that we offer on our campus. We then, look inside those programs and realize the capacity that is unmet, open seats in those programs. We then took that and aligned that with our residential hall capacity. When you do that formula and lay it out and if we can attract 400 more students to our campus, our residential halls will be at capacity, our classrooms, in those specific 26 programs, would be at capacity and we would be doing a better job of meeting the workforce for ND. That effort is going on as well. Affordability, we know there are only so many state funds available. We also realize that there are family limits to how much they can put towards to their sons/daughters education. We reached out and tried to build that third leg of a funding model and that is with our partnerships in our private sector development. Our John Deere and Caterpillar programs that make significant contributions, direct and indirect, to help manage that cost and affordability in our programs. Accessibility is a huge budget impact to us. We

have efforts going on in all of those. What we have to do is to find some significant dollars, to devote to any one of those, to really drive them forward significantly, as we look into the future.

Senator Wardner states you are talking about the halls and Lutheran social services and partnering with them. Then you are talking about not having as many students in the programs and this would fill them up. Are you going to get into a situation like they did out at Dickinson State? They had a dormitory that was turned over to regional social services and now they could probably use the dormitory? Are we going to have to build more dormitories in the future, or do you have that in your plans or how are you going to handle that?

Dr. John Richman states that we have anticipated that and we are planning that. When we look at the demographics in ND and look at the 30% reduction in high school graduates, anticipating that to continue until 2015. The new census may prove different. When we look at the delivery methods today, that we have online, our increased effort in the Fargo area, it's not kids anymore. It is a different type of student. Then we also analyzed our current dormitories. We believe our assessment is correct. We believe we can build "on campus living enrollment" back to 1200 but probably not any greater than that. We are currently at 800 and we want to build 400, to get it to 1200. That would put us at capacity without the three facilities that Lutheran Social Services may renovate.

Senator Wardner states in Western ND, we want you to fill those classrooms because we can use your graduates out there.

Dr. John Richman states that we met with the manufacturing round table in Dickinson, last winter, and started to get a better understanding of the needs and gave them some options on how they might help us to get students from Dickinson, the western part of the state, to move to Wahpeton, for 9-18 months, to get an education and move back into those areas.

On our specific budget, on page 6, we have provided our FY 2010 budget to actual. Our FY 2011 budget, to actual, up into and including November 30, 2010, as well as our 2009-2011 capital assets appropriations.

Page 7, this is our non appropriated budget, referring to FY 2010 and FY 2011 up until November 30, 2010. As indicated, we have had no non appropriated capital assets projects that we advanced.

Page 8, we have provided our 2009-2011 deferred maintenance one-time funding as of November 30, 2010. Our capital projects appropriation and rationale for not advancing the bonding of our non appropriated projects. Thank you, again for Horton Hall. You allowed us, by funding the Horton Hall renovation in this biennium @ $5.7 million dollars to take a 19th century building and renovate it back to life and bring it to the 21st century and bring it to a world class educational environment. The one consistent word we get from people that walk into the facility today is WOW! Thank you for that. We really do appreciate it.

Page 9, the pie charts depict our total campus budget, revenue as well as expenditures for FY 2010.

Page 10, you will see our 2011-2013 biennium budget request. We have provided you with NDSCS's portion of certain line items, out of the HB 1003, as well as the State Board of Higher Education, request. Line item AA3, the College of Affordability, is our campus No. 1 priority. It was for the biennium, we are in and it currently is still our No. 1 priority, in this biennium request. On the bottom AA4, the Base Plus funding for Extraordinary Repairs, page 11, our portion of the Employee Retirement and Contribution increase, special assessments and our interest, depending how it is funded. We are requesting additional utility funds for a building that has shifted. The Skills and Technology Center, that we have operated now for 14 years over time and to meet the workforce needs in the Fargo/West Fargo area, we have expanded academic programs into that facility. We are at a point now, we are eligible, to submit a request for utility funding for that facility. Our small to medium capital project is listed at the bottom of page 11.

Page 12, I ask for further consideration and support of HB 1019, the current technical education appropriations bill. There is funding to support the Workforce Training Quadrant, one of which NDSCS, operates. In the Senate bill that you passed, 1057, Dept. of Commerce's bill, pertaining to Workforce Centers of Excellence, the funding there.

My comments, pertaining to the budget as it came out of the governor's office, we support. It would be the first time in many sessions that we could go home and not have to make cuts. Provided, we have a 2% increase, in enrollment over the next two years, which we project we will have. It speaks to student affordability, it speaks to faculty/staff and salaries and benefits. It speaks to tremendous capital improvements for our campus. To help manage your expectations, it does not speak to a pool of dollars for us to do anything significantly different in new programming or advancing programming or teaching and learning efforts on our campus. If we are to make significant gains in those areas, we will have to reallocate current dollars to do those efforts.

Page 13, our capital requests. NDSCS submitted two capital projects to the State Board for consideration. Our no. 1 capital project was Old Main. It does actually comprise 3 facilities. The funding is to renovate Old Main, the oldest building on campus, and built back in the 1800's, and it speaks to taking a facility, that is not healthy, not meeting code issues and is unsafe. We want to bring it back to life, as you allowed us to do, with Horton. We don't intend to take the oldest building on campus and make it look modern. We do expect it to be a safe, clean and healthy environment. It is not at this time. Inside of that project, is to decommission and remove 2 other facilities on campus, the second and third oldest buildings on campus. Burch Hall has been vacated for 12 years and Hektner Hall has one program in it. With the renovation of Old Main, we will move that program out of Hektner into Old Main and then be able to decommission and remove Hektner Hall. It is a three facility concept.

Senator Bowman asks when you are talking about the renovation of Old Main, is the structure sound, so we wouldn't have to rebuild the whole thing? Does that include the heating system and new air conditioning, windows? We have spent a lot of money to redo buildings but we have forgotten about the things that save us money. Has that been considered in that project?

Dr. John Richman states, "Yes it has". We have over time, thanks to your funding, to deferred maintenance. We did put a new roof on it not too long ago. Also, to maintain the structure of it, we have tuck pointed the building over time. The foundation, according to

engineers, is very sound. That is where it stops. The doors, windows, heating and electrical systems, no fire compression system, no air movement system, in it at all. All of that would be removed and new, more efficient and find more effective ways to do all those things. As well as, increasing the technology and the instructional technology, in the building at the same time.

Senator Erbele asks that the use of the Old Main building, is that classrooms or what is in it?

Dr. John Richman states that our computer information system is programmed there and there are several general classrooms, faculty offices, two academic deans and academic counselors are housed in that facility. It currently houses our IT effort on campus. With the additional space we could gain with the renovation, we will regain the 4th floor. We currently have a problem with bats and it hasn't been used in about 10 years.

Senator Erbele asks if they would have to relocate during the renovation process?

Dr. John Richman states we would have to totally vacate the facility. We would have to move people to temporary offices and classrooms for a period of time during the construction. The construction people tell us it would not be an advisable to do this without relocating.

On our second capital project, it was our second priority on our campus. It was the Bisek Hall expansion, which is our diesel technology facility. This project was prioritized by the State Board @ 17th. It did not receive priority or funding from the executive budget. During the House deliberation, it was put back in to the engrossed HB 1003, fully funded at the $10.5 million dollar amount. This investment will increase our capacity with enrollment and capabilities in curriculum. The current structure is extremely crowded and the equipment today doesn't fit. The expansion will increase our enrollment capacity by 80 students, within 4 years. 40 additional diesel technicians will graduate each year. Using current trends, that would mean 27 new diesel technicians would go to work in ND each year. That would bring our average, of what we are putting in ND, up to 66 diesel technicians, each year. This project is not about making NDSCS bigger. This project is about economic and workforce development, through better serving the business and industries workforce needs that currently exist in ND. This project is about helping ND business to grow.

Page 17, we have listed our two non-state appropriated projects, that we are requesting permission to seek bonding for. Both of these are residential halls that no longer meet the student's needs or desires in living quarters and to renovate them in that fashion.

Page 18, we have listed our institutional priorities, as requested. These are all the priorities that we listed and submitted to the State Board, for their consideration. The check marks through the columns, indicate those that have been moved forward, in one form or another through the State Boards budget, as well as the executive budget and coming out of the House. Our priorities on our campus have been and remain, the top 4. Our number one priority has been affordability. Our number two priority is salaries and benefits. We are comfortable with what is being proposed today with salaries and benefits. Our third priority, was the Old Main project and the fourth priority was the diesel expansion project. The others we have listed are not necessarily in any priority order after the top four.

Page 19, we have listed the brief responses that were asked to create from the House discussion points that are listed.

Dr. John Richman thanks the committee for their proven understanding and support of NDSCS.

Senator Robinson asks on the diesel tech building, if the legislature approves that, what is your schedule, in terms of your ability and how far down the road are you with engineering costs, lay outs etc.? Sometimes we have a campus that is ready to go and they hit the road running and we have seen other situations, where we have a year until we see any dirt moving? Where are you at on that project?

Dr. Richman states with the Horton project we were ready. The funding came and we got emergency permission and we were working on that and would be relevant to this spring. We are not that far with the Bisek expansion project. We would need time to do engineering studies. The site preparation is ready. There is nothing that has to be moved. It is a new design so we don't have to get into the demolition part, so we think we can move forward faster. We are probably looking at fall, if we can get in the ground by that time, providing we get the funding.

Senator Erbele asks about the need for the diesel building, the increase in students and what it does for business and the workforce needs in ND? I am trying to understand the criticalness and why Old Main should come ahead of that? Is it just the health and safety thing or economic standpoint for the state of ND?

Dr. Richman states that one of the things we attempted to do is see ourselves as a state agency. Every agency has its role. Our role is to educate and train the workforce for ND. We get that! We do that by trying to attract, educate, train, graduate and place the workforce for ND. To do that, we have to be able to provide them, a safe, clean, healthy, green, world class educational environment. If we don't have that, we can't meet that other piece, when you look at the safety and health issues that currently exist in Old Main. It is hard to pass that up. When you look at the Board's criteria for prioritizing, it is designed to take care of the buildings we have today. You are going to get a higher rating if you are taking care of a current building rather than building a new building. The diesel expansion is a new building. I have been bitten by the John Deere people, Caterpillar dealers and Titan dealers across the state because I did not prioritize the diesel building as #1. We could not do that for the safety and health of our students and staff on our campus. We believe both are critical to our mission of educating and training our workforce for ND. Both can no longer wait to happen.

Senator Grindberg states as alum, graduated in 1981, I do have a question. How is that equated to 2 year programming and the needs of workforce? We do know that the majority of careers that the 2 year schools is, where it is at. Have you seen a trend in enrollment, in interest levels, because of how it is packaged?

Dr. Richman states that Barbara convinced us earlier on that what we needed to do first was to "brand" the institution and taught me what "branding and imaging" was all about. That is really the point that our marketing campaign is, it is not an advertisement. It will be someday and I will get to that. What we are trying to do right now is "brand the institution" and put a

positive spin on it. Are we seeing results, "yes". All of our trends are indicating "upward". The attendance is up and when we see the applications, they are up, enrollment is up, tracking on twitter, facebook and all the things, I don't know anything about, are up. We are getting the data and support that this is working. Our intent, we are in phases. We are "branding and imaging" now. We are creating on our website. You could see about a 90 second video stream on every single academic program. We have about half of it done. It is costly. These days, students want to see the classrooms, see the shops and they want to see the equipment. They won't drive to Wahpeton, unless we show it to them in a digital format. Once we have all the programs on a video stream, then our intent is to package them into what we call "clusters". So our transportation programs will be a "cluster" and so on. So if you are a 16-18 year old or a parent, that wants to be a plumber or wants to be an electrician, if I don't have a connection, I won't come. Someday you will see all those "clusters' we do have. We are in a process of improving that area and getting there as fast as we can.

Senator Christmann asks about the graduates on the third sheet of your attachment, what kind of a dropout rate is there at NDSCS?

Dr. Richman states he doesn't have that number. I do have the graduation rate is 42%. He states that the retention rate is 70%. That is first year student to second year.

Senator Christmann asks question, regarding the diesel. Is the new program tied in with a specific manufacturer or is it general diesel technology?

Dr. Richman states that we run 3 diesel programs. We run our general diesel program, we have a partnership with John Deere to run a technician training program for them and a third one is the Caterpillar "Think Big" program. Those two are specific. Those curriculums are their curriculums, their software and their equipment and we train specifically to put those students into those two corporations, Caterpillar or John Deere. The general diesel program could go to work for anybody. It may be farm kid going back to the farm or it might be someone going into the trucking industry.

Senator Christmann asks if you are confident you would get that many applications?

Dr. Richman states, "Yes we are". We are at full capacity today and turning students away. John Deere has told us; double your enrollment or you are in jeopardy of losing your partnership. There are 22 similar programs across the country and they have asked each one of us to double our enrollment. They are going to give their attention and funding to those programs that can double. If we double and we believe we can, we are going to need the facility. It is just that simple. We can't double it and take on 40% more without the facility today.

Senator Christmann asks if Dr. Richman could send me the list of the occupations and how many applications you had to get into each of those for this past fall and how many were accepted?

Dr. Richman states, "Yes, we can do that".

Senator Wardner asks on the students in your program, are you experiencing any that after one year, they say, I am skilled enough. I can go to work and make big dollars and leaving the program for that reason, not dropping out because they can't make it but rather they have a job opportunity?

Dr. Richman states to say "no" would be inaccurate. We do see some of that, however, a lot of our programs, require the full two years of knowledge and skills. You can't become an electrician without that, unless you go through a journey worker track program. The John Deere's or the Caterpillars, they are actually Dan Butlers employees before they are our students. He is not going to let them drop out of those programs. The architectural drafting is built on the full 2 years and to gain the full entry level skill sets and knowledge that a person needs to enter the workforce, they need the full two years. We do have some 1 year programs. Our highest paid graduate this past spring, was a young person from western ND, came to us and went back to work in ND, is making over $68,000, if they only work a 40 hour work week. That person was with us for a nine month program.

Senator Erbele states that we saw in the Valley City budget, they had some unexpended appropriations, do you have any carryover?

Dr. Richman states my answer would be "no" but I will verify that and get back to you.

Senator Holmberg closes the hearing but tells committee to come back at 12:45 and resume hearing testimony on HB 1003.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Lake Region State College
March 9, 2011
Job # 15194

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota University System

Minutes:

See attached testimony in LRSC tab in the 2011 Legislator's Guide to NDUS.

Chairman Holmberg called the committee hearing to order on HB 1003 – Lake Region State College branch.
Sara Chamberlin - Legislative Council; **Tammy R. Dolan** - OMB.

Dr. Mike Bower, President, Lake Region State College
Testified in support of HB 1003.
Lake Region State College handout in **2011 A Legislators' Guide to the NDUS, Pages 1-7.**

Karen Clementich, Nursing Coordinator, Dakota Nursing Consortium, Lake Regions State College
Reading Julie Traynor's **Nursing Presentation (Tab 4-2, page 20 and Tab 4-3, page 21)** in **2011 A Legislator's Guide to the NDUS.**

Senator Bowman asks, could someone put together a list of all the nurses programs in ND and how many go to work right away in ND? Now everyone has a college for nurses and wondered about placement in ND.

Karen Clementich states that we see at our programs, specifically, we do see placement in the area. At the last advisory board meeting, who helps give us feedback for our program, they are asking for more nurses.

Senator Robinson states that the Dakota Nursing program is growing their own for their respective areas. We started this program and there were 16 slots and they were all spoken for by local healthcare providers. The nature of the profession seems to be a lot of spousal employment issues. So it is important that you have that local access to people who you are going to train and are going to remain in your rural community. That's what we're experiencing in ND.

Senator Wardner asks, you talked about 6 graduates, were those 6 graduates out of Devils Lake?

Karen Clementich states, that is correct.

Senator Wardner then states that there would have been other graduates, out of your other group, correct?

Karen Clementich states, that is correct.

Senator Wardner states, when you talked about the 40, that's 40 that applied at the campus at Devils Lake?

Karen Clementich states, that is correct. That is not the whole thing. Currently in Devils Lake, we started the year with 22 ADN students, 14 practical nursing students on campus and 6 in our on site in Mayville.

Mary Wald, ADN, student, Lake Region State College
Page 23-24 in Lake Region State College section (tab 5 & 5-2)

Senator Wardner asks, Mary, will you be staying in the Devils Lake area.

Mary Wald states, I had intentions to leave. We're getting married in 52 days and I'm staying at Lake Region.

Chairman Holmberg states there will be a subcommittee that be working on HB 1003 and that **subcommittee is: Senators Holmberg, Bowman and Krebsbach and Robinson**.

Jay Johnson, Wind Energy Technician Instructor
Testimony attached **(page 26, Tab 6-2) in 2011 Legislator's Guide – LRSC section**.
He states that there are three reasons the wind energy faculty believes that the Erlandson Expansion would be beneficial to us. 1) It would give us an additional lab footprint. The best explanation for how that would benefit us can be seen in our high voltage module. We have been a beneficiary through Nordic Fiberglass and Ottertail Power. They have provided us with transformers and transformer mounts, all the rubber inserts, the switching gear and measuring equipment to develop a high voltage module. Their donations are so significant that we probably can turn it into a standalone course. Transformers have been delivered and we are waiting for our transformer pads. When they arrive, we are going to have to spread those out though. At least two, of our existing areas, have been dedicated for other training areas. When we get everything linked together, it is going to essentially push the mechanical systems, or rigging area, to the side. We will have to make do. It is a good problem. 2) The expansion would give us two additional classrooms. The most important classroom is a dedicated DC and AC analysis laboratory. It has a small space, 10 lab spaces and the Tech Center doesn't have any additional space for us. The equipment has been purchased in partnership with the Tech Center. 3) We think that this expansion will come as having a refurbished building as a whole. I have been traveling and recruiting at area high schools. They are our recruiting source for our program. We feel our curriculum is great, we have terrific instructors but the building itself is less than stellar. Appearances matter.

Senator O'Connell asks, you have three transformers?

Jay Johnson states, we have two. They are 1000 KVA.

Senator O'Connell asks, is that through a grant, how much were they and how were they paid for?

Jay Johnson states, they were free from Ottertail Power.

Senator O'Connell states, that is over $100,000 a piece.

Jay Johnson states Ottertail Power has really stepped up. Ottertail Power sees the benefit of our program. Ottertail Power owns wind turbines. Currently, they are not operators yet. They outsource their operation. We spoke with our local rep from Ottertail, Tim Green, in Devils Lake and pretty soon they had a couple of transformers here. They asked when could we deliver and drop them off.

Senator Wardner states the private sector industry is giving and donating dollars and equipment to the schools. Do you have a ballpark figure of what you are receiving from industry to help with your education of these young people?

Jay Johnson states another donation on our plate is from MDU. They are going to donate a blade to us. We are going to use this blade to develop a composite module. The feedback we are getting from our advisory board and technicians working in the field, are that as the new sites go off warranty, it is going to become more attractive for the sites to fix their own blades. We want to get ahead of the industry and create a composite layup lab. Specific to your question, in excess of $1 M.

Senator Robinson asks, how long have you been at LRSC and what is your background?

Jay Johnson states, I have been at LRSC about a 1½ years and came to develop program. Prior to that, I worked for Next Air Energy, Langdon, as a technician in Langdon. Prior to that, I was a newspaper writer and editor at Rochester, MN and Minot.

Lee Dokken, LRSC student
Testified in support of HB 1003.
Testimony attached. **(Page 27, Tab 7) 2011 Legislator's Guide – LRSC section**
Up and coming wind energy field will help state flourish as energy giant in the state. He chose to work in oil fields and when oil fields collapsed, he went from Devils Lake to Lake Region.

Senator Bowman asks, is this what you wear everyday? You look pretty sharp.

Mike Bowers, President of LRSC, states how the public sector contributes greatly. A couple contacted us and contributed $25,000 for scholarships and $50,000 towards the program. Jay graduated from UND and has masters in communications. He brought in another instructor, who is an engineer, who graduated from NDSU. Mr. Chairman, you stated, "we want to shine" and this is "our time to shine" and we want to make you aware of that.
His testimony continues. Other specialized programs that have resource needs are in the Erlandson building. The automotive technology program is a long standing option with significant space needs. Its dedicated space is large and well ventilated with rooms for

vehicles and equipment and we have an exceptional program. **The Peace Officer Training Program** is the best program, right here in the state and in the country. The Peace Officer Training Academy is very unique to this state. It is a unique program that provides career opportunities, in ND and has grown. **(Refer to LRSC, Tab 8 and 9).** In the last five years, our retention rate is 65-67%.
Our dual credit program indicates that LRSC will see significant growth and delivery in the dual credit courses. These courses serve two purposes. They count towards high school and college graduation requirements at the same time. **The Dual Credit Schools** that participate are listed. **(Page 31, Tab 10)**

Corry Kenner, Vice President of Administrative Services
Testified in support of HB 1003
Presented the **Lake Region State College Budget (Tab 1, LRSC section of 2011 Legislator's Guide)**
Long term finance plan goal is actually for the two year schools and is to get this breakdown changed so we can get it up to 75% state general fund report and 25% tuition. You can see by the numbers, we have a long ways to go to get there. Our goal is to make these two year colleges more affordable, as an entry point to education. The only way we can do this to get the "Education Affordability Funding" back into the budget, so we don't have to make another increase in tuition. Equity funding is a very important piece of our budget.
(Page 9, Tab 1-2). Breakdown of Operating Revenues. (Page 10, Tab1-3) 2010-2011 Annual Budget Narrative. It talks about the use of the equity funding we've received. We received $402,000 this current biennium. **Refer to Schedule 2**. Descriptions, amounts and source of funds. Everything we have done with equity money has been to enhance what we do for students. We have increased some support in the student services area, added a student recruitment advisement and retention, associate vice president, to focus on those areas. We also added an administrative assistant in Student Services, to help. **(Page 12),** is **LRSC Financial Review**. If you look at the industry standard ratios, you will see that LRSC is very favorable to these ratios. **Page 13,** he addresses the section on **Change in Long Term Debt.** LRSC was up 14% in enrollment from 2006-2009. The fall of 2006-fall of 2010, the headcount enrollment is up 27%. FTE enrollment is up 23%.

Senator Grindberg states the enrollment increased to 27%. (2006-2010). How many of that percentage are high school students and how many are online?

Corry Kenner states, I don't know but we can get that for you.

Senator Robinson asks about the diversity enrollment? How many are on campus vs. off campus? Could you get that information to the entire committee?

Corry Kenner refers to **(Page 14-Tab 1-7) Deferred Maintenance of a Percent of Plant Value.** LRSC deferred maintenance of a percent of plant value, is relatively low in comparison to the system average. Mostly because, LRSC is one of the newer built buildings. The biggest challenge here is, from a facility standpoint, is our roofs. The roofs were replaced in 1989 and have reached the end of their cycle. We have lots of leaks, due to the snow. We need to get them restored. **(Page 15, Tab, 1-8), Executive Recommendation Comparison to SBHE Request.**

Senator Wardner asks, what do you do if you don't repair those roofs? Do you put down pails underneath?

Corry Kenner states, "Yes, we do".

Senator Erbele asks, are they flat roof buildings?

Corry Kenner states, when we redid the roofs the last time, we had energy oil overcharge money. We were able to insulate and put a slight pitch to the roof at that time. They were flat initially.

Senator Wardner asks, tell me how much damage is done inside, after roof leaks on a flat roof building?

Corry Kenner states, we have had lots of complaints this year from leaking. It came down from the walls and created a mold issue and damage to the ceiling tiles. We try to keep a large supply ceiling tiles on hand to fix it up.

Senator Bowman asks, what kind of maintenance budget do you have for your campus?

Corry Kenner states, it is hard to set aside money in as a higher ed. institution. We had a onetime funding of $93,000 for the current biennium. We budget around $100,000 for physical maintenance. Our budget needs to cover, not just the inside of the building, but also the outside of the building so it doesn't go very far.

Senator Robinson states you are also experiencing moist and wet saturated insulation and so you become less heat efficient. What about your special assessments?

Corry Kenner states paid them off so we don't have any.

Senator Robinson asks, did you do most of the roof in 1989? Are they all in tough condition right now, the whole campus?

Corry Kenner states they are all basically the same age.

Senator Robinson states, you said in all of those seven projects, they were all roof projects? What is the total package for repairing them?

Corry Kenner states, about $1,075,577.00.
Continues with testimony. **(Page 16, Comparison of FY10 & FY11 Budget to Actual Appropriated Funds.** This is not updated since the time we did our hearing with the House but I have taken a look at it. We are right on schedule.

Senator Robinson asks, on enrollment growth, did that result in excess tuition collections? What flexibility do you have with excess tuition collections?

Corry Kenner states we have quite a bit of flexibility with tuition collections. We are funding the positions needed for enrollment growth. We use it for operating costs and for salaries and equipment needs of various programs. We are funding our growth on the back of the students.

Senator Robinson states you have liberal arts program, what kind of numbers of students do you have in the other programs? Are they gender mixed?

Corry Kenner states, nursing 45-50, 90-100 for law enforcement, wind energy, auto mechanics.
(Tape was inaudible for remaining information).

Mike Bowers continued directing an answer to Senator Robinson. He continues talking about the physical plant. Our base funding for the extraordinary repairs, of the physical repairs for LRSC, has actually decreased since the 2001-2003 biennium and has remained static at $43,662 since 2005-2007 biennium. Onetime funding, which was referred to, $93,870 in 2009-2011 biennium, was received for the purpose of rectifying a portion of the existing deferred maintenance issues for roof and floor repairs. This could not have been accomplished if we would not have gotten that amount of money, at that time. Buckets were in place and it was embarrassing during our accreditation process. In the **Small to Medium Capital Projects** is in on **(Page 32, Tab 11).** LRSC requested for inclusion in the State Board of Higher Ed., 2011-2013, and it was not recommended in the governor's executive budget. The amount of $1,075.577 is desperately needed for the completion of roof. The roofing replacement for both facilities was last completed in 1989. During the period of 2004 to present, the main complex has experienced many leaks and roof patching, totaling $28,914. **(Page 33, Tab 12)**

Senator Bowman asks about **Deferred Maintenance**. **(Page 32).** You get 2.4% for deferred maintenance and the average per campus is 7.5%?

Corry Kenner: (inaudible)

Senator Bowman asks if maintenance would have been done as the roof started to leak, would you still have to replace roof or could you make it last for10 years?

Corry Kenner states, you can patch and patch, but at some point you will have to replace roof.

Senator Warner asks, are the projects listed on Page 32, listed by priority? Or, is it just a list.

Senator O'Connell states steel may be higher, but my project was actually cheaper.

Senator Robinson states one of problems that campuses have had is, maintenance dollars have been so low, and sometimes they don't even make the list. In the past, we have funded deferred maintenance. The problems worsen over the biennium.

Senator Bowman states, he knows of campus' in Fargo that had problems in the past. They wait until it is totally destroyed so they can a new one. That cost is always higher than if it is fixed right away.

Mike Bowers states I agree. I've been there 2.5 years. I go with the facilities director to inspect the facilities.
Continuing on with testimony.
We try to be good stewards of our college. He asks that the budget be supported, as it came from the State Board of Higher Education, and we have listed those needs and I think if you evaluate those, you will find out the cost of what we are asking for to make repairs, to keep tuition rates down for students and keep it capped for equity.

Senator Christmann states, the specials that were paid off, what was the project and what was amount and how long did it take to pay off?

Corry Kenner states, it was $130,000 for a sewer project. We paid these off, maybe 15-20 years ago.

Chairman Holmberg closes the hearing on HB 1300 on Lake Region State College.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Minot State University
March 9, 2011
Job # 15204

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

Testimony is in MiSU tab of the 2011 Legislator's Guide to the NDUS.

Chairman Holmberg called the committee hearing to order on HB 1003 – Minot State University branch (MiSU).
Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB.

Dr. David G. Fuller, President, Minot State University and Dakota College/Bottineau
Testified in support of HB 1003.
Speaking from the handout on Minot State University section- attached in the MSU tab of the 2011 Legislator's Guide to the NDUS.

Informed the committee on an overview of the Minot State University's mission and vision and also gave information on the geo-thermal heating system.

Brian Foyse, VP, Administration and Finance
Presented the Statement of Revenues and Expenses – All Funds – attached in the Minot State University section of 2011 Legislator's Guide to the NDUS.

Senator Christmann asked about the 400 wells in the geothermal heating system and wondered how much it costs.

Brain Foyse: It was planned originally to be 450 wells. It will actually end up being 424-425 wells as they bore test holes down. They discovered they were able to go down to 400 feet. The deeper the well, the more conductivity in the water, and we'll have slightly fewer wells than planned. The idea is to develop a well field which has sufficient capacity to heat and cool some of the buildings in the NW corner of the campus. It's not only the wells, but also the piping systems that connect the buildings to the well field as well as the heat exchangers that set inside the buildings and either move heat out of the building or bring heat into the building in connection with the water flow through the system. The total cost of this NW area of campus is $4.5M. $2.5M was funded through the legislature and the Dept. of Commerce was approached on two separate occasions and received an additional $2M from federal ARRA (American Recovery and Reinvestment Act of 2009) money. Those two sources combined gave us $4.5M and allows us to get a fully functional stand alone geo-thermal system in place for

the four buildings. I have not done the math, but $4M – 400 wells, that would ignore the significant cost of the distribution system as well as the equipment that sits inside the building.

Senator Christmann: When you talked about the increase in electricity prices, that it's Swain Hall that was coming back on line and you'd adjust your costs up, that's going to be on the geo-thermal so that should be a pretty minimal utility increase, shouldn't it? How does the cost of the geo-thermal heating compare now once it's in?

Brian Foyse: We have attempted to pair the timing of the geo-thermal system with the timing of buildings coming on line so we're not having to put equipment into those buildings twice. Swain Hall, which is open today, opened for the fall semester and has the steam boiler based heating and cooling equipment inside of it. When we put the geo-thermal system online, part of the cost of that will be to convert Swain Hall from the steam based system to the geo-thermal system. We'll have to do the same with the dome and with the library. The wellness center coming on line – those schedules are timed so that we don't have to put another dime into wellness than would otherwise be necessary. There will be hole in the wall, the pipes run right in so when geo-thermal comes on and the doors on the wellness center open up. The goal was to essentially avoid duplication in the cost of heat exchangers and other equipment being put in once for the steam technology and then replaced again for geo-thermal.

Senator Robinson – Your moving into new athletic league, which is a tremendous undertaking, probably more than you thought, how are you doing responding to the increased financial challenges with that transition? How much additional pressure does that put on the general fund side of support?

Dr. Fuller: We understood and knew there would be a commitment. We hired a consulting firm which is a financial consulting firm for many Division II schools and they did an analysis of tickets sales, organization, etc. and have identified a fairly large portion of the cost that we will have to incur to compete successfully in Division II. We have to hire an individual who can do marketing and do oversight of how our tickets work and how we raise funds from our Beaver Boosters. We have other additional support, but it's primarily through fund raising.

Senator Wardner asked whether other parts of the campus were being heated by gas and **Dr. Fuller** said they have backup fuel oil and could turn to that, but would be very expensive. He asked for a bridge amount to cover the extra cost of heating on the perimeter.

Senator Wardner: When you talk about accountability, are you talking about accountability in that you are open to a wide range of students or accountability that you have standards in each one. I'm not sure what you mean, where is the accountability pointed here?

Dr. Fuller: Students, we want to make sure that we can graduate as many as we can. We want to offer quality education. They don't have problem with graduation rates, but they want to give the students the best education they can.

Dr. Fuller concluded remarks.

Senator Robinson: A few years ago, you made reference to the economics of being a student in the university system. You underscored the concern you had regarding cost of education; students working at least one if not two and sometimes three part-time jobs There is also the pressures of off-campus housing and the pressures are transferred into the classroom. What can we do about it?

Dr. Fuller: I think we're changing the culture and making sure there is a clearer message to students that finishing within 4,5,or 6 years and being focused on what they can do; focusing identifying clearly what there degree is going to be in; helping them with a degree audit so we can assist them to graduate sooner. We are also exploring a plan to establish a 4 year guarantee so that we can set students on that track to graduate in 4 years. We want them to focus on their degree and finishing in 4 years and then in the fifth and sixth year, you can be working in your career and gaining more. That's the message we have to send and support. Also, we want to provide opportunities on campus for them to work, for internships. It's gradual but it's still a serious issue.

Senator Christmann: You mentioned 250 veterans and extra support they need. What support is there at university – and is it just available to the students as opposed to the other veterans around the community. I was wondering - what is that plan or what are veterans getting that other students don't?

Dr. Fuller: If they decide to come to Minot State, they're not going to be lost with traditional students without getting specialized support. They need incredible support in financial aid and how to sort out all the benefits they receive as veterans. Our financial aid assistant director is overwhelmed with the amount of work that she has to provide to veterans. She has been very strong in this effort to emphasize that we need a veteran's support center. I had a student group of veterans come to me and said they need to have special support and recognition that what we do is valued on this campus. We've endorsed this student group and we're moving ahead with a student veteran's center and doing everything we can to reach out to these people who have really sacrificed a lot in their own lives. That's our obligation, but we can't allow them to float into corners and forget them.

Chairman Holmberg closed the hearing on HB 1003 – Minot State University.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Dakota College at Bottineau
March 9, 2011
Job # 15206

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes: You may make reference to "attached testimony."

Chairman Holmberg called the committee hearing to order on HB 1003 – Dakota College at Bottineau branch.

Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB.

Dr. David G. Fuller, President, Minot State University & Dakota College/Bottineau
Testified in support of HB 1003
Clarified the reason for changing the name – they are identified and defined more clearly.

Ken Grosz – Campus Dean, Dakota College at Bottineau
Testified in support of HB 1003.
Presented Dakota College at Bottineau Biennial Summary -attached to Dakota College/Bottineau tab in 2011 Legislator's Guide to NDUS

Everything you see on the handout and the things that I have mentioned could be headed under three main headings: Collaboration, Distance Education and Retention. Tools that we use to provide a quality education in a quality environment for our students.

Senator O'Connell: Every other universities mentioned their dorms. I know that Lynn Helms has said that Bottineau is going to get about 7500 well is what they are expecting up there. Upon visiting with one person, they weren't too impressed with the dorms up there. I thought he said that the rooms were all filled and it's an old barracks style or what not. Could you elaborate on that a little bit? **Ken Gross**: Our residence halls are in great need of renovation. There residents halls were built in the late 1950's and 1960's, All the rooms are double occupancy, they are shared shower and bathroom facilities on each wing. There is really a lack of privacy. There are no real modern amenities in the residence halls, they need help. We've done pretty well with the infrastructure of the residence halls with the roofs and the heating systems and all of those things. But we really need to spruce them up. They are 40-50 years old and haven't really had any modernization whatsoever. The students in their homes probably have their own bedroom that they don't share with a sibling. They come to our

residence halls and it's a tiny room and they don't have any modern amenities. **Senator Robinson:** They are obviously paid for; there is no bond on them? Are you financially positioned to re-bond and renovate or not? **Ken Gross**: We are going to see if we can re-bond, there is about $15,000 debt left on our residence halls which will be paid off next year. We're going to see if perhaps we can do some bonding to at least get partial funding for what we need to do. We've had a architect look at the buildings and I believe, it will be about $2.1 M - $2.5 to get everything done that needs to get done.

Senator Grindberg: Bottineau, ND College is the first to send me or provide testimony that has triggered my question. Earlier I referenced the document the 09-10 university system enrollment report which is a nine or ten page document. I am curious if you could provide me some information later to the committee. When I look at the testimony of head count, full time, full time equivalent, its noted that head count enrollment has increased 92% full time enrollment 8.4%, FTE enrollment 38% from the fall on 01. And then when I look at the master document by campus, your numbers don't even match up with the testimony and that for academic year 09-10. This caught my attention because it's not matched up with the master documents as what you are reporting. As we move through this I am going to spend some time with the committee and start questioning this. We've got to have an easier simplified way of recording students. **Ken Grosz**: Is that the annual enrollment report? **Senator Grindberg**: Fall and annual. **Ken Grosz**: I took my numbers off of the 3rd week report to the Board office. **Senator Grindberg**: I stand corrected, it is the summer of '09, fall '09, and spring '10 list. **Ken Grosz**: Yes, that would be the difference. The one that I have is just for fall; the one that you have is for fall, spring, and summer semesters combined. **Senator Grindberg**: I don't think it is combined.

Senator Wardner – Passport program. The students that are from Minot State do you send classes to them by interactive, long distance or do you use faculty from Minot State? **Ken Grosz**: It is really a combination of three delivery methods. One is sending classes via interactive video (IVAN) we also hire our own instructors or our instructors on campus travel to Minot to teach or in some cases we hire Minot State faculty to do the teaching for us.

Jim Borkowski, Director, Financial Affairs at Dakota College/ Bottineau
Testified in support of HB 1003.
Presented 2011-13 Senate Appropriation Hearings – Campus Budget & Financial Info for Dakota College/Bottineau – attached to DC/B tab in 2011 Legislator's Guide to NDUS.

Speaking from pages insert, he presented the budget and Capital Project Priorities

Senator O'Connell: How old is this estimate and what will the specials be on it? **Jim Borkowski:** The estimate was drawn up in February of 2010, so it is over a year old. We did factor in about a 5% increase into that estimate which under normal circumstances I would think would be the amount that would be close to what was needed for the project. But with increase prices in fuel oil, I don't know what that (crude oil) I don't know what it is going to do to the price of this project. But the information I have right now would indicate that the $731,000 would be sufficient to complete the project. **Senator O'Connell**: In specials? **Jim Borkowski**: We do not have special assessments at this particular point; however we do know we will have special assessments because roads will be completed around our campus and the current estimate for us is about $50,000-$55,000 of special assessments for that repair.

Our second capital project was a heating system upgrade for Thatcher Hall. Basically what I am looking to do here is to repair a black pipe or to replace it. Every year we have numerous leaks to the pipe. The building was built in 1949, so it is the original steam pipe within the building. There are just getting to be more and more, so far the damage has been limited to wet tile and papers on desks, but a recent example given. The pipes are just 60 years old and we replaced them, repair them as needed but I believe it's time that we replace all of that pipe within the building. Estimated cost is about $265,000.

Page 19 – Our campus priorities, and this is to support the Executive recommendations for a college affordability funding, as well as equity funding and then funding for major capital projects which are the road repair, heating pipe replacement and then finally although I didn't talk about it, on page 18, there is a listing of seven smaller capital projects each under $250,000 and our number one priority on that list is additional equipment for setting up two additional classes for IVAN facilities and essentially two additional classrooms for video conferencing. We have growth in that area and I believe right now that we do produce more credit hours over Ivan than any other campus within the system. That is a growing part. We deliver coursework, class work, to Minot State, Valley City and other campuses around the state.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Dickinson State University
March 9, 2011
Job # 15222

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

Testimony is in the DSU tab of the 2011 Legislator's Guide to the NDUS.

Chairman Holmberg called the committee hearing to order on HB 1003 – the Dickinson State University branch.

Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB.

Richard J. McCallum, President, Dickinson State University
Testified in support of HB 1003.

Speaking from President's Report for the 2011 Legislative Assembly – DSU attachment in the 2011 Legislator's Guide for the NDUS

Alvin,Binstock, Vice President for Business Affairs
Testified in support of HB 1003.

Speaking from Tab 3 (Unique Challenges) and Tab 4 (Budget Overview) in DSU attachment of 2011 Legislator's Guide.

Senator Grindberg (Question for OMB) I understand depreciation expense, but is that typical?

Tammy R. Dolan, OMB: Campus expenses always have some sort of campus depreciation.

Senator Wardner: That $48,128 dollars, that's the students share. That means that if you take it out then the students will have to pay it; where currently the state has been taking care of that portion. So that everybody understands and I understand. **Alvin Binstock**: That is correct. The intent was that the retirement program was going to be adjusted that the students share relative to the long term financing plan would be picked up by the state. Without this we are basically short $48, 000 and the students would have to make it up.

Senator Wardner: Is this the same at other campuses or can't you answer that? **Alvin Binstock**: As understood the way the affordability measure was put together, that component should be consistently applied in all campuses request for affordability.

Chairman Holmberg: There will be a list in the document from the Board office that shows the affordability impact on each campus and also on your green sheet.

Alvin Binstock: Continued with his testimony.

Chairman Holmberg: We are always willing to discuss capital projects. The subcommittee tries to work through the Board Office if possible and not ask people to come back when the subcommittee meets, but sometimes it happens that we have to ask you for a return visit.

Richard J McCallum (starting on tab 5-1) and telling of Stoxen Library addition and expansion plan for Dickinson State. Tab 6-1 related to contingency appropriations. As you know the trigger clause for that contingency did not occur. However you will also notice in section 12, that you in the last biennium authorized us to begin schematic design of the Stoxen library addition. We did that. My effort here is to report to you where we are relative to the schematic design and the process that we have used to reach the discussion that were at. If you go to the page preceding 5-1, you would see a list of bullets with a couple of color photos. These color photos are schematic conceptual outlines that the architect has put together. This project has been part of our campus master planning process for a number of years. It is proposed to be 40,000 square feet; it is multipurpose in term of space. It will become in this proposal the new home for the Theodore Roosevelt Center and a comprehensive digital library dedicated to Theodore Roosevelt. It will also propose to become the home for our global initiatives and the potential of a new Confucius Institute. It is also proposed in these 40,000 square feet to create a new home for our academic success center, with state of the art modern tutoring facilities in an effort to enhance our retention and our graduation rates. A state of the art learning commons area for our faculty, students, visiting scholars and our TR center guests and I would just note that under the visiting scholars that we have our first visiting scholar with us this semester. Scholar that has written on Theodore Roosevelt who is with us for the spring semester living and working every day on our campus and this I believe is just the beginning of many future visiting scholars coming to our campus. It will be proposed as a modern space for expansion of our Office of Extended Learning and our on-line program. It also will be space for more than17, 000 books that we have in our possession but we have them off line and in storage at this time because there is not enough area within the existing library to accommodate them. Please remember and I know you recall from last session this is a two-phase proposed project. Phase one is the 40,000 square foot addition; phase two is to come back into the existing library and to renovate that, so that when the two phases are complete the entire complex will be standing as a completed effort. Continued reference to the committees' handout pages 5-12.

Senator Robinson: What is the Confucius Center? I know about the TR center but I am drawing a blank. **Richard McCallum:** The Confucius Institute was a proposal that we submitted to the State Board of Higher Education. It was endorsed and approved by the State Board of Education about 3 months ago. The idea there is to create a Confucius Institute. There are only about 250 of those in the US, there are about 400 in the world. It is a decision that will be made in Beijing, by the Chinese government and so we are not sure yet if we're

able to get that. Once the Board endorsed our proposal we were able then to send it forward to China for consideration. We have 20 years of history with partnership organizations in China and the idea behind that Confucius Institute is economic, cultural, educational, and language oriented.

Richard McCullum :Continued with his presentation for his shared reports.

Senator Robinson: If we could go back to your discussion on the scholarship. Could you reconcile, you mentioned there is 500 of the Roughrider scholarships and in this document you refer here to 558 students receiving scholarships. Are they the same accounts or are we looking at two separate programs?

Dr. McCallum: You are looking at two separate programs because in the small booklet you are looking at scholarships that are under-written by our foundation. On the Roughrider Scholarship you're looking at scholarships that are under-written by the institution using the money that you have allocated to us along with the oil proceeds. **Senator Robinson**: And a total value of these scholarships are $500-1000 annually, but in composite are we looking at $1.2 million.

Alvin Binstock: $1.2M

Senator Christmann: But when you said earlier that you have 100% placement from your teacher education program. What % of teachers are teaching in North Dakota.

Richard McCallum: What you will find and I will track the numbers down and send all of that to you. What you will find is 90% of our students who graduate from Dickinson State University as North Dakota students are staying in ND. About 35%-50% of the out of state students who come to us graduate and stay to live and work in North Dakota. But relative to your question in terms of teacher education, we'll get that information to you

Richard McCallum: Thanked the committee for the support and commitment to Dickinson State University and to the North Dakota university higher education.

Chairman Holmberg reminded the committee of tomorrow's schedule.–

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – UND
March 10, 2011
Job # 15225

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A bill for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

Testimony is in the UND tab of the 2011 Legislator's Guide to the NDUS

Chairman Holmberg called the committee hearing to order on HB 1003 – UND branch. Roll call was taken.

Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB.

Dr. Robert O. Kelly, President, University of North Dakota
Testified in support of HB 1003.
Attached UND materials in UND tab of the 2011 Legislator's Guide to NDUS.

President Kelly: Prefaced their request by giving an overview of UND and presenting the highlights and programs at the university. He also informed the committee of the capital construction projects that are going on and grants that they are writing. He prefaced their request.

Chairman Holmberg: That is across the campus that is the average number, it was $42,000 in 2006-07, $29,500 for 2009-10. That does show progress on indebtedness. This committee was very strong on student affordability.

Alice Brekke, VP for Finance and Operations
Presented the UND Budget Presentation – in UND materials in UND tab of the 2011 Legislator's Guide to NDUS.

(16:00) Walked through of budget request for the university. On the first page of the handout, you will see a couple of pie charts; the first one is the operating revenues of the institution. Some of the funds reflected on this chart are restricted for example by Federal or State regulations, policies or grants and others are designated for identified uses (examples cited). The charts on this page do come from the financial statement and as such they include both the university and the medical school. We are one reporting entity for financial statement purposes. Total operating revenues for the university and this is for fiscal year 2010, were at

$363 Million of which $83.6 was from the state general fund. These funds are a key foundational piece which enables us to leverage those resources to generate support for other programs and operations of the institution. They are the base on which we build and certainly we say thank you for that. Tuition and fees are also shown at $102.9 Million about 28% of the revenue. Tuition totaled $71.6 Million, again both UND and Medical school fees totaled $31.3 Million with almost half of that generated within Aerospace (Examples cited). The remaining would include mandatory student fees. The fee revenue is designated consistent with the purpose for which it is charged so we do work to match those revenues to the expenses necessary for those particular areas. Grant and contract revenue is recorded at $107.7 Million, with $ 81.2 Million of that from Federal sources. Auxiliary revenue accounts for about 9% or 34.1% and by definition, auxiliary enterprises are self supporting businesses found within an academic environment and they charge a fee in return for the services that they provide for students, faculty, or staff (examples cited). Finally you'll see an amount for other sales and services which is just over $35 Million, about 10% those would include (examples cited). That gives you just the broad brush of the revenue stream that supports the operations of the institution.

On page 2 is a companion piece to that pie chart and it gives you the purpose for each source, examples of where the funds come from and the uses of the funds and any restrictions or designated uses. Those two pieces go together. Referenced Page 1, breakdown of operating expenses for the institution, across all functions the largest of course, being the salaries at about 2/3 rds. Two of the items I do want to comment on for financial statement reporting purposes and what you see in the pie chart would be depreciation expense; that is actually a calculated amount based on original cost and estimated useful life. When we get to the budget comparison what you will see is the actual expenditures for equipment as opposed to the depreciation. The other item I would comment on is waivers and scholarships in this pie chart. Again as required for financial statement reporting, is an allowance calculation. It does not represent the dollars that are actually funded into scholarships and fellowships. So there is a difference in that regard.

Pages 3-4 cover the appropriated funds budget to actual for fiscal year 2010-2011. Page 3 is the operating portion; page 4 is the capital asset funding. The operating budget is listed by function, and then it shows you the breakdowns salaries, operating, and equipment. Typically at UND in the first year of the biennium, as we bring the year to closure we balance the budget to the expenditures and if there are remaining dollars those are carried into the second year of the biennium. That gives us the ability to manage the total picture and to adjust for any operating cycle differences. Page 4, summarizes the capital assets both for general funds and other funds. Again a very high level summary and there are pages that follow that will give you further breakdown in detail as to what some of the specific projects are that are included in that summary. Following pages also would distinguish between projects that are funded through the legislative process versus those that have been authorized through the legislative process but for which the university has to identify the sources of the funding. The authorization gives us the ability; it positions us to proceed quickly if we are anticipating we are able either through grant funding, gifts and donations, or other revenue streams to be able to proceed with projects. The capital assets line on page 4, line 50, includes the $5.4 Million for the Bismarck Center for Family Medicine, and the $2.3 Million for regular repairs and maintenance.

If you move to page 9, in your handout you will see a reporting for grant and contract funding. Grants and contracts are set up in a specialized module in the people soft system which is based on project life budgeting, tracking and reporting. In the world of grants management, fiscal year only matters for financial statement purposes. The sponsors or granting agencies don't care about fiscal year. Reporting the actual expenditures for these is a very easy thing for us to do; capturing which budget would make sense in a fiscal year comparison you have to pick a number. What we do in financial statement reporting is we report the actual so for the purposes of what we provided you here, we've included the budget equal to the actual; because projects stop and start continually throughout the year. It's very tough to grab a number that has any relationship to the overall expenditures that are presented on this type of reporting.

Chairman Holmberg: Is that consistent with how NDSU handles this? In other words, is this system wide? How you handle this fiscal versus the end of year or does each of the research universities handle it somewhat differently?

Alice Brekke: In this particular reporting this is the first time we've presented a report like this, this particular session. There have been a couple of different approaches used. I think certainly some conversation about what numbers make the most sense and is there something that would be more meaningful and useful to you as legislators.

Chairman Holmberg: That would be something that obviously where were far into this process this time but, certainly would make sense for the research universities to visit and to give us a singular kind of thing. We've had discussions in this committee on just the confusing aspect of how many folks are actually on a campus during a semester. That is one of the items we're going to be working on, so that we understand consistency is nice.

Senator Grindberg: On the grants and contracts in these different columns with personal and operating, would indirect costs then be covered, captured in this spreadsheet as well?

Alice Brekke: Actually indirect cost is recorded as a transfer. So it is not captured in this particular total. If we were to expand out to also include the transfers and so forth that would be an additional column here. I believe what is reported here are the expenditures side is consistent between the two research institutions. So again with further conversation and certainly if that is something you're interested in seeing we can certainly provide that.

Alice Brekke: Pages 5-7 contain the required reporting of one time funding including the deferred maintenance and capital projects and carryover of the '07-'09 funding to the '09-'11 biennium.

Senator Robinson: On Page 7, I noticed you have seven projects there. Can you talk to us about that, each institution was supposed to provide a list?

Alice Brekke: On page 7, there were some categories that were indentified consistently across the campuses and each campus was doing some work in almost all of these categories but it gave us a way to report our deferred maintenance expenditures in some common groupings which would allow comparability across the various campuses. There would be multiple projects and multiple buildings underlying each of those categories. So those are

smaller projects that roll up to some common category reporting. So again, building exterior, mechanical and electrical upgrades and so forth.

On Page 10 in your packet, there is a summary of the UND 2011-13 biennial budget as submitted to OMB, with a comparison to the executive recommendation as well as Engrossed HB 1003. This will provide you a frame of reference as Provost LeBel and President Kelly provide further comments on the UND funding needs and priorities including affordability, the IT building, equity funds, STEM teacher education base funding, small to medium size capital projects. I would also like to call your attention as provided in your binder. It would be the second red tab, 2011-13 budget after the yellow tabs in the system materials. There are two proposed amendments that I would call to your attention. On page 6 of that handout, as President Kelly referenced there is the joint NDUS-UND IT facility and the $14.3 Million which is in HB 1003. There is also an additional $7.7 Million grant authority that is being requested. The proposal is being submitted shortly and the question of having the authority to proceed if we should be fortunate to have an award from the National Institutes of Standard and Technology. I would also call your attention on page 7; we received board approval to bring forward for your consideration authority for $750,000 flight training revenue. It would be used for further renovation to one of the aerospace hangers out at the airport. So this was an item that just recently came through board action and because you approved the prior phase of that work we would need your approval to continue on with that project. The information is presented on page 7 in the system handout.

Chairman Holmberg: The buildings on the grounds of the airport are owned by UND. How about the land? **Alice Brekke**: I believe the land is owned by the city. **Chairman Holmberg:** And leased. **Alice Brekke:** Right. I can certainly check that and I will drop you an email. One other item which is included on page 8 of the NDUS document there are some EPA regulations that have come in to place that will affect us in the next couple of years and there is some summary information as well as the financial implication for coming into compliance. This has to do with use of peek shaving generators at the campus level.

Paul LeBel, UND Provost and Vice President for Academic Affairs

I would like to address the university initiatives and I think it's useful to divide those into two categories. One is the academic program initiatives that are crucial to the state and to us and the other is capital construction, both major projects. What was on the small to medium project list that Senator Robinson referenced earlier. If there is time, I could also provide a very brief description of what we did with the equity funding from the last biennium. The investments that we made that are so crucial to our evolving programs that are critical to supporting the education and the research that will help transform the state. UND's request for increases into the general fund appropriation was exclusively focused on academic programs. Some of those requests were for startup and to sustain new programs, others were for funding to grow some very strong programs. The state appropriation new funding requests are not the only financial support of these initiatives. We're doing a lot of reallocation within Academic Affairs, and across the university. We also rely on the grant funding that follows the starting of programs and the recruitment of sophisticated research faculty. We can project tuition revenue into the future as a way to sustain a program. The base funding, appropriate funding is crucial for us to make the investment in faculty because we are unable to recruit faculty successfully without that base to build on. For the 2011-13 biennium, we requested a total of $8.9 Million in

appropriated funding for academic initiatives; $6 Million was base funding mostly salaries and fringe benefits, and $ 3 Million was a one-time funding- those are primarily the start-up costs in the high tech programs, science, engineering, and nursing. We had academic programs identify 28 initiatives from each of the colleges, and in the process of that request getting to the Governor's budget and the OMB budget. That $8.9 Million was rounded off to zero.

I will just highlight a few of the programs and they're the ones that president Kelly mentioned and the ones that I think are a nice combination of where UND strengths can mesh with the needs of the state and the opportunities that the state has to grow some key areas of the economy. The highest priorities are based on a combination of the quality of the program that we know that we can create, the ability to meet real needs of the state and strengthening the programs that are distinctive to UND.

- A high priority is a new degree program in the College of Nursing. It is a Doctor of Nursing Practice, it's critical that ND develop considerable capacity to offer this degree. It's going to become a licensing requirement in 2015, for advance practice nurses. To have it up and running we need to begin now. Advanced Practice Nurses are going to be especially important in the state as part of the team approach that Dr. Win will discuss when he makes the presentation on the medical school budget. For us not to have a program that permits current nurses to become licensed to hold that status would be in my opinion, irresponsible as a state. There is a DNP program at NDSU but the demand is certainly going to exceed the capacity of any school to be the sole provider. This is an example of how we've begun to develop the program through re-allocation in my office. We've designated funds to support four of our faculty to complete this degree program at the University of Minnesota, so that we can get the program up and running and begin to recruit students. The new funding request was for additional faculty positions. We'll be able to cover instructional and operating expenses out of additional tuition revenue.

- The second priority is the one that Senator Holmberg already mentioned, the degree program in Petroleum engineering. This is a program that is currently being offered for the first time. The requests that we had made was for a little over $1 Million dollars about ½ million in recurring funds and ½ million in one-time expenditures. Again we began this program with reallocated resources within the School of Engineering and Mines. That means we have a start but it is a very slow start. So we have currently four majors in Petroleum Engineering. We're also working with Minot and Williston, to avoid duplication of courses and Bismarck as well to make sure the transfer for students in Associate degree program into something on our campus that transfer is seamless. We've been very successful in those partnerships. I don't think there is anything outside of the health care professions that is as essential to the prosperity of this state as the initiatives in energy programs. Our two year institutions are ramping up their programs to provide highly trained workers in the energy industry; the degree program in Petroleum Engineering is at the heart of our mission to the state. It combines teaching, basic research, applied research, and service through consulting and through the conduct of pilot projects. So we need to grow the expertise in this state in the energy fields; both the range of expertise and the quality.

- A third priority that I would just mention quickly is a program in Molecular and Integrative Biology. This is about some little stuff and I would defer to the cell biologist if you want

to know what this is all about. The request is for additional faculty positions and startup costs. We are currently recruiting for the first position, and we are looking at re-allocation to finance that initial position. The request is for additional faculty positions and startup costs. We're currently recruiting for the first position. To make the program sustainable, we need to be able to recruit people with a particular expertise and then have a critical mass of people so that the program can cover all the necessary elements of the field. So the recurring expenses are faculty salaries and the high ticket item for Molecular Integrative Biology is one time funding of a little over $800,000. Labs in sophisticated science areas are hellaciously expensive. They are the most significant factor in whether faculty can be recruited and retained. We can recruit amazingly good people into entry level positions. We're going to lose those faculty members if we can't create an environment in which their professional growth can occur.

- To other quick priorities on the academic initiatives; one would be for the Northern Plains Indian Law Center in the Law School. There is an opportunity to build on strength in tribal economic development. That would be a significant service to the entire state as well to our native populations.

- In the school of Aerospace sciences I would emphasize the priority that we're giving to unmanned aerial systems programs. I directed some of the equity funding from the last biennium to get this academic program started and we now have students enrolled in that program, we have the first degree program in UAS-UAV in the country. We need to add faculty who are working closely with the grants and contracts research, the sponsored research in UAS and with the economic development components that come from the Centers of Excellence in the Department of Commerce.

Just those five initiatives would require about half of the $9 Million dollars we requested given the formula funding for equity allocation across the system. We couldn't even support the first two of those priorities. Making wise investments in our academic initiatives is one of the responsibilities that I have as a Provost and it is very difficult to do. When I became provost in February of 2009, we receive about $2.1 Million dollars in equity funding and I spent that in about 90 minutes because my predecessor had left in the middle of the year. He had made some commitments to programs, so for the first 6-8 months as provost I was the Vice-president for NO and was able to take the equity funding and back fill some of the commitments. We created a new department, Earth Systems Science and Policy and we're able to put that on appropriated funding. We added to the School of Engineering; and PhD programs in Chemical Engineering for example. We have been good stewards of the equity funding. The equity funding by itself is not sufficient for the research universities to grow the programs that are essential to the economic health and the intellectual vitality of this state.

On capitol projects, Senator Robinson mentioned the small to medium projects in an amendment that was offered by the Board I believe after the Governor's budget was already submitted, The Board approved the number one small to medium project of each of the campuses. Our number one project is a building that is adjacent to the new College of Education building. Through your appropriation of $11.2 Million dollars of the era block grant to the Governors' office that he had set aside for that building, we have a magnificent facility that will come in under budget, and on time. Gillette Hall is our building immediately to the north of the Education building and the education building has some impact on Gillette Hall and on the

reconfiguration of that building. We are not artificially splitting one project into two; I can assure you of that. But there will be some need to modify Gillette hall because of the move of some of the departments into the education building and to accommodate the intrusion of the education building project into that building. The only other thing I would mention is that our number one priority on major capital projects coming out of the university was a renovation and addition to the law school. I was before the Higher Education interim committee and the budget section when Senator Holmberg chaired that. There was an explanation of the justification for this project being the university's #1 major capital project. I can sum it up very simply, when I became Dean of the law school in May 2004, the class that we had admitted came from the smallest number of applicants in the country. Fewer people applied to UND Law School than any other school in the country. That is just wrong, given the quality of the education we can provide. So, one of our goals early on in my tenure as Dean was to grow the enrollment and we did that through a combination of hiring good people, of enhancing the programs and raising our visibility. So during the first few years as Dean we increased the enrollment in the law school by about 23%, we are at capacity. What I use to describe the need for the capital construction project is a reference to the Field of Dreams (Example cited). Reverse field of dreams phenomenon and it really is important that if this isn't done in the '11-13 biennium that this remains high priority as the State Board of Higher Education has said it will for the 2013 biennium.

Senator Bowman: How many lawyers do we really need in North Dakota? You're trying to grow this and a lot of people would say we have enough? **Paul LeBel**: What I would emphasize is that we are not growing the size of the student body. This is to provide the education that is the quality that a student body of 245 which is what we have grown to and leveled off at and should receive. It's not a question of more lawyers for North Dakota, it's a question of the training for the next 40 years of law practice which is going to be different from what we've done. The legal education of the future is going to be interactive, team based, experiential so that students come out of law school ready to hit the ground running and we don't have a facility that supports that.

Dr. Robert O. Kelly: Concluded his testimony from the University of North Dakota. Final comments followed.

Dr. Robert O. Kelly: I do think the state of North Dakota has developed over last decade and a half, an outstanding system of higher education preparing not only workforce for all of the industrial components of our state, but a leadership work force that can provide future, forward leadership for all of the industries. But there are two pieces to this and I would welcome the opportunity to craft a mechanism to look forward for the next two decades that would impact the needs of our state. Where we think the state will be in 20 years from now? How do we participate in a team effort that drives this economy, sustains the quality of life and provides the necessary capabilities and individuals that are required for the next decades, so I would certainly welcome it? In a sense of vision, I think you have to study a little bit of history. We have come to a very strong educational system. We can take students up through operating the energy systems for a city all the way up to providing the most advanced executive leadership for corporate America that we can probably provide. How that impacts going forward. What kinds of funding modeling we're going to need to advance what it is that we currently have. I think it's going to take a collective vision and I would welcome the role the University of North Dakota would play in that. Do I have a magic bullet for 2040, not yet?

Senator Warner : (To Chancellor Goetz) I wonder if it would be possible to put together a list system wide of things relative to petroleum development? I know you have some financial stuff at Minot State, you have Petroleum Engineering here, oil field workers in Williston, I am sure there are things that we're missing. Maybe you could include the contiguous states, so if there are places like Moorhead State, NDSU doesn't' that we don't need to duplicate.

William Goetz, Chancellor of NDUS: We certainly can inventory that for the state as well as well for the contiguous states. We'll do that.

Chairman Holmberg: Asked the committee for a recess for 5 minutes.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 - NDSU
March 10, 2011
Job # 15245

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

Testimony is in the NDSU tab of the 2011 Legislator's Guide to the NDUS

Chairman Holmberg called the committee hearing to order on HB 1003 – NDSU branch.
Becky J. Keller - Legislative Council; **Tammy R. Dolan** - OMB.

Dr. Dean L. Bresciani, President, North Dakota State University
Testified in support of HB 1003.
Presented 2011-13 Biennial Budget Request – NDSU – attached in NDSU tab of 2011 Legislator's Guide to NDUS.

Your two research universities are really at the zenith of their contributions to the state, to the state's economy, maintaining and strengthening and diversifying that economy. But there are two simple points that I also have to mention having to do with NDSU. Your two research universities in particular are leading economic engines of the state. As a matter of fact, Moody's investors' has indicated that NDSU is the second leading economic engine of the state, second only after overall agriculture. At the same time, your research universities are inadequately funded on any comparison both internal and nationally that I can imagine making as an economist. NDSU is in an even more troubling way. I say troubling in a sense of the contribution we are making to North Dakota, but the contribution we could be making if the funding was more adequate. Open to page 4, to start explaining our efficiencies. Efficiencies are a little challenging for NDSU to talk about. We are currently funded at 39% of our peer institutions around the nation. I certainly recognize that there has been a lot of discussion of whether using a peer model to measure the cost effectiveness of higher education in the state is appropriate and I am sensitive to that. It is one of many models used nationally. But the reality is that 39% of our peer institutions it would be difficult to make any reasonable argument that NDSU is being adequately funded as a premier flagship research university.

The truth is we've been efficient the last number of years and the last decade our resource have been on a relative decline. Efficiency becomes an awkward thing for me to describe. We're to the point of cutting things that have a permanent crippling and damaging impact on NDSU success (Example cited). We are looking at cutting low academic options and in fact

have eliminated 17 low enrollment majors. One could look at that as efficiency, but it also has to be looked at soberly as limiting the number of options that our students have as far as academic disciplines to pursue.

Just earlier this week I had to do the most troubling thing I've had to face since coming to NDSU, and that was announcing the closing of our child care facility. In a market that does not have adequate child care facilities we're to the point of having to cut anything that is not a core academic function of our institution. The cutting of that program has been troubling on a level that I can't even start to describe to you because it has implications for our ability to recruit and retain the best faculty and staff, many of whom came here because of the close knit community and the opportunity to have child care on our campus.

We are experiencing a relationship with our sister research university that perhaps has never existed in the past and is going to serve North Dakota in a dramatically better way in the future. The Masters of Public Health is just one example of a program and responding to a state need that would not have been possible for either institution to do individually but has not only become possible but on a expedited time line, again responding to a state health care crisis that we're experiencing particularly in the western part of the state.

NDSU both through its extension programs but more specifically through sharing of faculty and staff resources, is working with virtually every campus in the state system to provide better service and better educational opportunity for people across the state. The nation has noticed. The Carnegie Commission on Higher Education probably the most recognized way of categorizing universities in the nation, recently moved NDSU up to the top research institution category in the nation. That is the first time that any North Dakota university has been a part of that categorization and opens up very exciting opportunities for partnerships with some of the leading research universities in the nation and the type of external funding that only research universities can bring to North Dakota.

Dr. Dean Bresciani moved on through the presentation and some of the financial data in the handout given to the committee. NDSU was funded at $98.3 Million dollars as far as base, needs base request and recommendation was at $110 Million, that represents a 19.1% increase. We also requested onetime maintenance funds of $5.3 Million dollars. Refers to equity funding which should be stimulus money for cataloging new academic programs and initiatives, simply to maintain our operations. We used equity funding to hire 19 new faculty, 3 academic advisors and 7 police officers. With all the bad news, he describes the good news that NDSU's reputation both in the state and nationally are drawing the best and the brightest students both keeping them in North Dakota and drawing them to North Dakota is steadily increased for 11 years in a row. (Refers to chart) Pages 7-10 were highlighted by Dr. Bresciani for the committee. Page 16, career center statistics shared. Equity funding was referenced. Page 22, Review of equity fund benchmarks.

Priority #1 Parity would increase by $9.1 Million
Priority#2 Equity would increase instead from the $7 by only $4.7 Million
Priority #3 page 24- limit tuition increases to 4% for the 2011-13 biennium with funding requests of roughly $1 Million.

Priority #4 Building and Infrastructure –page 24. Total deferred maintenance budget of some $24.8 Million dollars.

The executive budget did suggest a one-time budget of $2.3 Million to pay off all special assessments and that involves significant interest savings but did not fund any of the small to medium size projects. No major capital projects however, than none of our major capital projects were forded by the State Board of Higher Education. That again makes our deferred maintenance situation all the more important.

On Page 39, items 13, 18 and 23 were the top 3 of our recommendations and those projects did not go away. Those only become more expensive to address in the future.

Chairman Holmberg: I noticed that Menard Hall hasn't gone away either. Are we going to get some brief updating as far as what is going on there? **Dr. Bresciani**: Absolutely Mr. Chairman. Referenced P. 45 which was a comparison of SBHE revised request to Executive recommendation and Engrossed HB1003.

Chairman Holmberg: This is related to what President Kelly mentioned earlier. We like when we go up to the floor, we like to bring some interesting factoids up there and one of them that I think would cause the senators to be very pleased is what UND presented earlier about the average graduate debt from 3 years ago versus now. If you don't have that number with you, could you get that number to us and to the subcommittee so we can get a picture of successes? We always like to look at successes on campuses but we also like to go up to the Senate floor and discuss successes of things that the Senate has supported strongly in the past. President Bresciani will get that information to them.

President Bresciani continued to reference the 2011-2013 Biennial Budget Report, citing the page numbers and importance of the figures. President Bresciani commented on Chairman Holmberg's question about Menard Hall and responded that thankfully an unprecedented experience and one we want to keep legislators consistently updated on. Reviewed the updated numbers related to the project. My request today is for the Senate to reinstate the cuts made to the executive recommendation which was a substantial cut, from the needs based budget produced by the long standing State Board of Higher Education formula.

Chairman Holmberg: The budget section over the summer, the progress or lack thereof on resolution of the Menard Hall incident. That takes awhile. **President Bresciani**: I've been trying to provide electronic updates on that whenever we have information to share and will continue to do so. I don't want that to offer any surprises to anyone.

Senator Christmann: In the paper, you said the daycare center is one of the toughest decisions you've had to make. I am just going by the numbers in here, but, it's a budget of ¼ Million dollars state provides $132,000, which I would conclude which leaves $118,000 for the parents? Thirty eight students, that's $1100 a student, $550 per year per student, I don't know if that is all summer or just for 9 months, but we're talking about $3-4 dollars a week. Does any competing day care even come close to that? I thought that most charge probably that much an hour. Why do we do it so cheap if the problem is that we're losing $130,000 in state revenue, why not just charge a little more?

President Bresciani- Right now the pricing is actually above the Fargo area market. There are costs beyond those that are being described in the media. We certainly could ask those participants for more, that would make an interesting situation because I think they would argue there already paying more than local market. The complicating factor being the local market has no capacity to absorb any more students. From what I understand, particularly for infants there is a two year waiting list for daycare. We are in a bit of a conundrum. That is a tough one when we start talking about people's children. That is tough to suggest impacting families in that way.

President Bresciani: We do have one other segment that I would like to introduce. This is a somewhat different type of request and it reflects a lot of the consternation that has been going on in the state and concern for Native American populations and the accessibility and quality of higher education experience we provide them. This is bit of an organic request and presentation, organic in the sense of faculty, staff, and local citizens in the area working with Fargo legislators to develop a proposal for Native American populations that is in collaboration with NDSU but is a request separate from our request.

Jaclynn Davis Wallette, Assistant Vice President of Equity, Diversity and Global Outreach of North Dakota State University
Packet American Indian Recruitment Retention and Research Center (Air3C) – see attached #1 under NDSU tab in 2011 Legislator's Guide to NDUS. She also presented an amendment 11.8155.02003 as a proposed amendment to HB 1003.

Senator Warner: Could you discuss your efforts on perhaps on readiness for college. This is going back to the high schools and the grade schools addressing native's specific issues relative to creating preparedness.

Jaclynn Davis Wallette: One of the programs that we have which have been run through the pre-engineering program has been working with high school and tribal college faculty from across the state for over ten years. What they have been doing is to conduct Sunday academies for high school students and that is an opportunity for the high school students to connect with tribal college faculty, university faculty and also the high school teacher and get them connected with the science and math concept and the writing concept as well. As a part of that program there is also the professional development for tribal college and high school teachers as well. Those needs are also being addressed through one of the programs that we have.

Dr. Bresciani concluded, but asked if business leaders could have a few minutes.

Tom Dawson, President, Dawson Insurance, Fargo, ND
Testified in support of HB 1003.
No written testimony, presented and read a letter that was published in the Fargo Forum on March 9, 2011 (see attached #2) in NDSU tab of 2011 Legislator's Guide to NDUS.

Tried to learn more about industry and put conclusions in form of letter. He also read the letter.

Jim Roers, President, Roers Development, Fargo, ND
Testified in support of HB 1003. We have development projects obviously in Fargo, Bismarck, Dickinson, and Minot. We don't speak only of the eastern part of the state; we're talking about the activity that happens across our whole state of North Dakota and the amount of pressure that we're getting for employees. As our group came together and started this study of NDSU the funding mechanisms for NDSU, we pretty soon found out that we know about as much about their business as they know about our business. So, consequently we put away all the numbers and said what is the real issue that we're faced with here today in North Dakota is to be able to increase our educational opportunities in the state which is a huge generator of employees for us. As mentioned, 41% of the out of state students that come to our campus stay in our state. That is huge. It's the best avenue that I can possibly think for us to attract young talent into our state when we're so short of employees in the western part of the state for sure. Again we focused and looked at everything and we finally came down to the decision that we really need to tackle the problem of equity funding here. Our biggest and best two universities here are underfunded and their producing the greatest amount of talent for us employees out in the business world. We are working out in the western part of the state; we just were successful in a $17 Million project with Baker-Hughes out of Houston, Texas. They will be hiring 400 people in this one facility that we just got awarded. They are also doing that same thing in Williston and Dickinson, which we are not doing those projects but providing housing for those communities right now. There is so much pressure out there for employees of all different types, but especially our engineering programs, geotechnical programs and our law programs. I couldn't do my work today without the help of the legal system that we have. We are very fortunate here in North Dakota to have a good law program. I feel that we are very fortunate to have the law degree that we have at UND. This has never been a greater time for us to invest more in our educational systems.

Senator Bowman: I would venture to say the rest of the colleges it's kind of an insult because they also contribute a lot towards the overall quality of education for all of our students. If you think about coming from Williston with this, it's a great big deal. Williston could advance and grow that campus real easy with all the activity up there and all the demand for certain types of skilled workers and things. But it takes a lot of money to do that. Would you rather take that money and put it at NDSU or UND or would you rather spread that out and let all the campuses have a part of this growth together, because I think we're all in this together? I don't think it's one or two universities, I think it is all of our schools that play a real important part in growing the state and our future.

Jim Roers: When you take a look at equity funding per student, why would you take your biggest two universities that have the potential to crank out the most amount of talent and short them on a per student basis? I agree with you the Minot, Williston, Dickinson colleges have tremendous value, and I am not disputing that. I am just saying that how can we get the greatest bang for our buck and right now, the bigger two universities on the Eastern side of the state have the greatest potential to crank out the talent that we need. We can argue that. We could debate that for a long time, but right now, if you take a look at NDSU is getting $5,000 a student and another campus gets $10,000? Where does that come from?

Senator Christmann: Isn't the issue there and I'm not a university expert, but isn't the issue that many of the programs at a NDSU or at the 4 year institutions especially, well you've got a lot of classes where there could be hundreds of students in a classroom with an instructor.

Yes we need, those business people and lawyers and those types of people in the state to run the businesses and keep things going, but also they have no businesses without some diesel mechanics, carpenters and welders, and per student. The cost has to be a lot greater down at Wahpeton when you have 6-8 students around a $40,000 diesel engine with one instructor than when you have several hundred people in a History 101 class at NDSU. I would imagine that is some of the equity difference.

Jim Roers: Look at it from the employment base. We try and figure out how we can solve these employment challenges. The big oil companies are going to create a huge impact on the western part of the state with the shortage of people we already have out there. Now when they are coming in, they are doubling and tripling their sizes out there, we probably need to look at every one of those avenues and decide how can we get more people through the system? This would include the mechanics and the technicians too, so I am not here to say that they are not valuable, I just think that if we put more money into the two large institutions we'll get more people coming out at the other end quicker.

Don Warden, Site Leader at Microsoft in Fargo , ND
Testified in support of HB 1003.
No written testimony.
The more productivity we get out of our research universities, we'll need more welders, so it does compliment. As you look at the history of the U.S. and the history of Higher Education, every school has the large research in universities, that in the market, they have the curriculum, renowned faculty, the research, and they attract large numbers of high caliber high quality students. They do it in the higher number. If you look at the schools across the county, the research universities tend to be the engine of growth. It is not the only engine but, is certainly a primary.

As we look ahead to the next ten years, at Microsoft this year we have a basic theme, "Be what's next". To be what's next, you have to look down the road ten years and you have to look where technology is going to take us. Our research universities in collaboration with the other nine campuses; the research universities usually takes the lead in growth. We just have to make sure that we are funding adequately. At Microsoft, at least 35% of our work force and sometimes it's as high as 40% are coming from our two research schools. Now we also are very proud that we have people at Microsoft, from every county in the state and every school in the state, but the majority comes from the two research schools, again because of the curriculum. So that is very important for us. From a recruiting standpoint, the challenge we face is a recruiting all the time. We're very fortunate that we're attracting new teams to Fargo. Every time a new team leader from Redman decides to put a head count here, that they always wonder if we can recruit to Fargo, and we tell them yes we have and we've done it. In the past several months, they want to put an exchange support team here. Exchanges are email service that the ND university system is now on and we're going to have an exchange team with a small number of head count, and if we can prove that we can recruit high caliber people, they will start with 5, but will go to 10-15 or as high as 30. The research university had become critical in our recruiting strategy. Also the out of state students are just so important. The reciprocity is so important. Tom mentioned Tim Brookings and Steve Enison our two distinguished engineers that are NDSU grads, and Tim is a West Fargo native, Steve is from St. Paul, Minnesota. These distinguished engineers are people that have done something significant in technology. They have also worked with Bill Gates, and Bill is the one that

nominates them. So this is a tremendous honor for us. As you look at entrepreneurs in Fargo, one came to NDSU from Long Island, NY and got a degree in electrical engineering and stayed in ND and started a company called Phoenix. This is a very successful company in Fargo. We also have home grown entrepreneurs one of whom did wonderful things with Great Plains. When we look at our contiguous states and out of state students we just can't build a fence around our state. We've got to be open and welcoming, so I would really encourage not limiting out of state students as that would be a huge mistake. It looks like research level universities aren't getting funded the same and we have to strive and work hard to 'Be what's Next'.

Robert Vallie, Executive Commissioner for Governmental Relations and Intercollegiate Affairs with North Dakota State University Student Government.
Testified in support of HB 1003
No written testimony.

He told of implications the universities holds for students of North Dakota State University and the North Dakota university system if the amendments proposed by the House of Representatives continue to move forward. Some of the points I want to attempt to address today are some of the biggest issues that NDSU students have brought to my attention and our representing body.

The first is college affordability piece. Now under the Governors' Executive Budget, a 2.5% cap was to be placed on our 4 year institutions and a tuition freeze on our 2 year institutions. Now I am happy to say that I believe that our institutions have affordable rates that give us a quality education for reasonable price. Now under some of the estimates that we've seen, if hypothetically these dollars were not reinstated into HB 1003 our institutions could see a wide variety of percentage of increase in tuition and for NDSU the recent estimates place it at 3.3%. However, what I want to bring to your attention is the concerns of students and the fears growing within the student body at NDSU.

1.) That the House of Representatives when removing these dollars did not place in any way, shape or form any kind of intent as to what they believe to be a reasonable increase in percentage towards tuition, and ensuring students are paying their fair share. Ensuring the dollars being placed in 1003 is justified. It is our belief that because there has been no intent place or any talk as to what is believed to be a reasonable increase in tuition if hypothetically these dollars are not reinstated that we believe that unless measures are taken by entities such as our administrations or by the State Board of Higher Education, that it leaves the potential for unrestricted tuition increases going well above hypothetically the 3.3% at NDSU as is currently projected. It is these kinds of fears that would potentially have students being unable to afford this education and ultimately harming the ability of students to be able to receive a higher education and the ability in order to pursue future endeavors.

2.) Statistics by Dr. Bresciani that shows rapid growth in our institution. That from 1999, until fall of 2010 we have seen 49% increases in enrollment making it currently the largest institution of Higher Education by population. What also needs to be considered in these statistics is that of the 14,407 students who are currently at NDSU, as of the fall of 2010 estimates, 95.8 % almost 96% of them are face to face with an instructor. They are in a physical classroom setting on a regular basis. What this ultimately shows is that with this rapid

growth in enrollment, and as well as the high percentage of students who are in a physical classroom setting each and every day that this has placed a strain on the resources that NDSU has. Well I am pleased to say both as a representative of the student body and also as a student who has up until this semester been part of that majority percentage that I have been please to see that our faculty, our staff, have been able to meet the demands of rapidly growing population in order to be able to provide that quality education with the constraints that have been placed. However, with the continued growth such as this, it does provide, it becomes necessary for resources to be put in place in order to insure that quality of education is not diminished; when it comes down to it, in this particular instance of equity funding. As has been previously mentioned in the looking at the budget, that with the previous equity dollars that North Dakota State University received that it was used in part in order to hire additional faculty in order to meet the growing demands of our student population as well as to hire additional academic advisors in order to insure that our students are receiving the best possible knowledge as to what classes are needed in order to achieve their major and in order to bring them to as close to as on time in graduation as humanly possible. Without re-appropriation of these dollars there becomes concerns as to how far can these resources continue to stretch under the current constraints that we have.

In the last several months that I've served in this position, I have attempted to try to learn in the last 10 months what has happened with Higher Education in the last 20 years. I have to say it has been an absolutely well anything lack of confusing. But it is my belief that what has been done over the last 20 years has been a positive step in the right direction. We accumulate the resources and the reputation that North Dakota has of hard work, dedication, perseverance to the job as well as our abundance of natural resources in helping to create higher education as one of those resources, one that we can be proud of; and one that we can recognize that we do exceptional well.

When attempting to explain to my Dad why the House voted on 1003 amendments taking away the funding, he couldn't understand why it was done. The more I tried to explain it, he couldn't understand. The words that he said to me was, why would individuals at a time when we have the capacity to take care of one- time problems as well as to ensure that students are able to get that quality education and to be able to advance themselves to something better, why would we take these dollars out at a time when we have the ability to be able to put those dollars towards something valuable.; something worthwhile in a long term investment? Mr. Vallie asked the committee to look at those amendments and the dollars that have been removed from the Governor's recommendation and look at each item carefully. Because ultimately with these dollars whether its college affordability, whether its equity funding, or any of the other line items that have been removed, these dollars ultimately do represent as to the effects it has on students. Anyone of these dollars can have a positive impact on students, or any dollars removed, can have a negative impact on students, both at NDSU and across the university system. In collaboration with you as policy makers, and with us as students we will be able to help to create a system not only now, in order to insure that long term education is achieved for our students but also into the future to help to create a quality educational system that meets the demands of you as policy makers and meets the demands of your constituents, as well as allowing students in order to give you feedback in collaboration to create a quality education system second to none.

Chairman Holmberg: I want Robert to brief the subcommittee. If we receive chatter from students about the relatively new card that is used for the transferring of aid, etc. that the students use, we would like to talk to you about that. That is not a campus specific issue, but be sure you're up on that and we certainly will be visiting with you about it.

Senator Robinson: But the questions you asked need to be asked to the House committee. And in your review of the Higher Education system over the last 20 years, I think you will find in this committee has been that safety net and we've stepped to the plate I think every biennium and I hope that we can again this year. But those questions need to be asked of the folks who made those decisions and I hope those questions are asked and they are held accountable. That gets back to so much of what we're talking about here. Where the support is for the university system and if you do much research you're going to find out where that support is. Where is has always been. I think that is important information to know.

Chairman Holmberg: Closed the hearing on HB 1003 –NDSU.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – UND School of Medicine
03-10-2011
Job # 15262

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

UND SCHOOL OF MEDICINE & HEALTH SCIENCES

Minutes: See attached testimony.

Chairman Holmberg called the committee back to order at 11:00 am on Thursday, March 10, 2011, in reference to HB 1003. All committee members were present except Senator Wanzek. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. **Subcommittee Members are as follows: Chairman Holmberg, Senators Bowman, Krebsbach and Robinson.**

Dr. Robert O. Kelley, President UND. Let me preference the testimony of Dr. Wynne, that UND recognizes the health of our public is the highest priority for the economic health and well being of our state. In reference to the workforce issue, the industrial worker or the chief executive officer of a bank, none of them, can work in our state without health care. So as we look across the evidence of the state, we are getting older and we need to emphasize studies in geriatrics. We also recognize some of our industries, the energy industry, are bringing a very vibrant younger population. We are seeing a growth in our population. School medicine and health sciences, educate not just physicians. We recognize that the state means diagnosticians that help us in the laboratories of our hospitals. We need physician assistants, advanced practice nurses, occupational and physical therapists and we need physicians. We have looked at all of the data and with me today are Dr. Joshua Wynne, the VP of Health Affairs and the Dean of School of Medicine and Health Sciences, has spent the last years, looking at the demographics of the state. They also have looked at our health professional workforce needs and have developed, with his colleagues, a plan that I believe addresses the years ahead of us, in our healthcare in the state of ND. Dr. Wynne is a cardiologist and Dean of our School of Medicine and providing leadership to the state in that arena.

Dr. Joshua Wynne, VP for Health Affairs at UND and Dean of the School of Medicine and Health Sciences testified in favor of HB 1003 and provided (Written Testimony attached # 1). His testimony states that they would like to provide the required budget report to the committee regarding the finances, provide a brief progress report, and review the details of our healthcare workforce plan.

Dr. Tom Arnold, Obstetrician & Gynecologist, Dickinson, ND and a Member of UND School of Medicine Advisory Council: testified in favor of HB 1003, UND School of Medicine and Health Sciences and provided (Written Testimony attached # 2) stating he is a product of the ND Healthcare Workforce Pipeline. His testimony gives information regarding the importance of the program of the ND Healthcare Workforce Pipeline. He stated 3 objectives that are accomplished by the medical Explorer Post: 1. It provides valuable experience and insight to students as they are positively introduced into the healthcare profession. 2. It allows for identification of motivated health care workers. 3. Enhances the opportunity for future recruitment of local young professionals back to the medical community.

Dr. Wynne continued his (testimony #1) starting on page 2. This portion of his testimony states there was considerable discussion questioning the value of the investment in the higher education system. The return on that investment related specifically to the School of Medicine and Health Sciences is of two types. 1. A non-financial return which relates to the health of the people of ND. 2. A financial return which the School is an economic engine for the state.

David Molmen, Chief Executive Officer of Altru Health System and Chair of the School of Medicine and Health Sciences Advisory Council testified in favor of HB1003, School of Medicine and Health Sciences. The purpose of my testimony today is to address the strategies our state can employ to meet our health care workforce needs. His testimony is included in Dr. Wynne's (#1 testimony on page 3). His testimony talks about the shortage of healthcare workforce in the state. There are 3 primary approaches to generating workforce:

1. Train more physicians and other health professionals.
2. Retain more of those we already train to practice in ND.
3. Aggressively recruit from outside the state to fill the needs.

The third point is the negative approach, which is the issue in the rest of the country, is experiencing shortage of doctors as well. The likelihood of them coming to ND to practice is probably true. Another big problem in recruiting outside the state is that they are much more likely to leave us after their schooling as they don't stay as long as the native North Dakotan does. Then his testimony addressed the 2 good options. (# 1 and 2) (Bottom of page 3 through middle of page 5 of testimony.) We need to do training and retaining. I urge you to appropriate the funds to meet the needs.

V. Chair Bowman states with the current health care, no one knows what is going to happen. How is that going to affect or are you addressing that at the medical school?

Mr. Molmen states no one is certain in the whole country. There are a lot of people that are worried about that and how much that could impact the numbers, I gave you today. That doesn't include any of that. Our emphasis, in the state, is to ignite passion in caring for people in the state and their dedication to health care. If we do that, we will find ways to weather the uncertainties in healthcare reform. It is a grass roots effort to keeping people passionate about giving healthcare and we think the rest can probably take care of itself.

Senator Kilzer asks in your presentation, you did not mention the low reimbursement to physicians in ND. My question would be, "What is the total number of residents, who have

completed their training in the last 40-50 years and how many of those are practicing in ND? He was told they will get that number to you.

Mr. Molmen states we can get that number and provide it to you.

Senator Christmann stated he found this last graph very interesting and the amount of students that apply. With the expansion you are asking for, would you need to do something to expand the application pool or do you feel this application pool provides plenty of qualified people from which to choose? How much more can you expand, within this pool, before you would start be choosing unqualified people?

Mr. Molmen states that this has been studied rather extensively and Dr. Wynne will talk about that.

Dean Wynne states there are 3 aspects of capacity. The first, is there an adequate pool? Yes, if you look at that graph, we have over 5 qualified applicants for every seat in the medical school. The national average is 3 to 1. We have high quality individuals. That is a credit to you and the University system, of graduating such a larger number of students in the state, who go on to higher education. That is the first part of capacity. How much more can we go? We haven't studied that in detail because we would be very pleased with a 29% increase in the medical school class that we are proposing. That is 16 more per year. I think we could go more, but going to the 16 would not imperil the quality of the students that we are accepting or graduating. The second part of capacity is to expand the residencies; do we have the physicians and patient material to ensure an optimal educational experience? We call that longitudinal clerkship. Where third year medical students would spend a month on medicines, a month on surgery and a month on pediatrics. It is very labor intensive. What we are proposing, is that the third year medical student, will spend their time in a community following families and not diseases. By doing that, we can have substantially more capacity within this state, to educate medical students and residents. The third part of the capacity is facility. That is why the building is an important part of our component. When this process is fully implemented in free biennia, when the class size is up to the full amount, when we have hired the additional faculty and staff, we will need space for approximately 175 individuals. We don't have that room now. The number of students will be over 200. Obviously, as the students go out into the community, we won't need them in the building. However, for the additional faculty, staff and especially students that we will be bringing in for their first few years, we need some place to put them. On the student capacity side, we can handle it. On the educational side, we can handle it, but we need the building as the third component of the capacity.

Dr. Wynne continued page 5. I'd like to outline our proposal for meeting the health care needs of ND in greater detail. The plan first envisions a reduction in disease burden, as a primary means, to reduce the health care needs of the state. We were pleased, when the governor included two key components of the plan, in the executive budget including the master of public health or MPH degree program proposal and the geriatrics training program initiative. We are particularly proud of the MPH proposal, since it will be the first of its kind in the state and probably in the country. It is truly a cooperative and integrated program that will be offered jointly, by the University of North Dakota and North Dakota State University.

Dean Charles Peterson, Dean of the College of Pharmacy, Nursing, and Allied Sciences at NDSU. I am here today to testify in support of the budget request for the new NDSU/UND Joint Master of Public Health degree program. (His testimony is included in #1 testimony page 5 through the middle of page 6.

Senator Kilzer states that he has a lot of questions. Do you have a brochure put together? Do you have a curriculum developed?

Dean Peterson states, yes, we do, it was developed and approved on November 4, 2010. Why we are here, both Dr. Wynne and I, this is a new program, that will require additional resources, and to implement the program. We cannot take, because we are bound to accreditation standards, existing resources away from our current programs, to start a new program. This particular program is funded by you, state appropriations, and the rest will be tuition recovery.

Senator Kilzer states, the reason I am interested in the MPH program is that wide variation. When I received my MPH, there were 3 different tracks and I have happened to take mine in administrative medicine. Dr. Dwelle's, MPH, is in parisitology. So there is a tremendous variation and wondering if you have electives or if it is a ten course situation with no electives or just how that is?

Dean Peterson states the program is 43 credits and then 22 of those credits are considered core courses. 21 of those credits will be specialization tracts based on their interest and the expertise of the two schools. NDSU is offering 7 tracts and UND is offering a similar number. Those will be offered to any students, who will enroll in the program, at UND or NDSU. The other piece to this, that I think is unique, is we are looking at offering it to students that are currently on campus but we also want to get it out into the "grassroots of rural America". We already have health professionals out there. We need to train in the health promotion disease prevention, and allow current practioners, the opportunity to get their masters in public health. We will make this conveniently online and they can essentially develop coursework to develop a certificate program or to go on and obtain a master of public health degree. Many programs focus on population, this program focuses on community engagement. Let's deliver public health, based on what the individual community needs. Community engagement, training health professionals, partnership, makes this a unique program. The American Public Health Association, the accreditation agency and our counterparts, are watching ND closely because no one else is developing a program of this kind. There is a study I looked at in 2008, instead of waiting for health conditions to occur, we need to spend more time preventing. This study states for every dollar in prevention, ND would save $6.20 for every dollar invested. So $10 invested on the average person for disease prevention programs would result in $40 million savings to the state of ND. We need to get this tool to every practioner in the state. We can get you the specific details of the program.

Dr. Wynne states the academic aspects of the MPH program have been endorsed by the State Board of Higher Education. Continues his testimony on page 6. He referred to page 8 of the handout concerning the budget requests. On page 8 Comparison of State Board of Higher Education. General Fund revised Request to Executive Recommendation & Engrossed HB1003. He continues on with testimony on page 7 and 8. He addressed two related budget

issues that indirectly impact the school, college affordability and equity funding and asked for the funding for these be restored.

V. Chair Bowman states, I don't understand the complete concept. Why don't we just expand the college and get more general practitioners? That plan seems like an easier program rather than do all of this and start another new program? We all want the same thing; it is just how we go about doing it.

Dr. Wynne states that is why 2 aspects are critical. One is, to try and identify those students who will stay and practice in rural ND. We also need to expand the class size so there are more of them. That is what we are proposing. One of the avenues that has helped that, is the rural med program. What that provides, for eight medical students each year, you have provided the funding, where they can have their tuition paid for all four years of medical school, if they agree to go into family medicine and stay in rural ND. That is part of the plan but it is not enough to meet the future health care needs.

Senator O'Connell asks, what happened to Dr. Wilson, he put together a panel to come up with ideas to give a better image to medical school, has that been implemented?

Dr. Wynne states, I am not familiar with what you are referring to.

Senator Erbele asks about that the rural medical program, do you have some takers on it?

Dr. Wynne states, yes it is brand new and not fully implemented. Of the first eight slots, we have 5 students signed up and hope to complete the full allotment and then next academic year, hope to have 8 more. We can report back in the interim and report to the state board, as to how we are doing on this. Currently, we have 5 of the 8 slots signed for and those students are progressing and will be returning to rural ND in the future.

Chairman Holmberg states will close this part of the hearing on HB 1003.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1020 – Northern Crops Institute
03-10-2011
Job # 15288

☐ Conference Committee

Committee Clerk Signature AT · Alice Delzer

Explanation or reason for introduction of bill/resolution:

NORTHERN CROPS INSTITUTE

Minutes:

See attached testimony in NCI tab in the 2011 Legislator's Guide to NDUS # 1 – 15

Chairman Holmberg called the committee back to order on Thursday, March 10, 2011 at 4:30 pm in reference to HB 1020 – Northern Crops Institute. All committee members were present except Senator Wanzek. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. **Subcommittee Members are as follows: Chairman Bowman, Senators Christmann, Holmberg and O'Connell.**

(All testimony is attached to NCI tab in the 2011 Legislator's Guide to NDUS)

Brian Sorenson, Director, Northern Crops Institute testified in favor of HB 1020 the Northern Crops Institute and provided (Testimony attached # 1). Page 3, goes through the information related to the Northern Crops Institute. We do have a great reputation as a great organization that provides information on quality, value and processing of northern grown crops. We are a cooperative organization that works with a number of different organizations from the states of ND, MN, SD, and MT. It is a unique organization, from the standpoint that we provide educational programs besides technical services to help producers and value added processing in our northern states. Also, page 5, some success stories from the last biennium. Page 6, goes through the initiative funded in the last biennium. I do appreciate the support we got last biennium. Page 7, Needs-Based Budget, the primary and key initiative is for the feed production center manager position. This position has been in place since 1991, it has been funded with special funds since that point. The Northern Crops Council, which is a governing board of Northern Crops Institute, made up of producers and industry personnel have provided and voted on this, as the main initiative, with which to move forward for this biennium. This would provide 100% funding and fringe benefits for that position. This position is an important part of the animal agriculture efforts in ND. It provides not only expertise and ability to make the feed but also that expertise in helping people understand about what is important in the processing of animal feeds and how do we educate people from overseas, on the proper utilization of our northern grown crops and to make sure they are effective and successful in their feeding operations. On page 8, that breaks down the Needs-Based Budget. It includes the general fund from the state of ND and the lower part talks about the Special Funds. The NCI receives about 42% of its budget from the state of ND. It is extremely

important to the mission of the NCI. NCI does have tremendous support from the other states and from the commodities groups from within the 4 states. This was approved through HB 1020.

Carter Tomac, Mandan High School, 4H camp attendant. Asking for support of HB 1020 and provided (Written Testimony attached # 2).

Andy Johnson, Steele County extension agent, talked on agent training program. I was hired by NDSU service as an agent in training in Walsh County. Immediately upon starting that job, I was responsible for answering from residents of the county on things such as crop production, livestock production and horticulture topics. I worked closely with the 4-H program in that county. I organized meetings in that county and events such as pesticide research meetings and the Walsh County Fair. It was a bit overwhelming for a new county agent but I had confidence that I had the support of the full time county agent as well as the office support staff in my county. That confidence allowed me to hit the ground running, when I was hired full time in Steele County two years ago. As a full time county agent, my major role is education. Whether it be from marketing club meetings for cow producers, horticulture meetings for gardeners and homeowners or rabbit showmanship clinics for my 4-H's, I work closely with research plots in my county that include corn, soybeans and wheat. As a county agent, I work with relationship building. I work with community leaders and groups in my county, collaboratively on projects, as much as possible.

Troy Coons, CNC Farms, Donnybrook, ND. (Attached testimony # 3). **North Central Research Extension Center Seed Conditioning Project**. All our acres are seed based, so all that we do, from oats to garbanzo beans to winter peas, lentils are all a diverse crop base. This all started for me about 3-4 years ago. I bought some foundation garbanzo beans or chick peas from the research center in Minot. They got delivered to field, by Kenmare, and we started seed treating them. I started looking at them in my hand, realizing that there was 18-20% damaged seed in the lot that I had paid a dollar a pound for, which those seeds would not be viable. So I made a call to the seed specialist there and they said there was nothing they could do about it due to the equipment they have. Due to age of the equipment, it was built in 1949, so it not designed to handle pulse type crops and the diversity of 30 different varieties that they handle now. I would like to mention that on our farm alone, we raise 12-14 different things. They then get propagated out to other farmers so the diversity of the seed base in our region has changed drastically in the last several years. The facility there is in no way able to handle the changes. Earlier, I heard you mention a mobile unit. This is coming from my prospective. For the dollar wise, I understand what you are saying, from the technical point of it, when you deal with the diverse weather we have, cold, humidity, wind and snow. Some of these devices you have on some of these units, cannot be moved like that or handle those conditions. He presented (**Testimony attached # 4, North Dakota Crop Improvement & Seed Association written by Paulette Neva, NDCISA Executive Secretary)** There was a resolution passed unanimously, on the state level, in support of this.

Rod Ballinger, Chairman of the Grape and Wine Program committee. (G&WPC) and the owner of Bear Creek Winery in Fargo. (Attached Written Testimony #5).

V. Chair Bowman asks what type of volume of business does the wine industry do in ND.

Rod Ballinger states, **as owner of Bear Creek Winery**, presently we are making approximately 5000 bottles a year, which is considered a smaller winery. An average winery in ND is probably up around 10,000 bottles a year. Also, on our wine bill, we are required by legislation to use 51%, or the majority of the products of ND, so it keeps us more of a native flavor here.

Senator Warner asks if Rod could talk about your grape evaluation process? I understand you would check for cold tolerance and you would check for sugar but are there micronutrients and micro components to the grapes you are evaluating that would determine the wine quality?

Rod Ballinger states that we evaluate the grapes at all phases of its growth. In terms of wine quality, is that what you are referring to? Wine quality, once we get the grapes and I have an experimental lab at my winery, working with NDSU right now, we do different methods of vinification at that time. For example, for vinification temperature and different types of yeast we use, to evaluate different-type values. We bring in people, that actually do the wine tasting, a blind taste, to see if our progress is increasing.

Rod Ballinger states we use about 5 gallons at a time. Some of the grapes, we use for evaluation are from our vineyard in Absaraka for NDSU. A lot of private growers around the state have donated grapes for our research. We feel our white wine is pretty good. Our red wines, we are still lacking in structure. We do blend a bit and we are allowed to blend some wines from other parts of the country and I do use some California wines to blend with my red wines. Our goal is to have 100% ND wine.

Del Gates, representing the Seed Conditioning Plant bill. Past President of the ND Crop Improvement Association. We have been after the conditioning system in the research center in Minot for 3-4 years and it is an ongoing system of trying to get it approached and we did reach the task through the system. The part we have to look at is to put the mobile mill in here. The dollar payback, that we come off of for certified seed and foundation seed, that was brought to head, was $350 million dollars off one variety. That was Glen wheat. We look at this thing in a broader compass so we are cleaning one variety of wheat. That is the biggest thing we need to look at differently. When we are doing seed at the experiment station in Minot, they are doing 12-15 different varieties. I just came off the cleaning from January 7th - February 15th, with five varieties on my own farm. We clean close to 100,000 bushels. One variety was only durum so I still was cleaning all wheat. To segregate and to do a proper job, a mobile mill is not the way to do it. We need to have these things in a building. We need it temperature controlled and there would not have been times, that you could have had people cleaning out the mills, when we were cleaning. We were lucky we were on varieties and we could keep on going.

V. Chair Bowman states he is familiar with mobile mills. I have a brother in law down in Kansas that has a lot of it. I have cleaned his combine where there isn't a seed left in it. I know what it takes to do it and do it right. The reason I brought that up is, because if you have three or four different stations that need one of these, you are talking about money. Everyone that has been in here knows I've tried to do everything I can, within the scope of what we can do in a biennium. I thought that maybe that would be the filler, until we can get these projects done the way they are suppose to be done so we don't have to address them for another 20-30 years.

Del Gates states that there was one mill that was built but the whole part of taking that mill and running it around and it comes out of conditioning and the person who gets it next, doesn't know exactly what type of shape it is in. However, if you are working on the same one, with the dollars that we are spending and appropriations, goes back to the research and the release of these new varieties, that you fund NDSU with. The dollars are so hugely needed and so important. We need to be at the top, at least some place in the state, and get this going. It is too expensive a property to lose, the genetics are too important, too largely invested in and take too much time to have a batch go down the tubes.

Roger Zetocha, Chairman of the ND Soil Conservation Committee. Testified in favor of HB 1020. (Attached testimony # 6, talking about Soil conservation Districts and their role within the NDSU Extension budget and Testimony attached # 7, Comparable Wages for ND Jobs. You were asking earlier, how we rank supporting technical staff. The grants we give out are to help each district utilize for wages and benefits. It is not for some special project. The hope is that they can turn around and take some of the funds, that they raised some other way, and utilize it for some other things. Right now, based on wages for ND jobs, featuring 2009 data, soil conservation clerk wages are $13.35/hr. The technicians, we pay on an average, $13.85/hr. and they are getting $14.84 in the private sector. So we are getting there but are not there yet. With your help we can try and get there. These wages help support a family, this family helps support a local grocery store and gas station etc.

Chairman Holmberg asks if benefits are included for the people who work for Soil Conservation or is it different depending upon the district.

Roger Zetocha states in his district, we pay for wages and benefits. I am also a district supervisor and I have not taken the time to compare.

Chairman Holmberg states that we do have "flipping". When there is a NRCS opening, they will "flip" and take one of those jobs.

Roger Zetocha states that happens sometimes. Most of the time the people on our staff have stayed with the job they have taken.

Ryan Pederson, President of the Northern Canola Growers Association testified in favor of HB 1020. (Attached Testimony # 8). Canola is the 4th largest crop in the state with over 1 million acres. I raise Glen wheat on my farm. It is a ND breed wheat because it was breed for ND concerns. We need varieties that are breed to address the concerns of the ND producers.

Senator Warner asks Ryan, what are your takes on the intellectual property aspects of paying public money to breed seed stock and then turning it over to priority companies? I raise canola too but I am tired of paying so much money for it. The seed is extraordinarily expensive.

Roger Zetocha states that comes in the technical fees and I am not exactly sure what way NDSU would choose to release the varieties that have been breed so far. They are roundup-ready varieties. They are working with a licensing agreement with Monsanto. We have had a canola breeding program since 2006, funded through the Center of Excellence. That took private funding, as well as Monsanto, being one of the private funders. In four years,

they have already had a variety ready for release in 2011 and I raised that variety on my farm in 2008, so it was only a 2 years old variety and it did exceptionally well compared to the established ones. As far as the intellectual property rights, I honestly don't know how the licensing would be handled.

David Clough, represents **District 3**, on **the ND Wheat Commission** and currently **chairs the NCC, which governs the NCI.** Thank you for your previous support and supports HB 1020. The location for promoting all crops for the 4 state region is the NCI. Over the last year, I have met with a lot of trade teams and course members. Besides foreign visitors coming, there are a lot of people that come to NCI for different courses to learn their different processors, plus to sharpen their skills. Also, NCI does some proprietary work, with national companies testing and developing new products that come from our products. You have heard in the last 2 months that AG in ND, the multiplier effect has a $30 billion economic impact. HB 1020 is a good investment for every man, woman and child in this state.

A handout was given Testimony attached # 9 which is the picture and floor plan of the Central Grasslands Forage/Bioproducts Lab. Not oral testimony was given regarding this issue.

Shannon Berndt, Executive Director for the Northern Pulse Growers Association. The entire pulse industry supports HB 1020. (Attached Testimony #10).

Neal Fisher, Administrator at the ND Wheat Commission We support HB 1020. I would like to thank this committee and the legislative body in general for the past support for wheat and agricultural research at NDSU. The return on investment is tremendous out of this investment and continued reinvestment in our state's largest industry. A few years back we suffered greatly in the wheat industry. We had an image problem with yield and competitiveness and a raging scab problem in the wheat industry. Wheat yields over the last ten years have increased about 25%, depending how you measure that. We should also thank the NDSU program for wheat alone. NDSU's varieties are 70% of our acreage this year. We support what David Clough just said about the NCI. Another one of our great partnerships. I am also the Chair, for the Upper Great Plains Transportation Institute's Advisory Council and the Advisory Council stands in unanimous support of HB 1020 and the budget that was taken for the UGPTI as well.

LeAnn Harner, President of the ND Association of Soil Conservation Districts and Supervisor of the Oliver Soil Conservation District. (Attached Testimony #11). Our organization strongly supports HB 1020. A soil conservation district is a political subdivision, we are housed in the Farm Service Agency Office, and we are housed in with the federal agencies. Our partners are the NRCS, Natural Conservation Resource Service, and we work closely with them. We are funded through mill levy and then the legislature has give us funds, which in general, we have tried to use to pay for one full time person in each of our 55 soil conservation districts. We encompass a lot of things. Our soil conservation districts are the primary tree planters and most of the trees you see planted in the rural country side, come from our districts. We rent equipment; provide someone to do no-till drilling or no-till row planting. We have some tree transplanters and a variety of things that our districts do that are service orientated for farmers to try and put new technology and help people better their farms and ranches. We do those on a fee basis and a lot of our districts earn a lot of our budget. When we support soil health, it is not just because it is something we are talking about but it is

something we are hearing from the farmers and ranchers we serve, on a daily basis. Locally, when we have a meeting, our five board members are there. Our NRCS partners are there and normally the county agent is also in the room. The county agents are a very important part of service for our local producers. If you bring in NDSU specialist, the farmer will recognize a whole different field of confidence. We know things are going to get cut in the federal budget. In soil conservation, we believe that a lot of the incentive programs, are probably going by the wayside or they are going to be severely cut. That means, we have to convince farmers that these new treatments, these new practices pay, even though there may not be any seed money to get them started. It means that our people have to be more professional. We have to be able to retain those employees and we also need the insistence of our NDSU specialists, to come out and put together good demonstrations and meet one on one with those key producers that can be the leaders in their communities and prove this new technology works. We are banking on the credibility of NDSU to really help us sell this and keep the productivity of our soil for the future. Please review the information the information provided by our executive director, Tom Hanson on wages in our department.

Julie Ellingson, representing the ND Stockmen's Association and supports HB 1020. (Attached Testimony # 12).

Christopher Schauer, representing AG IT Advisory Committee and supports HB 1020. (Attached Testimony # 13).

Scott Rising, representing ND Soybean Growers Association and supports HB 1020. (Attached Testimony #14).

Sandy Clark, representing ND Farm Bureau and supports HB 1020. We appreciate the investment you have made through the years in AG research and extension. AG research is fundamental to our industry. We think these investments in AG research are a winning situation. It is a win for agricultural industry, for farmers and ranchers, it is a win for the state's economy and it is a win for you on the appropriations committee. Nothing increases productivity and increases yields of our commodities more than AG research. As we increase productivity, we increase yields, income level, and when we increase a farmer's income level, your income tax revenues will go up and farmers are known for spending what they have, so your sales tax will go up as well. I am going to use as the example, the priority here for research on soil solidity. That will have an impact. If you can reduce the saline levels, you can increase productivity very rapidly. We think it is a win for consumers. AG research allows us to continue to provide a safe, abundant, wholesome food supply for this country and for around the world. When you increase productivity in an industry, you increase efficiency.

Bill Ongstad, farmer from Harvey, ND. Supports HB 1020 and the experiment station. I am representing the thousands of ND kids, that see hope and opportunity in agriculture, but they can't fully participate because they don't have an AG teacher. Three years ago, a group of us approached the NDSU president about the problem of not enough AG teachers. A couple of years ago, vocational agriculture education was put in dual colleges in agriculture and in education. Agricultural engineering is both in the college of agriculture and the college of engineering. I have with me a scholarship proposal for student teachers. We have a proposal for scholarships for people who are student teaching rather than just a junior or senior student. The need for extension people was brought out. The idea of a second person in the

Vocational Agriculture Education Dept. and Dr. Young is there with a teacher education option and it would be great to have another person with an extension option. We need extension agents. In my mind, it would be about $250,000, to put that position in there. We were late for the budget process this year but we have been working with Dr. Grafton and Duane Houck and people in agriculture to get behind receiving more AG teachers. We have over 20 people in the program this year. We would appreciate if you would put some more money in the Dept. of Agriculture, Teacher Education, for an extension option along with the teaching option, and we are also working with the Education Dept. to get more vocational agriculture teachers here.

Jerry Chavez, President and CEO of the Minot Development Corporation. The landscape that we know today is changing in terms of agriculture. We recognize this in Minot, ND. Some of the initiatives we have put forth, not only benefit our community, our region and the state of ND. It gives us the opportunity add value to the 15+ crops that this state produces and leads the nation in the production of these crops. This gives us the opportunity to add value and ship them out to the rest of the world. In terms of the business climate, producers now value added processors and want to get closer to the production. Those producers, who come into the state, they want to "better" varieties of crops. We see it as a win-win and we characterize it as two gears working hand in hand with one another. The comment was made that "ND has the opportunity to feed the world". We agree with that. It is important for seed conditioning to go along with that particular venture.

Milton Lindvig, ND Irrigation Association, on behalf of our chairman Robert Vivatson and supports Engrossed HB 1020. (Attached Testimony #15).

V. Chair Bowman states that it is going to take us a couple of hours to absorb this information. I would ask our subcommittee to take this home over the weekend and familiarize yourselves with the information that we have received. Look at the priorities, so when we get back together, we can start working on this budget. We all know how important agriculture is. Most anyone who has lived in this state understands that. We will do what we can and sometimes we can't do everything but we will try to do the best that we can for you.

V. Chair Bowman closes the hearing on HB 1020 regarding the Northern Crops Institute.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 NDUS
03-11-2011
Job # 15294

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

NORTH DAKOTA UNIVERSITY OFFICE, INCLUDING EPSCoR

Minutes: Attached Testimony

Chairman Holmberg called the committee to order on Friday, March 11, 2011 at 8:30 am. In reference to HB 1003, NDUS Office. Roll call was taken. All committee members were present except Senator Wanzek. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. We are continuing today on HB 1003.

William Goetz, Chancellor, states for the sake of time, I would ask that we simply have the overview. Cathy McDonald will present that.

Cathy McDonald, Director of Finance NDUS: Gave an overview of the office budget and provided (Written Testimony attached # 1). People have traveled to speak this morning so I will be brief. Page 1 of handout, **Comparison of SBHE General Fund Revised Request to Executive Recommendation & Engrossed HB 1003.**
About 40% of that number is for the SITS pool, system technology. Financial Aid programs (28%) is what I will deal with mostly. Page 3, is **Impact of Final House Amendments** (Engrossed HB 1003) to NDUS Office Budget. **Student Financial Aid Assistant** program, state grant program, that is a reduction of about $553,000, that would reduce the number of projected, new grants, awarded from about 7,300 to 7,100 per year at $1500/each or from 9100 to about 8900 at $1200/each.

Chairman Holmberg states the terminology of the money that was removed is money that hadn't been spent and carried over.

Cathy McDonald states the money that has been reduced here would have been 2007-2009 carryover. When we build our budget, we start with our adjusted appropriation. The 2009-2011 appropriation would have been increased for the carryover from 2007-2009, for these programs. That would have been built into the base.

Chairman Holmberg states that should not be plowed back into the base.

Cathy McDonald states, "Yes, that was the House decision".

Chairman Holmberg states, these are the areas that had the carry-over.

Cathy McDonald states, "Yes".

Cathy continued with her **testimony explaining page 3. Page 5, is Schedule of Student Grant Programs by Funding Source**. It is broken down by general fund and other funds.

Chairman Holmberg states, in the area of the executive branch, governor's office, the Board and the legislature, did a lot of work last time to try to enhance the whole underpinnings for student support, merit based scholarships, needs-based etc. Yesterday, the committee, as it moves into the subcommittee work, will be interested in seeing data from all of the schools that may be available. Yesterday, President Kelley mentioned that in 2006, the average graduate from UND, left with $42,000 worth of debt and in 2010, that student left with $29,500. It would be helpful if the subcommittee if we could get that data from all the schools and see what we have done as a senate and as a legislature has impacted that. One of the things we don't do enough of is "patting the legislature on its back when we do something that might have been good".

Senator Warner asks, if it might be relevant, particularly with UND, to isolate out aerospace, law and medicine, where you have abnormally large tuitions and large debt loads coming up? It would be easier to make an apples to apples comparison, if you using general student population.

Chairman Holmberg states, let's see what we have and there is always footnotes.

Senator Christmann states, the more general funds and less student loan trust funds for the veterinary program and I think it is a similar situation with information technology. This time we used more from the trust fund and less from the general fund that the governor proposed this time. Two years ago, did the governor also propose less and we added to it?

Cathy McDonald states, what we had done this time was, we had some projections, that the student loan fund is decreasing and there would be less funds available during the next biennium and that is why you will see in column three, there is a $510,000 increase and in the
PSEP (Professional Student Exchange Program) and that is where the Kansas State program is and in the SITS (System Information Technology Services) pool, for the ConnectND positions, those were positions that were previously funded by the Bank of ND. In the last biennium, that switched over to the Student Loan Trust Fund. There is about $590,000 there. At the time we prepared the budget, it was indicated that there would be $1.1M less available in that fund this next biennium. The Scholars Program, you will see that there is about $2.1M in that program for 2013. Going down to the footnotes, that, plus estimated carryover of $359,000 would allow the continuation of all upperclassmen plus about 53 new freshmen per year and continue to provide onetime stipends of $2000 to incoming freshmen. The PSEP program and you will see that $510,000 was added for general fund in that program. That is basically to replace that student loan trust fund money that we talked about. That is where we are expecting $465,000 in carryover and that would fund about 7 new veterinary, dentists and dentist slots, and 8 new optometry slots and in addition, five new Kansas State University slots per year, as we have in the past. The Indian Scholarship Program, which received an

increase of about $193,000 that would fund about the same number of grants, 240 as funded in the current biennium but the plan would be to increase that award from $800 to $1200 each. In the **Education Incentive Program**, there is about $3.2M available for that in the next biennium and that program includes the teacher shortage loan forgiveness program, which is $1000 a year for 3 years. Also, the **Technology Occupation**, the new STEM loan forgiveness program that is $1500/yr. for 4 years. In addition to that appropriation, there is carryover of $331,000 built in for 2011-2013 and that will provide the continued funding of the existing cohorts and slots plus approximately the same number of new slots that were added in the current biennium, without increasing state funding and that is as required from Section 29 of SB 2003 this last time. It would fund about 158 teacher loan forgiveness at $1000. and then the STEM, 193 per year at $1500. This is at the same level as we have this current biennium. In the **Career Technical Education and Academic Scholarships** program, this is the new program that provides grants of $1500/year up to $6000 to residents of ND, who attend ND institutions and meet the other requirements from HB 1400. SB 2150 includes a continuing appropriation this time. In the current biennium, there was $3M appropriated for that. The executive recommendation took that $3M out. What we anticipate and estimate this time that there will be $10.2M needed to continue that program and ramp it up. In SB 2150, that includes a continuing appropriation from the Land and Minerals Trust Fund. So the $10.2M is specifically appropriated in our office but we put the estimated amount out there. The remaining pages, basically pages 37-38, provide you with additional information on those student financial aid programs and a couple of other items in our office. Page 39, is a required form that we are asked to present to you, which is a comparison of budget to actual expenditures, first, for the first fiscal year and then through January 31st. The last schedule is a status of our 2007-2009 carryover.

Chairman Holmberg states we all have hearings in the House we have to attend. **Senator Christmann** will have the gavel.

Senator Wardner states, what is SITS? (System Information Technology Systems).

Senator Kilzer asks, we've been talking of grants and as they decrease and change, are the availability of loans making any increases or decreases?

Peggy Wipf, Director of Financial Aid, within the system office, states as grants do go down, loans are pretty stable right now so incoming subsidized loan for an undergraduate student would be around $5500.

Senator Krebsbach asks, on the career and tech scholarships, that is now at $10.2M. Is that just to maintain the existing scholarships or is there any money in there for new scholarships?

Cathy McDonald states that would the approximate cost needed to support the continuation of the current scholarships and then add the new ones that would qualify during this next biennium.

Mark Hoffman, ND EPSCoR Co-Project Director testified in favor of HB 1003 and provided (Written Testimony attached # 2). And referred to ND Best Return on Investment NDEPSCoR (Written Testimony attached # 3). The key to understanding

EPSCoR is that it is state money used to leverage for federal money. It is a highly effective program. The Return on Investment is about 8 to 1. If you look at the amount given by the states, in the last quarter century, about $32M, this is returned to the state in external money of about a quarter of a billion dollars. The sense of this program is leverage. The EPSCoR program has contributed to some remarkable successes in ND. Some of these are percentage increases which is impressive. However, there are some that are not percentages. There are some that are raw numbers. Things that, we as North Dakotans, can be very proud of. We are the #1 state, in state competiveness factors, based on academic R & D. We are the first in growth, 31% increase in science technology engineering and math jobs. We are numbers 1, 2, or 3 in a very large number of categories. One thing to recognize is that the EPSCoR is the premier engine for driving research infrastructure improvement at the two research communities. Both UND and NDSU have been Carnegie High category for quite some time. This last year, we were very proud that NDSU crossed over into very high, which is one of the elite universities of the country. This is a lot of contributions but EPSCoR is the one that is driving the research infrastructure the strongest. What this means for ND is tech development, which is favorable for the businesses and for students getting educations in science technology, engineering and mathematics. The state contribution is absolutely essential. All the federal programs, all the grant proposals, specifically look for fidelity to state interests. We are asking for $1.65 million over the last biennium. The reason we are doing that is because what is happening right now, at the federal level, is that NSF (National Science Foundation) remains on track to double their budget in the next five years. Even with the very fiscal conservative atmosphere in Washington, DC. All the other agencies are holding even. We need the additional funds, in order to compete successfully, for these programs. EPSCoR at the national schedule level is one of the strongest supported programs for science and technology. There are approximately 27 states that are EPSCoR states. They have their complete support from their senators, more than half of the US Senate. The reason it has this broad bipartisan support is because this program works. It is the best program for enhancing the research infrastructure of the less populated states and for creating jobs in those states.

Senator Wardner asks, can we get the number from you of all the research dollars that come into the state? How about other private companies that give research dollars to UND or NDSU?

Mark Hoffman states, I can get those federal research figures for you.

Senator Wardner states, I would like those numbers. How many dollars are coming into the state, federal dollars for research and how much private money is coming in?

Mark Hoffman states these are good numbers. I will get them to you. I will get them from the contract and grants office at UND and NDSU.

Senator Christmann ask, who is up next?

Scott J. Davis, Executive Director ND Indian Affairs Commission testified in favor of HB 1003 and provided (Written Testimony attached # 4). He is asking for more funding for the Indian Scholarship Program. The program provides scholarships for resident

members of the federally recognized Indian Tribes attending any post-secondary education programs in ND.

Senator Christmann states, he is confused where we are at with the numbers. The amount you are requesting, is that where the House left it or the governor left it?

Scott Davis states the process from the SBHE recommended it from governor's office and there was little cut in the House.

Cathy McDonald states the recommendation was the same as the request for an increase of a $193,000. That was included in the executive recommendation and the House. The House cut $1,100 that was the decrease for 2007- 2009 carryover and for the most part it stayed intact.

Deana Wiese, Executive Director of the Information Technology Council of ND (TCND) testified in favor of HB 1003 and particularly to the STEM initiatives. (WrittenTestimony attached # 5). We hope you will bring the bill back in line to its original version.

Randall Thursby, Chief Information Officer System Information Technology Services (SITS) testified in favor of HB 1003 and provided (Written Testimony attached # 6). His testimony is information regarding SITS and requests regarding the budget which includes the State Allocation Changes in the budget. (Page 3 of his testimony) What can we do to modify to cover these increased costs? Future Critical Issues: the approval of funding and construction of the shared IT facility for NDUS and UND staffs, operations, and data center; the need for additional bandwidth, adapting to the rapidly changing technology environment; there is a need for flexibility in funding allocations to respond to the rapidly changing technology environments. We are doing it but I think it is something the Legislature should consider.

Senator Warner asks, do you maintain communication with graduates or is that an added service?

Randall Thursby states, we would be able to do that at the discretion of each school and they could maintain that address. It is an institutional option.

Senator Warner states, we could monitor achievement of our graduates after they move through the workforce, and alumni for fund raising.

Senator Wardner asks, my question if we set up that rapid response fund, would it be a Onetime appropriation and what kind of a payback would we be looking at? Or do we have to appropriate money to it each biennium?

Randall Thursby states, I would say it is something that you would allocate as a onetime fund and then you make that decision on a biennium-biennium basis.

Written Testimony on North Dakota Indian Scholarship Program, handed out, by Robert 'BJ' Rainbow, Jr., a UND graduate student.

Senator Christmann closes the hearing on HB 1003, NDUS, including EPSCoR.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Williston State College
03-11-2011
Job # 15299

☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

WILLISTON STATE COLLEGE

Minutes:

See attached testimony in WSC tab in the 2011 Legislator's Guide to NDUS.

Senator Christmann called the committee to order on Friday, March 11, 2011 at 9:30 am in reference to HB 1003 – Williston State College. All committee members were present except Senator Wanzek. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. **The subcommittee members are: Chairman Holmberg, Senators Bowman, Kebsbach and O'Connell.**

(All testimony attached to Williston State College tab in the 2011 Legislator's Guide to NDUS.)

Dr. Raymond Nadolny, President, Williston State College testified in favor of HB 1003 for the Williston State College. (Testimony attached #1). From just over a year and a half ago, I only have one half time person remaining in my business office. Everyone else has been replaced. My business office employees had been picked clean by Business and Industry. Justin, my VP for Business Services, James, my Budget Manager, are here with me today. When I arrived about 2 years ago, I did not get our 2010 budget until 4 years into the fiscal year. Last year, they provided the 2011 budget, one month prior to the fiscal year, and these guys gave me a breakdown of our local funds and carryover, which I could understand. So they have that information with us if you would like to see it. Denette Pisek, is our CEO of TrainND. If you look at TrainND, two years ago they served about 3900 people, last year, 5400 people and this year, they are on track of serving 10,000. Terry Olson, C.O., of the Foundation, and why he is so important to us is, I believe, that next year, Williston State College Foundation, will probably be the largest Foundation in the University System. That is interesting since we are one of the smallest colleges. The majority of their dollars are designated towards tuition. That is how we can fund tuition and offset student expenses. Finally, Ron Ness, President of the ND Petroleum Council, is here and will talk about one of our requests we are making in regards to TrainND. Due to situations that have happened on campus, we had to go into emergency session, to request campus police this year. We went to emergency session because if you look at our carryover funds, we only have about $800,000 and they are all dedicated. If you look at the 11 colleges, you will see they have investment earnings. Investment earnings can be compared to losing your job. You try to have 3 months

in the bank. We have zero investment earnings. We have no infrastructure, in terms of finance. Yet, we operate in a way that is very efficient and operate in a way that is very proactive to the community. Which is why we have made a request, to continue that security funding that was put forth by the State Board, into the next year? We also lack support services. My first year, two years ago, we had a student suicide and a faculty suicide. This year we had a shooting. We have a lot of stress in our community. We should have had a counselor ten years ago. That is a management issue and we don't have one. We do need this kind of support on our campus. We are going through a lot of housing issues. When I got to the campus, we had 7 portable mobile homes. I made a commitment to sell all of them, because I wanted to look like a campus. We sold two, I purchased one back recently and I bought 7 more. I am a mobile park renter, mostly to faculty and staff and mostly to people who are building on our campus. We couldn't have gotten construction jobs done if we did not provide them housing. Yesterday, I had a request from a faculty member who needs a mobile home, who has 2 months left on his contract for his house, which is doubling. I have 5 other requests pending and I have agreements. I am setting up with the hospital because if you were a doctor, why would you come to Williston because we have no housing? We are going to rent them an apartment because we are building a $10 million residence hall. We have an agreement set up with Mayville State University, where we are going to be bringing students in and housing them. We will be housing international students coming in because employers have brought them in. They need the labor. We have wage inflation that I have never seen in any community. On page 2, the average annual salary from 2005, went from $30K to $50K. I had to keep my business office and staff, I streamlined, it was doable. If we had another $180K, my faculty would only be on par, with the high school faculty. The equity dollars that we have proposed would be of tremendous benefit to our campus, as well as the increases, that we are considering giving to employees. The job openings in Williston, the 1.8% unemployment in Williams County, are high demand for people and it is very difficult to track employees. Anything that can be done to employees salaries would help. We are very diligently working to provide on covering housing for not only for ourselves but the hospital, school district and business and industry. We feel, as a two year college, that is our commitment. We have done some building but our estimates were all over the proposed amounts. I wanted to change out the lighting; we received an energy grant, and found we have asbestos. Asbestos mitigation is $300,000. We had plans to remodel the 44 year old library, due to asbestos, we can't remodel the library. I thought we have monies in major capital projects and deferred maintenance; maybe we do the asbestos in the library. $48,000 covers the asbestos mitigation of the ceiling of the library not the floor, and does not replace the ceiling. I cannot upgrade the wireless in the building and cannot do this, due to the asbestos. I have issues that I want to move forward, in a step by step way, but it has been difficult. On page 4, there is information about the projects we have requested. We, in our master planning, were told by students, "we don't look like a campus. We look like a Wal-Mart parking lot". We talked to people and asked how we could make the front look different, page 4, what that change would look like. We would look like a campus. We were asked to put in for $1 million and $500,000 match. We already have the $500,000 match so we are ready to do this and ready to look like a university campus. That being said, we are grateful for what the state provides us, we will continue to be grateful, for whatever the state provides us. We are an entrepreneurial group and we will continue to serve the needs of our community.

Ron Ness, ND Petroleum Council, I am here today at the request of my members of the oil and gas industry. (Testimony attached #2). I am here today to talk about jobs, training and

education. The Dept. of Commerce recently worked with us and did a workforce study. We did a skills study. We want to know, what the skills are, of the people we need in this industry. Recognizing that the industry has grown from 4,000 employees in 2005 and in our 2009 study, we were over 18,000. I suspect we are at 30,000 employees today on the ground in ND. 88% of the oil and gas workforce needs requires basic skills. Mechanics, computer spreadsheets, electronics, welding, truck driver licenses and pneumatics. Those are things we can teach our residents and our young people to do in a relatively short amount of time. The average wage in the industry is over $82,000 and there is a reason people are coming here from all over the US. It is a place of opportunity. We grow our workforce from the bottom up. When we talk about higher education, my numbers are from every petroleum engineer that we need. We are going to need more than 500 people in basic skills. At the TrainND center, they have started out with a basic premise, built by industry, to focus on safety training. Safety training is something that is ongoing, continuous and you always need it. They serve 271 businesses, held 583 training sessions and they trained nearly 7400 people. They had net revenue of over $200, 000. This is becoming a regional training center. This program is outgrowing its ability to serve the community and outgrowing its ability to train our young people and keep them here. I get a sheet every Monday from Job Service ND and it lists all the companies hiring people and it lists the skill sets they need. This week, Monday's report, there are 201 employers on this list this week. In Williston, there are 1300 jobs openings. 800 of those are oil related. What I am noticing about this list is, 201 employers are going through Job Service, and not every employer goes through Job Service. I am noticing about this, is that people need to understand, when you drill an oil well; you are putting a business on the ground. That business needs technicians, pumpers and it is going to be connected to a gas plant and now we are seeing an influx of interest at Bismarck State College's power plant processing program. I cannot think of a better place to put $2 million than into this center. The Centers of Excellence program has proven its worth. I highly encourage you to take a look at this very seriously. Industry is 100% behind this and I am here today at their request.

President Nadolny states that if this project is funded, we currently have 160 perspective diesel students and we are the only certified diesel program in the state. We currently serve 28 students and we would be able to double that in order to do this project. So it is not only the ability to expand contract training. The ability of the residence hall, 100% occupied since June of last year and this is the first time ever. If you want to go to school at Williston State, there is no housing. Next year with the opening of our new residence hall, our capacity is much greater for students and employees.

Ron Ness refers to Testimony attached # 3, Petroleum Safety and # 4, TrainND, look at the size of companies that this college is serving, one to 4 employees, more than 70 companies. **Justin Madison** is here to answer any budget questions. Testimony # 5,Budget Information.

Chairman Holmberg states we typically don't ask the campuses to come back in for subcommittee hearings. We can use telephone conference call if we have questions.

Chairman Holmberg closes the hearing for HB 1003 on Williston State College.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Mayville State University
March 11, 2011
Job # 15308

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

See attached testimony in MaSU tab in the 2011 Legislator's Guide to NDUS.

Chairman Holmberg called the committee hearing to order on HB 1003 – the Mayville State University branch.
Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB

Dr. Gary Hagen, President, Mayville State University
Testified in support of HB 1003
Handout - 2011-13 Budget Hearing – attached to MaSU tab in the 2011 Legislator's Guide to NDUS.

Speaking from handout –

Senator Robinson asked about the headcounts at Mayville and other colleges. Dr. Hagen will get the information to him.

Senator Wardner clarified Dr. Hagen's comments that the teachers as well as the students are getting excited and motivated about the STEM program.

Gary Hagen: Yes, this summer they are bringing several teachers in to study STEM and motivational exercises and bring them back to the classroom. The situation I mentioned was designed just for the kids, although we started getting a lot of interest from the teachers. It's a tremendous exercise. Just ingraining that into these young people's minds at that age, that could be their life goal now forever. That would have been an opportunity passed because we really need those kinds of people.

Senator Christmann: Rather than tearing down buildings to right-size the campus, we had a presentation from Williston State College and a similar one from the Science School at Wahpeton, have you ever considered changing your mission and becoming another Williston or Wahpeton type where they are bursting at the seams trying to find room to teach the students in some of those types of careers.

Gary Hagen: Yes, we're trying to do that and I think the enrollment gains in two years (25%) are significant, but that also requires a change in mission and new academic programming that currently we don't have. We continue to push those envelopes and work to do that. But the two buildings in question, even to renovate them and to be useful and to meet codes and even allow people in, because the fire marshal wouldn't allow people in. It's far more expensive than building new anyway.

Chairman Holmberg: You didn't have any of the problems that UND did on Old Science, did you? As far as being to tear them down. Remember, UND wanted to tear it down, but there were preservationists that didn't want to, so they essentially boarded it up. Then it collapsed on itself and then they tore it down.

Gary Hagen: I can't say there wasn't resistance, but we moved to that fairly effectively and quickly. We held some serious meetings right away, but we brought the cost benefit analysis data and the safety issues forward and the data spoke for itself. There really wasn't much to say after that.

Steve Bensen, Vice President for Business Affairs, Mayville State University
Testified in support of HB 1003
Continuing on page 13 of handout on MaSU tab in 2011 Legislator's Guide to NDUS

Chairman Holmberg asked about some work the City of Mayville did around the campus.

Steve Bensen explained there was a sewer system line replaced a few years ago and it's the bulk of their special assessments. The work involved Dokken Drive.

Chairman Holmberg: The whole STEM initiative last session – at some point, could we get a review from the Board as to what the legislature did throughout that process. We actually ended up giving $250,000 to the teacher education schools. This would be for the subcommittee's benefit.

Steve Bensen concluded his testimony.

Chairman Holmberg closed the hearing on HB 1003 – Mayville State University.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 – Bismarck State College
March 11, 2011
Job # 15323

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system

Minutes:

See attached testimony in BSC tab of the 2011 Legislator's Guide to the NDUS.

Chairman Holmberg called the committee hearing to order on HB 1003 – Bismarck State College branch.
Brady Larson - Legislative Council; **Tammy R. Dolan** - OMB.

Larry Skogen, President, Bismarck State College
Presented Executive Vice President Dave Clark

Dave Clark, Executive Vice President, Bismarck State College
Testified in support of HB 1003.
Handout – Bismarck State College – ND Senate Appropriations – attached to the BSC tab in the 2011 Legislator's Guide to the NDUS

Speaking from handout –

Senator Robinson asked about page 7 of the handout and his reference to 7% or $2.9M in waivers, scholarships and fellowships, are you talking about foundation money?

Dave Clark: Yes, this is foundation money that primarily comes to the college and we get a lot of sponsorship and third party support. This figure is all-inclusive.

Senator Warner Does the operating costs for teacher's salaries for those collaborative programs, does that show up in the relative 4 year college budgets?

Dave Clark: It shows up in the four year budget, but some of the support for those programs that are on our campus are in our budget.

Senator Warner: Some of the space obligations, the janitorial services, IT support? Yes.

Chairman Holmberg: Do you have guesstimate of campuses in surrounding states – do you see dramatic increases in their tuitions over the next two years?

Dave Clark: I've not seen dramatic increases, because the schools have been limited, even with some budget cuts, they've been limited to what they can be doing in tuition hikes. With us freezing tuition for two years in the current biennium, and if we're able to do that for two more years, it will put us more in line with the region. When I say we're 18% over, MN is part of that region, but there are nine other states as well.

Dave Clark continuing –

Chairman Holmberg: Part of the discussion has to do with this transfer of money which was curious when this committee looked at it. It came from a legislature that is moving money so that it's all transparent so that everyone knows where every penny is. They're making changes in some budgets so that it's clearly reflected that this transfer of money was able to be done without it being "on the books". We found that curious.

Dave Clark: If it's last biennium's appropriation, it's not going to have an effect on next biennium's spending levels. The intent is to use 2009 -11 appropriation to do that particular project. That's an existing appropriation that if unspent, would be turned back.

Chairman Holmberg: We've made changes in some budgets where OMB presented the budget and utilized holdover money and we rolled it back into the general fund so that it counts as spending.

Senator Grindberg: I disagree with your comment saying it's not part of next biennium's budget. The Governor's recommendation is that $5M will be part of $15M in new money in Centers of Excellence. I have real concerns over what the House did. You've got a lot of capital projects going on already. I'd like to see what the detailed plans are for that space because I've met with other interim committees up there and just on the surface, it appears that $4.3M dollars is a lot of money for that space. I think you need to provide this committee what the intent is with that and how that will pencil out per square foot. Is this a roundabout way to get a higher education center by renovating that 3rd floor?

Dave Clark: I can guarantee you that it's not a roundabout way to get a higher education center. The architect on the National Energy Center of Excellence was a APC. They provided the estimate to finish the fourth floor. With these estimates, if you have any furnishings or lab utilizations, you have to include all the costs associated with the project and so there is lab space projected for the fourth floor. We can provide this committee with the floor plan and the detailed estimate of the cost, but it is inclusive of lab equipment, inclusive of furnishings, inclusive of the construction and to finish the 4th floor as well.

Senator Grindberg I'd like to see the detail.

Maynard Jungling, Jr., Vice President, Board of Governors
Testified in support of HB 1003
Written testimony – attached in the BSC tab of the 2011 Legislator's Guide for the NDUS.

Dr. Larry Skogen, President, Bismarck State College
Testified in support of HB 1003.
Continuing on page 25 of BSC handout.

Handed out details of 4th floor of National Energy Center of Excellence (NECE) and explained the costs as well as requests by industry to add programs. They expanded the GIS program and engineering tech program - they needed space to grow. The renewable program needed a lab and filled up one space. All the space below the fourth floor is completed. The design now and reason for the costs – a half a million is just in lab equipment. Technical programs are expensive. In the petroleum engineering program and the petroleum operations program, they will have to buy equipment for those programs and they need a place to put it. The plan is: on the fourth floor, there will be a very large lab that will be supporting the petroleum programs, as well as more classroom space. They have filled up, from the third floor down, the National Energy Center of Excellence. They are hopeful to finish off the fourth floor to add the labs to support the programs that they have already had approved and are developing.

He didn't bring the rough sketches of the floor plan, but they can provide that.

Senator Grindberg said he'd like to see that and also bring data on the entire facility because there are offices there and he said it's more than just a national center of energy excellence, it's also an administrative building. He wants to see the utilization of the space.

Senator Christmann: I'd like to ask someone in the System office about equity. When we talk about equity traditionally within state agencies, we might, for example, give the auditor's office X number of dollars for equity because a study shows their accountants are paid less than accountants throughout state government so we want to boost their salaries up. I got an email from an instructor at NDSU, and I thought in the University system, we were talking more about a university being underfunded based on their student enrollment so we give them more money for operations and hiring additional staff. But this instructor implied that it had to do with their salary. So when we give equity is that to raise salaries or to get more people into operation costs.

Bill Goetz: When we speak of equity relative to the budget, it is equity as it relates to each of the institutions. That in turn is basically determined by a comparative analysis of that institution to identified like-peer institutions. That is where the equity, as it relates to the institution and formation of the budget is determined. I'm being very simplistic about that explanation because there is obviously more involved, but basically that's it. When you receive an email from an instructor who speaks about equity, that is relative to the issue of salaries and directly does not relate to how we express equity as it relates to the budget. There may be dollars that come from those equity dollars in the budget that could be used by the president to address certain salaries because of a particular area that needs to be increased in salary due to the market situation. These equity dollars are discretionary dollars that the president can use, not only to initiate new programs but also to address salary inequities that may exist, but I would hope that we would not get the big picture definition of equity as it relates to budgeting per institution mixed with the equity issue that faculty members may look at in terms of their personal salary.

Chancellor Goetz thanked committee for their time and being able to hear from each of the campuses. He is pleased with the work that the presidents are doing. The needs of the state are being met, but also added that it doesn't mean they are satisfied, necessarily, with being complacent. They are at a point in the system in terms of having laid a very good foundation, being entrepreneurial, but feels they cannot rest because the dynamics of the system need to continually be looked at and reviewed. He hungers for input and partnerships because they need to continue the purpose of the university system, but also need to stress the importance of stewardship and the delivery of a good quality education.

Chairman Holmberg closed the hearing on HB 1003- BSC

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

Subcommittee Meeting on HB 1003
March 17, 2011
15604

☐ Conference Committee

Committee Clerk Signature T. Jorgen

Minutes:

See attachment - # A - D

Chairman Holmberg called the meeting to order in the Brynhild Haugland room; Senators present: **Holmberg, Bowman, Robinson (Krebsbach** arrived later)

Have a week from Friday to have this bill done and to the Senate floor. He has some follow-up information from Chancellor Goetz to share with the committee (Attachment #A) regarding the research dollars contributed, Lake Region State College, and the STEM initiative. Also had other information in an e-mail which talked about the graduation debt and there was further information going to come—assuming that is still in process. **Chancellor Goetz:** Work is being done on the campuses on this issue.

This morning in appropriations, he asked the committee members to go around and mention of their concerns regarding higher education. Some have been around and need revisiting. Will start down the list, so please add anything he may be missing.

Affordability—talked about a lot last session; someone else said should focus on the proper amount of appropriations to the campuses and let them worry about the affordability and let them worry about what the tuition rates are. That individual talked that affordability takes us back into micromanaging, although clearly the position of some in the House have been that we need more management from the legislative branch—it's a situation that will continue to be talked about.

Equity—everyone talks about using their own definition of what it means. Had those and that is one of the budget areas reduced in the House. People would say that UND/NDSU are about the same size, yet NDSU loses $4.7 million under the equity formula; UND $2.5 million; DSU $472,000. Know it is formula driven and the committee members know that, but can Chancellor Goetz give a brief overview or get a paragraph together for the committee.

Chancellor Goetz: What he would like to do there is have an example in terms of how that is determined. Can do it on the basis of a campus or can do it generically. Would rather bring those examples rather than try to explain it. **Senator Holmberg:** That would be helpful.

Senator Robinson: This is an on-going sensitive issue, at best; not sure there will ever be an equity system that is equitable. There is still a lot of underlying concern that some of the institutions, in the selection process of their peers, were looking at aspirational peers versus actual peers. One of the concerns that came up—if you grow your enrollment under the current formula in the funding system, does bringing in more students make the equity situation compared to their peers that much worse? Sometimes it's kind of a catch-22, and don't know the answer. He goes back to Dennis Jones two years ago with the interim higher education committee and they spent a lot of time on this issue, and don't know if they ever got an answer. Don't have a better system but don't know how good this one is. It tends to create a lot of internal friction. It is one institution competing against the other, and NDSU saying they need the money and have it coming; other institutions are lower on the scale in terms of equity reimbursement aren't so certain any more. Selling it is not getting any easier, in his opinion. Would like a memo or paragraph or two, the impact of enrollment growth or enrollment stabilization—when it is flat on the equity formula. In Fargo, given the size of that metro area, given the facilities at NDSU, do we continue to feed and promote enrollment growth or do we focus on quality? Underlying theme or concern that has been there for years.

Chancellor Goetz: The matter of enrollment growth is beginning to receive more recognition from the Presidents as to a big question mark. See a transition in the thinking; see a transition that is taking place on the cabinet, just exactly along those lines that are being to question the emphasis on enrollment growth versus quality. This is also supported by a number of board members as well. See the debate beginning to shift in terms of focus; first time he can recall where suddenly they are beginning to talk more in those terms—which in turn then will lead to eventual/potential policy change as well.

Senator Bowman: NDSU as an example is a land grant college; is our growth in the land grant college area or is it outside the area? Are we deviating the mission of that college so that we can attract more students or are we increasing the knowledge base of the land grant college to bring more kids in to learn in those fields? Do you have any idea where we are with that? **Chancellor Goetz:** Believe that when you look at the programs that NDSU offers, to identify which you consider pertinent to land grant versus not, the complexity of that is greater than it used to be years ago. Your definition of land grant and what that may encompass compared to what land grant institutions are doing nationally as far as diversity of programs has changed. He would say today that certainly the array of programs that NDSU offers is certainly highly diversified. Not sure how that fits in your definition of land grant, he can't say. **Senator Bowman:** Seems like we're competing against each other for growth, and are we competing for quality. Think that is an excellent point because the mission for all of them is to teach in the areas they are the best. Then attract the students because they know they are going to get the best education we can give them. He doesn't know if we are there; never been on this committee so learning experience for him.

Senator Holmberg: There was one document from NDSU; he doesn't know exactly how to differentiate between what is a mission for a land grant college versus a general education thing—but noted their largest enrollment by college is engineering and architecture. Followed by science & math, human development, pharmacy, nursing and allied sciences, arts/humanities, business and then agriculture/food services, food systems and natural resources, and then smaller ones. By far engineering and architecture listed

2010 had 2,800 students in that college and science/math had 1,800, so huge difference. Do have some data there to look through.
Another issue which is not new—continuing concern of getting arms around the savings and the costs of out-of-state students. What are the pluses of them to the campuses and communities, and what are the down sides. Know the Chancellor has done some writing on that if he could provide that to the committee.

Special assessments—budget had built in payment of special assessments across the board. The house removed paying them off, but yet put money into the budget for the campuses for the next two years. Had committee members that wondered if it made sense to pay them off and the price tag differential is $3.5 million. Could you give a little bit of information about why you all went to pay them off and the trade-off of $3.5 million? Don't know where it is on the board's priority list right now with all other things going on—don't have to commit yet.

Chancellor Goetz: General comment now, can give more info later. Simply made good financial sense to pay these off; the thought was that looking at priorities and the ability to not only make a good wise financial decision in paying them off in total, but it would also free up resources that the campuses would have to outlay in making the annual payments. This is always a moving target; you continue to add specials, but this is what was on the books and solely based on a good financial decision.

Senator Robinson: Point well taken; knows part of the problem on some campuses when special assessments, regardless of what they are . . . a few years ago at our place, Mayville and maybe Lake Region (one of the other schools) you pay those special assessments out of dollars that are otherwise going to be used for deferred maintenance and repairs. They get a budget and there is an immediate reduction in that budget for roofs, windows that type of thing to take care of special assessments so it is a delicate issue. Pay them off and have them again, but would be caught up for a bit and those dollars could be earmarked for building improvements.

Chancellor Goetz: Is there more information you'd like on this issue or you can charge me with bringing information the next time you need to further make a decision. **Senator Holmberg:** Ends up being a policy decision; do you want invest the $3.5 million now OR does the committee feel that the $3.5 million should be utilized for immediate issues rather than buying down a future obligation. **Senator Bowman:** Is there interest rates on the special assessments? (yes) What is the interest rate being paid? **Senator Holmberg:** Probably varies.

Tammy Dolan, Office of Management and Budget: Has a schedule prepared by higher ed. There are varying rates of interest that are paid at the different campuses and based on the different assessments. Interest rates vary from 5.2% to 6.9% depending on where they are at and when the assessments were issued. The long term savings that could be generated from not paying interest over the life of these specials is $2.4 million. **Senator Holmberg:** Are there penalties for early payment? **Tammy Dolan:** Not to her knowledge. **Senator Holmberg:** That is different than last session one of the things looked at because there was money in the bank—was to pay off the bonds that the state had issued for buildings and found it was more expensive to do that. Question was raised and the

subcommittee will be presented with amendments having to do with DSU and the library that was in and out, in and out, now out. Try to get as much as we can out on the table today.

Senator O'Connell: (#B) Amendment 11.8155.02004, Dakota College at Bottineau, page 1 bottom explains the parking lot repairs sometime in the early 60's when the parking lot was put in is broken up and a mess. The city is paving all of their streets this summer so it is probably the cheapest time to get it done ($900,000); just an estimate at this time. Special assessments are around $50,000 for the streets around the campuses. **Senator Holmberg:** That is special assessments that weren't involved in the discussions of building the budget. These are new ones? (Yes) **Senator O'Connell:** Thatcher Hall heating pipes for $265,000; heard about this in committee. The rest is to restore the funding for student affordability.

(Amendment #C) 11.8155.02005 Oil country is taking over in Bottineau in the Spearfish Formation; smaller companies but no rooms up there. One motel leased all their rooms to one oil company; would like to see their students getting better education but without rooms it makes it hard for students to come in. This amendment is a request for $3.5 million from the oil tax trust fund for a dormitory renovation project and $64,500 from the same source matched by local funds for a student center renovation project. Oil people are asking for this so felt that was a good source for funding.

Chancellor Goetz: On the priority list, when the review was made he notes a difference in the amount for road repair—was $700,000 and is now $900,000. **Senator O'Connell:** The original bid was over a year old and with the price of oil the cost has risen.

Senator Holmberg: Has an article to share; auto refund management system. Got this from UND "A bursar's best friend"; will get a copy to everyone.

Senator Robinson: Amendment (#D) 11.8155.02001for Rhoades Science Center project at Valley City State University; was the #2 project listed by the state board of higher ed for their capital improvement priority list for this session. $10.8 million project; came through the Governor's package at the $7.9 million level and the difference, in the process of evaluating space on the campus, available classrooms, and such; OMB analysis identified some classroom space that they felt could be used for labs, etc. As a result of that they removed classrooms and labs from the project. President Shirley has responded to the board and OMB and believes have supportive information that would indicate the need for the $10.8 million renovation and addition. Current building is a 1973 building—newest on the campus, last new building at VCSU. This proposal would remodel and renovate the existing building (33,000 sq ft) and an addition of 26,000 sq. ft. Further add this is a high growth area at VCSU and there are life safety issues in the building—heating, ventilation system, the lab space, not up to code. Structurally sound building and this would be a major enhancement to the campus. Flooding is not an issue at the campus.

Senator Holmberg: Good discussion this morning about flexibility and whether or not we have looked at the differences in entrance standards; know there has been some work in that. More interesting thing—has there ever been consider of molding people to go into occupations by graduating the tuitions for higher demand jobs. If there is an area of high

demand jobs in North Dakota, is there consideration to reducing tuition for those going into those fields, to encourage them to do so versus tuitions where many of the students leave the state; those tuitions could be higher. That was a question that piqued the interest of a number of committee members. Don't need an immediate answer, but came up.

Had a question about language barriers, how that situation is working out. That flared up a couple of years ago; think a concern about NDSU faculty. **Senator Bowman:** He brought that up; when he evaluated students to go to vet school this year. We are talking about the brightest that we have in this state, and when we looked at their curriculum there was one or two classes that they really struggled in. Asked why and they said they couldn't understand the teacher. One girl dropped out and waited to take the class from another instructor, and her grade raised. This is a concern because of the cost to have to take a class over for this reason. **Senator Holmberg:** Could the Chancellor give a rundown on that issue at a future meeting? **Chancellor Goetz:** This has been an issue that goes back many years; would like to profile the institutions and see how they are dealing with the issue. Believes there is even legislation on the books.

Senator Holmberg: We will revisit that. Senator Erbele said he is going to introduce amendments that aren't ready yet; deal with increase of class size of the medical school. Understands it is a three phase approach. There would be about $1.8 million invested this time plus a study about the future, and the next legislature would have to decide whether to approve the $28+ million that was taken out.

There was a question that the legislature does too much micromanaging of higher ed; then someone else said that some folks would like to have a lot more of that. No resolution but is an issue; just thrown out on the table for discussion.

The second phase of a geothermal project at Minot State was mentioned. No amendments were prepared yet, the bottom line was around $5 million for that.

Senator Krebsbach: Going to be looking at boiler replacements or repair and can run up to $8-10 million. It is #5 on the priority list but not chosen. In time it will save the money that is invested. Other issues heat/AC in the buildings, the Dome, Swayne Hall, library, new wellness center. They can cover the balance if they get the $5 million, except for what they would have to bond—performance bond on the bill.

Senator Holmberg: Did mention the STEM but that has been part of the on-going discussion from a number of campuses. He thought originally that STEM was going to be for the four year schools and not the research universities, but was distributed to UND and NDSU also. **Chancellor Goetz:** The focus of STEM was to provide resources to all teacher education programs so included those two.

Senator Bowman: The one building we didn't discuss yet is that the one at Wahpeton for the diesel mechanics. That is important for us because if they don't do it in North Dakota they go to South Dakota. These people that go through those classes are in high demand, and the equipment has changed SO much from the past—a lot bigger and more complicated. They are the ones that are training the workforce for that program—John Deere and International, he believes, that spend a lot of money to bring those motors and

stuff in for the students to be trained on. **Senator Holmberg:** That was mentioned, but then said they really have to take care of the operations first and buildings second. That individual would put this building at the top of the list which most of the committee members seem to support at this stage. **Senator Krebsbach:** Totally support that endeavor; having been in farm equipment for many years she finds it very strange that they have a training facility in ag equipment and you can't even get a piece of machinery inside without taking it apart. These are our people that are training for the entire ag community; very important component.

Senator Holmberg: There are some other issues; run through them now. There was concern about the transfer of $4.335 million from what was the Great Plains Applied Research Center into the National Energy Center; the completion of the fourth floor of that building. HB 1018 the budget for commerce, the motion will be made to take that money back and leave it in Centers of Excellence so will leave a conflict between the two bills.

There was additional question/info request for the revenue bonds for Work Force Center Training project in Williston; also have a bill for the non-beneficiary students at tribally controlled community colleges with an appropriation of $1 million. There are those in the committee that feel it should be in a bill in the appropriations bill—not a separate one. That is on its way from the Senate Education committee.

At some point in the next weeks we have to go to the floor of the Senate to pass this bill; without touching three major changes that the House removed from the original budget; minus $32.8 million. If we do nothing but accept the suggestion from committee or this meeting today, we would leave out the money the House removed on carry over funding, increases to EP Score, and removed performance based funding of $5 million—we would have to go ask for an additional $56.5 million to this budget.

Senator Robinson: Can we get further information; there's some sensitivity among some of the legislators over the debit card program at BSC and NDSU in terms of the cost to students to access that program. There is a kickback to the institutions and some are questioning the value versus the cost to students.

Senator Holmberg: Loan repayment; Mary Amundson from UND (administrator for the state loan program) and has to do with medical school. She has some suggestions—sent him an e-mail but he was unable to talk to Senator Schneider—but something that he will do. Didn't appear it was a big cost issue. Will forward the message to the Chancellor.

Senator Bowman: Long-term investments when talking about buildings; if we funded half of them and allocated money for the planning and designing for the other half, they would then become the #1 priorities of the following session as we've already made an investment.

Senator Holmberg: House passed a bill which collapses the oil trust fund and a couple of others and spreads it out. Called an infrastructure fund or something. Projects have been prioritized and decisions have to be made by our committee. Will meet a few times next week again.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003
03-17-2011
Job # 15569 (Meter 35.50)
This job also covers HB 1024 Hearing
Discussion on HB 1005, 1009, 1010, 1343

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

DISCUSSION REGARDING HB 1003 – NDUS (the hearing was actually on HB 1024)

Minutes: You may make reference to "attached testimony."

Chairman Holmberg opened the discussion regarding HB 1003, the NDUS. All committee members were present. Tad H. Torgerson, OMB and Brady Larson, Legislative Council were also present. Today we would ask for guidance as to areas we need to look at regarding the University system and that includes that the House made a number of changes in the original bill that came from the executive. The board had an original list of capital projects, the House made changes in that and some are very pleased with those changes and others are aggrieved over those changes and I need to know if there are any of those things that you want your subcommittee to look at. We have our first meeting today in the Brynhild Haugland room at 11:00. What are the issues that you want us to look at in the Higher Ed budget and please tell us now so we can get started because our initial meeting is really going over some of these things and either the Council or the Board office to gather some information for us.

Senator Robinson: One of the priorities, we need to look at **affordability as one of the top issues in terms of tuition hikes for the students.**

Chairman Holmberg: We have that and there's obviously some changes the House made in the affordability area that this committee has always been very sympathetic to .(Meter 37.52)

V. Chair Grindberg: I am going to take a different approach than Senator Robinson. We are at a challenging crossroads with Higher Education. I made that comment, it's made it's way in to the press about you have to have your head in the sand, misunderstanding, disagreement, friction. This committee has a long standing steadfast support for Higher Education. **And first and foremost our action has to get back to the brass tacks, the common sense of where we want Higher Education to be and support it as such**. It's our job to determine how much of an increase to Higher Education. And that's a legitimate debate to have whether it's an 8% or 10% or 15% increase for the biennium, that's our job to sort out. What I am becoming more and more concerned over is all the various changes that we are making. **I don't think we should have a debate on tuition affordability**. Let's fund Higher Education and get back to

the system and the approach and quit deluding the core premise of support for Higher Education. For example, if we are going to appropriate 10%, the campuses need to have the flexibility to determine how much of a tuition increase. We have to get back to the campuses providing that decision making rather than having this expectation. We have to get back to allowing them to operate and us taking a position on how much support for Higher Education and get out of micro-managing. We are creeping back to micro-managing Higher Education and that's what's leading to a lot of various opinions. I am going to hand out a bar graph, **Testimony attached # 1. Full-time Oncampus Student Enrollment at NDUS Institutions** that I think illustrates another point of what we need to resolve. We spent a lot of time, those of us on the Interim Higher Education Committee and we spend a lot of time, but one of the things that an expert provided us, step back and look 10 years ago, growth in on-line education. We are at 25%, and the projections are by 2020 we could have 50% of our students taking on-line courses and I become more and more frustrated by the annual reports that we have record enrollment and the system is doing great, and it is, but we are not following logic in funding verses where the actual costs are, in my opinion. This just illustrates, for 4 years, look at the students on campus. We're funding campus activities and they are doing on-line you can see where the enrollment increases are coming. I'm not sure I have any solid recommendation but I think it's clear that we need to get back to the fundamentals, equity, it's an ongoing debate that I hope someday we can solve. **Equity is a high priority. Funding for deferred maintenance.** I know we have much better categories in there, there is funding for a mental health officers, retirement, and a number of other things that require general fund increase and expenditures but I think we need to get back to the fundamentals of what we built and get out of this micro-management trend. The last thing I'll say is **we did not act on those round table bills**. That is wise choice at this point until you work, the subcommittee works, there is another bill, HB 1411, that will be making it's way through Senate Education Committee that takes an approach on tiered funding and I think we need to wait to see that that committee does to try to look at what is the will of this committee and what we want to do with the budget and then look at the future.

Chairman Holmberg: You also had expressed interest in a chart handed out that comes from the University system about the **students at the campuses**, the percentage of students at each campus that are in a face to face with faculty, traditional classroom settings, which is what we really typically set our budget about around that particular thing and they go from 95% of the students at one of the campuses to 5% of the students at another campus that are actually in a classroom with a teacher which is quite a large variation. **I think the subcommittee should look a little more at that and get a little more clarification on that issue.**

V. Chair Grindberg made comments regarding what's on the front pages of the newspapers today, **the shifting demographics**, that's what's challenging the system and wherever they may reside, to keep the system operating and I'm all for that but we need to figure out how that is going to be funded, and right now we haven't. I think this census data kind of illustrates the challenges. In my community we are busting at the seams with students taking a seat in the classroom but yet it's challenged with state resources.

V. Chair Bowman: had questions **regarding out of state students**, if that drives up the cost for ND students, the expenses involved; like more classrooms, more wear and tear on the buildings, more maintenance people, higher heating bills, the free ride some out of state

students get on athletic scholarships, (Mayville) what is the background on that and show the actual savings or costs. Do they pay enough to offset that cost so that it's not on the taxpayers of North Dakota to bear that burden.

Chairman Holmberg: That's an issue that has been discussed. Many of the people here have been here on a number of interim higher education committees and one of the reasons I put my name on that bill to set up a commission rather than an interim committee is because I have served on 4 or 5. The only product that comes out of it is 3 bills to continue the round table discussion.

Senator Kilzer: On this issue of out of state students, also international students, have we ever had an unbiased review of the situation? It seems the testimony that I always hear is very biased because it's driven by college presidents who want to see their numbers increase, have we had a good unbiased study as to the economic effects and particularly to the citizens of ND regarding this issue?

Chairman Holmberg: the one figure we heard the other day, it comes from one of the presidents that talked about the the **state percentage of those out of state students that actually stay in the state afterwards**. I recall this last biennium, the struggle between two different philosophies during the interim. We had the workforce committee, which was trying to increase the workforce of ND and they were going in one direction what we need to do to get people to come to our state to go to school here and hopefully to stay here and then some of the discussions on the Higher Education committee which was we don't want these out of state students to come because they suck up or states resources. That was an interesting discussion that occurred. V. Chair Grindberg served on both committees too. It was a world of difference, you have the workforce, where do you get the people, the census indicated we got 30,000 more over the last 10 years, but is that enough. Clearly with all the job openings that exist we could stand more. We've had out-of-state experts come in and give us information. We had MGT 2 biennium ago and then last time we had Dennis Jones that came in and gave us the same information that we had gotten 6 years earlier.

Senator Wardner: Those are all things that need to be on the table. I went through the budget, there were some things that the House had cut that I would have some questions. First of all: all the **special assessments, instead of paying them off, which was in the executive budget, they cut them back and only did the one year payment.** He was corrected and stated they did the biennium, why wouldn't we pay them off and get rid of them, I think that is something that should be checked. Then as far as **the cuts,** Senator Robinson talked about **affordability,** that one; **equity, and the schools that had STEM, those are three areas, I think** they all are important. **I will be bringing an amendment forward to make an addition called the Teddy Roosevelt Resource Center to the library.**

Chairman Holmberg: If you recall the House did make a bunch of changes, they also added some building projects, some additional building projects and some would support and some would say they don't support and then they had that interesting thing regarding the **4th floor at BSC, and the money they captured was actually over in Commerce**. It was money that wasn't spent and it was spent and Senator Grindberg is well aware of that.

V. Chair Grindberg: I would be advocating in our subcommittee that we restore that language back to the Commerce budget, which is HB 1018.

Chairman Holmberg: We asked the chancellor to come up with some information. One of them was **what is happening on all campuses**, we had testimony from UND about their **average student debt**, it had gone down over the past few years and they were going to survey all the campuses and see if that was wide spread or If that was unique to UND.

Senator Warner: Yesterday during the HP budget, there was discussion of **relocating the training center, on BSC campus**. Just a little bit of direction are we going to build the HP thing and then move it off campus, forward it to some future biennium. **That is relative to the Higher Ed budget because it discusses use of space within the campus, as soon as we move it we are going to have to appropriate money to redevelop it towards other uses.**

Chairman Holmberg: Isn't it a parking lot?

Senator Wardner: It's my understanding, this biennium that is just a start out there, a **shooting range and driving range, the facility at BSC would still be needed**, but I think their plans in the long haul is then to move the whole, to build out there, but for the next two years they will need that facility at BSC, but you make a point that in **the future what's going to happen to that facility**, it's on the campus and we'll ask that in our subcommittee as to what their plans are for that.

Senator Krebsbach: I think you are right that we have to do some research on that but I think it also is probably something the Higher Ed subcommittee will have to inquire about as well.

Senator Warner: It's a crossover between two budgets that isn't real obvious and it's obviously a ways out.

Chairman Holmberg made comments regarding the House and it's discussion regarding the School for the Deaf.

Senator Robinson The other issue**, the issue of the debit card, and that whole process at which students are being assessed in terms of fees to access that debit card.**

Senator Christmann: I won't get old enough to ever see what I have been pushing for of a **transition of some of the 4 year activity to getting into the trades** that we need although there is some new agreement between Wahpeton and Valley City that I was pleased to see. I don't know the right time to study this over the interim, legislative intent, or if I am the only one who feels this way. I am putting two different issues together what Senator Grindberg mentioned, busting at the seams with a couple of institutions, and then also my ongoing drumbeat of encouraging people into the career fields where we need them. When I hear people talk of going to an MIT, you need an incredible resume and grade point average through high school to get in there. What are our standards to get into our institutions that are busting at the seams? Ought they be raised a little bit, so that some of the folks who might be somewhat questionable whether they're going to finish a four year program anyway, should they maybe not qualify to get into NDSU or UND and those be encouraged to go into some of the ones where we have buildings half full, and would have plenty of space and in their best

interest would probably be in a little smaller environment and a better teacher to student ratio. Can we do something like that with entrance standards and then also is there anything that makes this set in stone that if you are going to go to NDSU, your tuition is going to be this much whether you are going into a career field for which there is almost 0 opportunity in ND, or whether you are going into a career field for which we're begging to have those people. It seems the University System should be able to do these things: A. change entrance standards. Encourage people into places where there's room for them and also not saying we should restrict someone's right to go into their chosen career field, but if there's no jobs here we don't need to offer it at 8 or 10 different places either, **so couldn't we set the tuition costs differently for different career paths.** As far as I'm concerned, the needs we talked about for diesel mechanics and folks like that, that's where we ought to be pouring our state dollars. If they are that high of demand, maybe we should be giving the tuition away free if they're going into that and I know you have to wait until their done but you could be paying off their student loans or something like that. (Meter 60.52)

Chairman Holmberg: Is your question, you are looking at possibly a graduated tuition for higher demand jobs in ND.

Senator Christmann and then also the entrance standards.

Chairman Holmberg if you recall, I am going to ask the question when we meet, it was a long painful process **to change their math placement standards**. We found 3 or 4 years, they had a **different math placement standards were done by individual campuses, if this is a system, why are there so many different kinds of exams, why aren't they available to the junior in high school. I am going to have to follow up on that, it was painfully slow**. Well, this is really simple**, one exam to see how much math you have had**.

Senator Wardner: At DSU we had to make cuts, they had a **heavy equipment, and truck driving school, they cut them, and right now both of those skills are needed**. Someone has to have a vision, we can't manipulate everything.

V. Chair Bowman: An interesting thing happened, **when I interviewed the students for vet school,** you are interviewing some of the most talented kids in the state, certain classes they took, their grade point was low in some classes and they said **we can't understand the teacher.** That has got to be an issue. If we are going to pay the teachers, at least the kids need to understand. Most are straight A students, we asked why did you fall down, and their comment was always we couldn't understand our teachers. Maybe they can't find teachers that can teach in that field. We are bringing in people from all over the world.

Chairman Holmberg: Bring it up today when we meet with Higher Ed. (Meter 65.49)

Senator Kilzer: About 2 or 3 sessions ago there had been a report that came out from Higher Ed that around 20 to 25% of the entering **college students needed to have remediation because they weren't prepared to start college**. I didn't hear anything about that this time, and in the past we heard about longitudinal tracking and things like that, apparently it's fallen below the horizon because I didn't hear anything about it or else I missed it.

Chairman Holmberg: We can gather up-to-date information on that issue. There's been a persistent one, mostly **in Math and Language English. Terrible deficiencies**. A history professor at UND, I was his senior assistant one year and I graded the freshman history 103 and 104 essays some years ago, and two years I helped a friend out to grade essays of the same equivalent class the writing 35 years later was abysmal. They couldn't write.

Senator Robinson: There is still an issue out there. Some of the institutions have partnered with UND as a program with Lake Region for those folks in need of remedial education for the first semester or two and upon satisfactory completion of that program they are on the UND campus in Grand Forks but they are Lake Region Students. We keep talking about careers and academic programs. We have a tremendous amount of work to do with Career counseling and guidance in the high schools. They maybe have social counseling, but they are overwhelmed and very little career counseling is actually taking place. If you look at the top 7 or 8 reasons why students select an institution of Higher Education there is a very high percentage, it's not driven by program at all, they are there because of boyfriend, girlfriend, the excitement of the city, things to do, clubs, pizza parlors, they are not placed appropriately, and they drop out, retention rate suffer and it's costly to the system. **I think it would be very wise for our system to invest in K – 12 in career counseling and guidance.**

Chairman Holmberg: the family structure has changed so much. Now you have a lot of families where the kids run the show.

Senator Robinson: one thing we heard from Dennis Jones and some agree and some disagree**, we have to change the focus from numbers to quality. We need a science center at our school.** That building we want to remodel is the newest building remodeled – 1973. Now if you go to every institution in the state and eliminate all those buildings that have been built since 1973, how challenging would your recruitment be and retention? We've got students that go visit their friends at NDSU, go to the Wellness Center, when they come back to Valley City to some old basement gym. That's how complex this is. I don't know what the answer. The discussion today has brought to the table a lot of issues; the truck driving school, bring it back to DSU now. Not in two years. **That's what private industry is asking for**. **Our ability to respond**. We've talked about an emergency pool within the Board Office, although we don't like pools, but to respond to immediate needs in short order for the private sector, we haven't been able to do that and by the time we respond, the need maybe isn't there anymore.

Chairman Holmberg: Part of the problem is those that have been around awhile know that we had those pools about 3 or 4 sessions ago the Board Office used it for salaries for Board office people. **Are there any other construction projects?** We don't want to have our subcommittee meeting and then someone say we don't want to do the facility in Wahpeton that was not on the governor's list, but was added in the House. In other words, the House reduced a lot of money in the governor's executive budget and then turned around and spent a lot of money on other buildings that were not in the budget and removed some buildings that were in the budget. What is your sense on those?

Senator Christman: I thought that the Wahpeton deal was good.

Chairman Holmberg: The Diesel building - $10M at Wahpeton is something that's been talked about a long time and anyone who has ever been down there would say that is really

something that has a lot of state wide application and merit. There was a **Science building remodeling at VCS** that is somewhat substandard, that was removed by the House. The House added the **4th floor of the Bismarck Energy Center,** and that's the money that Senator Grindberg eluded to that was left over money that the governor had put in his budget for Centers of Excellence. As Senator Wardner mentioned, last session the legislature passed a **library building at DSU** with a contingency that didn't really contingent, even though they thought they did when they broke ground and they found out it didn't; the Board did not put that in their budget request, the governor put it in, the House removed that and **Williston** was added by the House.

V. Chair Grindberg: I'll just declare my conflict of interest. I was named the 2006 Alumus of the year for NDSCS. My picture is on the wall. I only say that because the building is probably important to the campus but what I think is more important is appropriate operational funding first. Buildings should be last on the list. So as your subcommittee works through the budget, **my position would be a recommendation buildings are last until the operational side is settled.**

Chairman Holmberg: That was the struggle between the House and the Senate last time was over buildings and at the end of the day, we ended up with more money in the Higher Ed budget because of some building projects.

Senator Wardner: On the **Diesel building at Science**, I agree with Senator Christmann that we need to be moving in that direction. The need for that skill across the state, and especially in our area is growing. **That's an investment in workforce.**

Senator O'Connell: **Bottineau pretty well got caught like Williston did on dorms**. We have the smaller oil companies coming in, they are requesting dorms, and all the rooms are full at this time. **So I have amendments for that and then the parking lot,** the city is going to do the streets in town, and that will be the cheapest rate to ever get it done with the city doing it and then there **was the heating pipes are leaking, I have some amendments for some of that at Bottineau.**

Senator Krebsbach: We are working getting the second phase **of geothermal done at Minot State.** There are complete operational cost savings and we should be looking at that also.

Senator Erbele: I represent the legislature on the school advisory committee one of their discussions is the **increase in class sizes**. There was a whole discussion on the **medical building, they have a 3 phase approach that they would like us to consider**: **1. To increase 8 additional medical students per year, 15 additional Health Science Students and 9 new residency slots, and they would be looking at $1.8M, that would be phase one and then phase two would be the study phase where they would petition the legislature to study the need for the building and whether to continue on down that road and then they'd be looking at , if that were positive, to build in the 13-15 biennium.**

Chairman Holmberg stated that is on the list. Discussion on 1003 was closed

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 subcommittee
March 22, 2011 AM
Job # 15797

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the North Dakota University System.

Minutes: See attached testimony # E.

Subcommittee Chairman Holmberg: Called the subcommittee hearing to order on HB 1003. Other subcommittee members present are: **Senators Bowman, Krebsbach, and Robinson.**

Chancellor Goetz: Handed out Follow-up to the March 17 Senate Appropriation Subcommittee meeting - see attached #E.

Chairman Holmberg: He said that in the first half of the session the House reduced all budgets by about thirty million dollars below the governor's recommendation. He said that about eighty percent of that came from the higher education budget. The Senate had goal of reducing the governor's budget by $100M and ended up adding $5M. Recapped with the committee and the suggestions included adding $56M to what the position of bill is right now. It is $30M below the governor's recommendation is the House position and some members had wanted us to go 26. I don't think this committee would add that much but it will be closer to the governor's recommendation one they are done then is the House position.

Comment was made that Kathy is working on that, on the debt analysis.

Chancellor Goetz: The information that is provided to you today addresses the five attachments. The first is equity and the question was more of drilling down to the process of which equity is calculated or determined and he asked for Laura Glatt to go over that

Laura Glatt, NDUS Office: She referenced attachment one in their packets and said it was the information related to equity.

Chairman Holmberg: He said one of the discussion points that the full committee asked was why we are approaching this from the standpoint that the campuses get money and that is a line item for them and we have another line item and we are pumping equity into campuses and then we have another line item that talks about affordability. Some on committee suggest it would be such a drastic change – they want language next time that shows affordability.

Laura: Said that she would talk a bit about equity but wanted to come back to the comment in the end about college of affordability and how these two relate or don't relate to one another. She went over the pamphlet.

Senator Robinson: He said before we leave this page could you talk about the impact of enrollment growth or reduction would have on this report and subsequent to that what impact would the addition of additional staff have. He said at our institution if we grew by 250 students, for example, what that would do to the equity formula here in terms of the final far right figure also if we put on 6 new faculties because of the growth what does that change in terms of this presentation here? A

Laura: Said relative to the first question about added enrollment, that is difficult because they don't control both sides of the equation, the equation is comparing their institution to a bench mark figure that is driven by fifteen institutions that are external to the state. She said that they don't control what happens in those fifteen out of state institutions. She said that is important because if they assume everything remains the same in those fifteen institutions but enrollment goes up at our institution and the resource doesn't increase it reduces the cost per student for their campus. As the cost per student reduces and they compare it to the out of state institutions the gap will widen. Conversely if your lose enrollment your cost per student goes up and the gap to your peers will narrow. If nothing is happening on their side of the equation but those 15 institutions are changing significantly that will change our peer position.

Senator Robinson: He said as a rule given what happens here and what happens in those external institutions these percentages are going to change relatively slowly, we're not going to see major changes overnight and the other question is you put this together in the fall semester in the new fiscal year?

Laura: Said in terms of the enrollment numbers they used fall of 2008-09 enrollments. She said they prepared this over a year ago. She said some of the other questions will be answered on the slides. She said about adding staff, if the enrollment is going up and you are adding staff at the same rate it may be awash in terms of students.

Senator Bowman: Said his question is when you're looking at other colleges, do you look at pollution of that state and resources that they are putting into them as compared to what we put in from our tax payers. He said that is as important as anything if we are contributing all we can we can't do any better than that.

Laura: She said that would be on the next page. She went over page 2 and on to information on the other pages.

Senator Bowman: Asked when she is comparing campus to campus, do you compare the amount of colleges within that state in comparing them to the population because some states have a lot less schools so their figures are going to be skewed base upon that alone, so you can bring them into the mix which makes us look bad but if we had an equal number of campuses compared to our population as they do then where would are figures be?

Laura: She said they don't factor that in and some states do have fewer public institutions because they have a much heavier private institution representation, especially in the eastern

part of the country. She said she isn't sure how they would factor that in it is a public policy issue in terms of how many institutions they have but it also complicates things because what you provide in North Dakota is spread over more institutions. She continued going over the slides, pamphlet.

Senator Robinson: Said one of the questions is a couple years ago, NDSU based on their equity funding they hired a large number of faculty. That set them up to almost benefit to adding faculty but it put them further away, they had more people and more cost. One of the concerns at the time is this model is working against us in trying to level the playing field. We come back two years later and things have worsened.

Laura: Answered his question by walking thru the spreadsheet on the next page, 10.

Senator Robinson: Said I know we have roundtable in the way we budget and we don't appropriate the tuition, for institutions that use tuition to put on additional staff, doesn't that skew everything we are looking at here?

Laura: Said the expenditures aren't showing up but the enrollment and the enrollment would be in is the divisor. The students are sitting there, we have to add class sections where else do we fund the faculty from? It may make some difference in the model it isn't significant. We've got to find a way to add faculty when the students are there.

Senator Robinson: He asked if they were focused on quality or on numbers.

Laura: Said one way to fix the gap is to start eliminating enrollment at certain institutions.

Chairman Holmberg: Asked Brady Larson about the issues with dollar value and if he had a list of those issues. He began going over the list. He said they need to go through the list and decide what is important and prioritize.

Senator Krebsbach: Asked if they were counting some of that as duplicate because some of that was covered in the governor's bill.

Chairman Holmberg: Said we will start with the House position and use as a benchmark the governor's recommendation and the other book end would be the number of other issues that the committee would like to address.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003 subcommittee
March 22, 2011 PM
Job # 15829

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the North Dakota University System.

Minutes: See attached testimony - # F - # M.

Subcommittee Chairman Holmberg called the committee hearing to order on HB 1003. Members **Senator Bowman, Senator Krebsbach** and **Senator Robinson** were also present. Brady Larson, Legislative Council and Tammy R. Dolan, OMB.

Brady Larson will put together a list.

Nancy Kopp, Exec. Director, ND Optometric Association; ND Veterinary Medical Association: Testified in support of HB 1003. Written testimony # F
She testified in support of the Professional Student Exchange Program and the Kansas State Provision and asked for current levels of support.

Chairman Holmberg: Are there any additional optometry schools in the future.

Nancy: They've opened a new school in Glendale, AZ and in TX.
Also shared 2011 ND Veterinarians – Geographic Practice Distribution – see attached # G
And 2011 ND Optometrists - Geographic Practice Distribution – see attached # H.

Julie Ellingson, ND Stockmen's Association: Testified in support of HB 1003 Written testimony # I in support of the Professional Student Exchange Program

Beth Carlson, Deputy State Veterinarian, State Board of Animal Health: Testified in support of HB 1003 Written testimony # J

Robert Vallie, Executive Commissioner of Governmental Relations and Intercollegiate Affairs: Testified in support of HB 1003 No written testimony.
He gave information on Higher One and examples of some problems.
Financial aid return services concerning how it's been interacted. He said currently there are two institutions that are using higher one which is a private entity out of the state of Connecticut who has become more of the recognized private entity which deals with the excess return of financial aid. He said some of the concerns that students have with Higher

One are the fees. He went over the ways that they pay the fees. He said some of the fees would be an abandoned fee or an inactive fee for you to kill off the account or to do something with it. There is a lack of documentation fee if you don't provide the necessary information in time to say this is who you are and that you are using the account. If you lose the debit card you are given there is a fee for that. There is also a fee for transactions if you want to pay bills on line. There is also a fee for using a debit card at a grocery store. He said while the fees are surprising to the students there are ways to get around these fees. He gave examples of how they can save fees. There is a problem with communication between administrators higher one to the student body when these programs were implemented. It is something that needs to be looked at. He said they believe a resolution looking at legislative study concerning private entities like higher one, would be a step in the right direction.

Chairman Holmberg: He said he didn't know if the committees wanted to pursue that further, or allow the policy section of the legislature with that study resolution go forward. He said the committee is aware of the situation but they don't want to do something that potentially gets in the way of a contract that has already been signed.

Robert Vallie: He also addressed the similarity of the two projects. He said the overall price tag for Ehly Hall and Geoscience Building being at three million apiece. He went over amendment 11.8155.02007 and amendment 11.8155.02008 (see attached K & L).
Spoke on capital projects concerning Ehly Hall renovation and the Geosciences Building. If this project is funded, it would help with lab and research space. The needs for engineering students are different than the architectural student. What they hope to accomplish is to remodel and repair these facilities. He went over other things they would hope to accomplish with these projects.

Senator Robinson: Asked were these two projects on the board capital improvement list for the current legislative session, prior to the Governor's Executive Budget message.

Robert: He said it was on the overall list of 1-25. It was not on the overall 1-12 list.

Chairman Holmberg: We asked Brady Larson to give us a listing of the board priority list, the executive budget list and where we are right now and we will have that done in the next two days. I'm assuming because they were available, the board office or OMB would have additional information about the buildings. He handed out – 11.8155.02006 – see attached # M.

Senator Schneider: He spoke on the proposed amendments that relates to the eligibility for the medical personnel loan repayment program and the physician loan repayment program.

Gary Garland, Office of Community Assistance, ND Department of Health: He talked about inquires they have had from physicians that practice in larger areas and have practiced for longer than one year and they were wondering if they would be eligible to apply for the loan repayment program for physicians. Right now if you practice for longer than one year you can not apply. He said they are asking for a housekeeping change and it does not involve any appropriations. There are two programs, one for physicians and one is for what they call mid level practitioners. He said under those programs a physician may receive up to ninety thousand dollars for serving an underserved area for a period of two years. The state pays half

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003
March 24, 2011
Job # 15936

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing of the NDUS

Minutes: See attached testimony - # N - P.

Subcommittee **Chairman Holmberg:** called the committee hearing to order on HB 1003. Subcommittee members **Senators Bowman, Krebsbach, and Robinson** were present. **Brady Larson** – Legislative Council; **Lori Laschkewitsch** – OMB.

Chairman Holmberg: None of the things on this sheet have been agreed to by anyone. They were asked to be considered. Handed out: Listing of Proposed Changes to Engrossed House Bill No. 1003 (Attachment # N). Will Brady Larson walk thru changes...date is March 24

Brady Larson: (Heading) Ongoing funding changes:

1.) Request to restore equity funding– removed by house 10M
2.) Student affordability funding limiting tuition increasing at institutions (removed by the house)
3.) Stem teacher education funding – added by 2009 legislative assembly, but removed by House
4.) Executive recommendation had provided 5M for Higher Ed performance based funding distribution method and was removed by the House

Chairman Holmberg: Initially the discussion was for 15M for equity, but then the Governor's Executive recommendation took 5M and put it into this performance funding new initiative. Is that correct?

Mike Hillman: NDUS Office: Board's budget request 15M in equity funding. The governor budget request was 10M in equity and 5M in performance funding. Board later met and considered the Governor's Budget in support of the governor's budget.

Brady Larson:

5.) In House Bill 5 discussion on HB 1363; provisions in that bill be added to HB 1003, regarding funding for tribal colleges assistance grants.

Chairman Holmberg: The sponsor of the bill was savaging me about doing this.

6.) NDSU presentation for Native American recruitment and retention program ....in the presentation handed out, there was an amendment submitted by Mathern for this program.
7.) DSU Library project in the executive recommendation, 8.8M and was removed by the House. The amount here is 10.56M to restore the funding to level included in the original state board of Higher Ed requests.
8.) A funding for VCSU Science Center project. Executive recommendation was 7.9M for the project. House removed funding and this request is to restore to 10.8M which was the state board of Higher Ed original funding request.
9.) Special assessment payments. In the executive recommendation, there was funding included to pay off all the special assessments payments at the campuses. The House did reduce that funding and provided funding for payments for principle interest for the 2011-13 biennium only.

Chairman Holmberg: Was there testimony in budget now, some specials weren't capture because they were late?

Brady Larson: Correct. We heard from BSC they have in addition they have some special assessment payments and there may be another institution that may have specials that are not reflected in this amount.

Chairman Holmberg: Need to be paid this biennium?

Brady Larson: Yes, to begin with 2011 biennium.

Chairman Holmberg: BSC was one of them. Other campuses? If we're going to do these specials, we should reflect in the budget those specials that weren't captured during the time the budget was put together and not leave any school out hanging.

Laura Glatt: NDUS office: The only one we are aware of that was recently added is BSC....they had a new one just informed. We can re-survey the institutions to see if the amounts are the most current.

Chairman Holmberg: Do you know what the BSC amount is? Communicate that to me and also to Brady.

Brady Larson:

10.) Funding for the MSU geothermal energy project. This funding would continue the project into another phase, but not included in Executive recommendation
11.) Brought forward by Sen. O'Connell regarding Dakota College Bottineau repairs parking lot repairs, special assessments, heating pipe repairs, and IVAN classroom project

Senator O'Connell: Special assessments; when city does their streets this summer.

Chairman Holmberg: Laura will capture that in survey

Brady Larson:

12.) Dakota College/B (Oil tax trust fund) Dormitory and Student renovation project. Amounts listed would include $62,500 of local funds

13.) Request from state board of Higher Ed, regarding capital projects that are not state funded and not included in the executive recommendation. In the description, that would include additional funding for the joint university system UND IT building.

Chairman Holmberg: An authorization to accept money from a federal grant. If they get it, they need authority from us and if don't get the money, they can't spend it.

Brady Larson: Also UND flight operations center

Chairman Holmberg: The land is leased from parking authority. The info is there. They are not on state property they are on Airport authority who owns those buildings.

Brady Larson: (Under #13) Also 1.5M for MSU food service remodeling project

Brady Larson: On the back side of the sheet are topics for discussion.

1.) Increasing SBHE member compensation rate tied to daily pay for members of the legislative assembly. They get $100/ day and would increase to amount is received by members of the legislative assembly....same daily rates.

Chairman Holmberg: How many boards are same as legislature?

Brady Larson: Lori and I were in meeting and asked about this.

Lori Laschkewitsch: The rates range to $62.50 to $148.00 day. They were decoupled from the legislative pay several bienniums ago. They haven't gotten any increase and they want their rates to go up to legislative rate.

Chairman Holmberg: We could set it at $148 or could say it is the same as legislature or ---- are we setting precedent that will open a huge problem? Or are we better off saying $148 and leaving it? The workload of those folks, if you follow employed and know the workload is time consuming, but that will be policy decision.

Brady Larson:

2.) Proposal to allow 1.8M of funding that was designated for joint university system UND-IT building to be transferred to the school of medicine to expand class sizes and residency positions.

3.) Provide for tuition rates that are graduated based on addressing immediate work force needs.

Chairman Holmberg: (Addressing the board office.) Committee member said if we are trying to encourage folks into certain fields, is there any incentive that could be used for graduation tuition rates for those programs? Sounded like an idea that has been studied. For us in the next 3 weeks to mandate that kind of change. We don't know what implications will be. We were going to allow teachers who retired to come back in areas of critical shortage.

The teachers' boards classified everything except phy-ed into a critical shortage area. Legislative intent to ask board to consider as they work through the next two years.. If SB 2300 passes, it sound like that is an issue that should be viewed by that committee.

Senator Robinson: I agree and think there is an area to support. Legislative intent is the approach to take. Based on research, data, and homework.

Chairman Holmberg: Do you want us to jump in?

Bill Goetz: This is an area that requires some work and thought. We would like to see it on the agenda the next two years.

Chairman Holmberg: We will get some language in there. We had amendments prepared regarding the position eligibility.....Amendment 11.8155.02006 – see attached # O

Brady Larson:

4.) Changing eligibility requirements for those programs.

Chairman Holmberg: (Senator Schneider did present those amendments.) There was a loophole/oversight of the program to entice people to go into rural communities where they will pay 50%.

Brady Larson: The amendments did address the eligibility requirements ....page 1 (bottom) requirements that a physician must not practice medicine for more than one year before the date of the application. This amendment would remove that provision so if someone had been practicing for a year could still go out and be eligible for the program if practiced in a rural community.

Chairman Holmberg: No fiscal impact, all of a sudden there were two requests who wanted to go out in rural communities and take advantage of this program. Found out that if they had more than one year of practice, they weren't eligible. That was for nurse practitioners, physician assistance, and etc medical people.

Brady Larson:

5.) Some additional info is provided in that report regarding full time students that have an on campus presence.

Chairman Holmberg: That data is glean-able. Request to be moved to top of list. – apples to apples.

Brady Larson:

6.) Legislative intent for affordability....state that tuition rates are not to be limited to an increase of 2.5% of the 4 year institutions or 0% at 2 year institutions.....it would provide that campuses can increase tuition levels above that amount even if they receive the affordability funding.

Chairman Holmberg: A lot of discussion with House, what does interim committee do? Get away from three line items for the campus. Equity and affordability. Like to go back to just one. Hopefully changes recommendations for the next session.

Brady Larson

7.) General discussion regarding capital projects – several projects brought up ..... lists them.....BSC Energy Center 4th Floor, Finishing project, NDSU Geo Science Building, Hall Renovation projects, etc.....

Chairman Holmberg: Perfect segway to other sheet listing the various projects the board had submitted and where we are in regards to HB 1003
Higher Education Capital Projects – Funding Provided by State Sources (11.9272.01000) - see (Attachment # P)

Brady Larson: Different projects are in left hand column. Presentations by board office for top rank - the state board of higher education rank ..... is in 2nd column. Submit a funding request for the top 12-13 projects, but do list the entire project that was ranked by the board. Last column the original state board of higher education funding request is included in that column, some included in executive recommendation were not funded at the level as requested by the board. If you compare to next column to the right, you can see what was included. Last column provides how much funding was included in the gross version of HB 1003 as passed by the House and most current list of capital projects funded from state sources.

Chairman Holmberg: Bill needs a copy

Brady Larson: Regarding status of that project

8.) Request from the system regarding Menard Hall at NDSU....add language to HB 1003 to indicate funding for the project that was appropriated in 2007-09-2011 can be continued in 2011-13 biennium to be completed provide intent there be reports provided to budget section regarding status.

Chairman Holmberg: Haven't heard

Brady Larson:

9.) Transfer funding from School of Medicine to NDSU for NDSU share of the joint masters in public health program

Chairman Holmberg: Intent to share funding but as funding went along, timing wasn't right so money never divided. Request from NDSU to give them $609,000 so called UND to see if its end run, so that amendment is there.

Senator Bowman: When you get a project, regardless of campus, included in amount does that include destruction of one we already have or is that for the next biennium?

Bill Goetz:

Chairman Holmberg: Are any of these destruction of old buildings

Laura Glatt: None of them are, but at Mayville, we do include the cost of demolition.

Chairman Holmberg: Re-new, remodel, re-build. Re-new meant painting, remodel was changing desks, and rebuild was new roof, etc. Any questions on working list?
We received the data need to be review as is about out of state students gets a lot of face time. Review the debt of students. Won't meet tomorrow. Ask Brady for information if needed.

Senator Krebsbach: Have we covered everything that all the institutions were requesting?

Chairman Holmberg: This is just what the board recommended and what the governor recommended. Additionally filtered by the House action. The board has a list (every campus) takes a long while to get to the top. A lot of other things on there right now we have 111M of funding requests from the board. It doesn't cover everything.

Senator Bowman: Has there ever been a study done as to the size of the campus that we can afford with 650,000 people? It makes a lot of sense to emphasis the quality of education rather than the amount of students we retain. We know what cost of building is. The more the students, the faster it deteriorates and more maintenance. Is there ever a point of diminishing returns? Has that ever been done?

Bill Goetz: NDUS: No, there hasn't been any study. I think we need to keep in mind, looking at our campuses; there is an aging process taking place with physical structure. There is a constant reconciliation that takes place in decision making with programs, age of buildings. The responsibilities to citizens and tax payers. We certainly will strive in that regard.

Senator Krebsbach: I don't have list of priorities the U has done, for example, LRSC requesting 4.85M for the Erlinson building, is that anywhere on your list or has it just come up recently?

Senator Robinson: It's #10 on the list. Boards' priority list.

Chairman Holmberg: Higher One – won't be doing that in this bill – that's a separate issue.

Chairman Holmberg: Closed the hearing on HB 1003.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003
March 29, 2011
Job # 16157

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on HB 1003 – NDUS, the Higher Education bill.

Minutes: See attached testimony - # Q – R.

Chairman Holmberg called the committee hearing to order on HB 1003.
Subcommittee members **Senators Bowman, Robinson and Krebsbach** were present.
Brady Larson – Legislative Council- **Tammy R. Dolan** – OMB.

Chairman Holmberg talking off of the **Listing of Proposed Changes to Engrossed House Bill No. 1003** - see attachment # Q.
Halfway thru the session, the House removed $30M and a couple bills they added money in. All the money they took out was from the university system budget. I want to walk through and make suggestions to mull over. We have to come in decent amount under Executive Budget. It's awkward to look at the entire state budget. It was reduced from the governor's recommendation a great deal and no one else really was.

1) **Restore the equity funding**, removed by House, of $10M.
2) **Money to hold tuition to zero for the campuses**. For other institutions, it's 2½%. We have an amendment that says, we don't want to do this anymore.
3) **Restore $1.5M in STEM program**.
4) **Haven't found a lot of support for #4** but the governor's office is quite strong on this. The board has no plan but have a study. The question being, how is higher education going to be funded? (leave this out)
8) **Remove $336,000 and go forward with the science building**. It was high on the list of Board and Governor's office. Removed from House, they added other buildings. Suggesting we fund that at $10.5M (Rhoades Science Center, Valley City)
10) **Minot State Geothermal Energy Project**. Leave at $5M.
12) **Look at funding $700,000**. We have not built dormitories before.
9) **Addition of $30,000 for special assessments.**
13) **Special Funds are raised locally. NDUS/UND Information Technology Facility**. UND put in a grant (federal) for $7.7M. If they get the federal money, they want the authority to spend it.
14) **Adds money, BSC and NDSCS have special assessments** that were not in the budget.

OTHER ITEMS FOR DISCUSSION:

1) **The Higher Ed. Board asking for more daily compensation**. Senator Robinson states that there is a tremendous amount of time and work and they need to be compensated fairly. They are asking to get paid as much as the legislature. That is $148/day.

Senator Bowman asks, what is the dollar figure on that?

Chairman Holmberg states, they would have to absorb it in their budget. He asks Brady to get the numbers on that. It will be built into the governor's budget in the future.

Senator Krebsbach states, if you break it down to an eight hour day, it comes down to being pretty cheap per hour.

Chairman Holmberg states, we will leave it in. Brady stating it is 388 days of per diem. **Chairman Holmberg** states, this would not cause us to increase an appropriation.

2) **Joint Technology Building**. We are allowing $1.8M transferred to the School of Medicine to expand class sizes.

3) We are asking that the board look at **Graduating Tuition Rates for Programs** that address immediate workforce needs for the next biennium and come back with recommendations.

4) **Loan Repayment Program and Physicians Loan Repayment Program**. We want to leave this as is.

5) **Amendment about the Fall University System Enrollment Report**. We wanted it clear that the number of physical bodies on campus and not including dual credit or distance ed.

6) **Legislative Intent including tuition rates and student affordability**. That was an issue because it looks at how higher education is funded.

7) **Capital Construction Projects**. We need to look at that whole list.

8) **Request from Board on Menard Hall**. This is not a cost item. It needs to be finished.

9) **The Masters and Public Health Program** was one lump item in Medical School Budget. It should be ½ NDSU and ½ UND. (no increase just transferring money to where it belongs).

10) **Permanent Oil Trust Fund and Scholarship and Theodore Roosevelt Center**, oil wells and royalties are dropping. Brady Larson states to keep scholarships we need to replace with other funds.

Senator Bowman states, when they first come in there is a lot of pressure. That pressure will give you the maximum of production. The older it gets the less barrels are produced.

Senator Robinson states, we were getting $12,000-$13,000 a month and now we are down to $7,000. It belongs to the state.

Senator Bowman states, if that oil well has been used to replace general fund dollars to the operation of the college, when that go down. We would of done that if it wouldn't of been for the oil fund money.

Senator Robinson states, we are in this predicament now at Valley City State College. Do we have the same situation that is going to happen in Minot, Bottineau etc?

Senator Bowman states, the management of that money is the most critical part of it.

Senator Holmberg states, we had another bill #1007. Same situation and Senate's position was to have it spent on Veterans. If they really hit it big and then what is our attitude?
We need to find out when that well goes down in production, what are their long term plans?

11) **Theodore Roosevelt Center**. That was last session and why are we doing it again? We need to learn more about it.

7) **Assessment on buildings.** I have seen breakdown on the BSC Energy Center of Excellence. $4.355M in budget, Dept. of Commerce, by action of subcommittee, that money is no longer supporting BSC College of Excellence, 4th floor. They had a contingency of $275,000 and that seemed a little large for a building that size. Could they do with less?

Senator Bowman states, when you look at all the capital programs here, the important thing is we look at the workforce that has needs and what capital projects do we have, that if we get them built, can we take care of part of the needs of the workforce? We have to have people that are prepared to go out and get a job. This bill was not part of the final package until the House.

Chancellor Bill Goetz states, I would like to verify that the information is correct.

Senator Robinson states, there is an indication there is some strong support and asking several of these projects to shave a little off, a little here and there becomes a lot.

Senator Bowman states, there is a lot of equipment in there and what does remodeling cost? We want to get it up and running so we can start a class. Let's refine that building.
There is angst over the situation whether you have 5 projects in 3 districts. $20M at one small campus and 2 other campuses that have very little. In fact, nothing. We are over right now if we added these up. If you add up the things we have talked about and want to go forward with, we are at $29.8M and we have not addressed anything for the Bismarck project. We are way over right now. After adding all this up we are at $33.8, which is over the governor's recommendation. We have not addressed the Bismarck

project, estimated at $4M. We need to work on the dollar amount for Bismarck and then we have the question of the oil money for Dickinson State (Theodore Roosevelt), which is $1.1M. I am handing out the Erbele amendment 11.8155.02015 of expansion of the medical school and I visited with Rep. Skarpol and Rep. Dahl and is a pusher of this and I have the impression it is going to happen. They need to have the study of the health care needs.

Senator Robinson states, after being involved in a group discussion on this subject, this is a reasonable investment. 70% of their discussion was about rural medical service.

Senator Bowman states, yes, if they look at rural ND. We have to import doctors from out of the country.

Senator Holmberg states, UND has a higher percentage of folks going into family practice than any other medical school in the country. They lead the country. The graduates do their residency outside ND and then they lose them. They want to increase their residency slots in ND. This $1.799M does is increases their residencies and other programs up to their capacity. If they go beyond that, they have to do facility wise.

Senator Robinson states, if you look at the rest of the professional programs in the state, the percentage of professional graduates in those programs we retain, is very similar to what we do at the Med School. It's a good amount and I hope we get good information back.

Chairman Holmberg states, the things we need to go back to is the 4th floor, getting some refinement on those numbers and how much this committee is willing to go with that, the Old Main project at Wahpeton. I support the Diesel program. We are at $33.8M, if Old Main came out, it would at $25.6M and we would still have to look at Dickinson and Bismarck, 4th floor.

Senator Bowman states, these are all general fund buildings, we are not bonding anything? It is stated, none of these are.

Chairman Holmberg states, there is $2M revenue bonding authority for Williston State Workforce Training Building.

Chairman Holmberg states, one other issue, #5, what are your feelings, most of the people I hear from are House members. That is the $1M for the tribal college assistant grant program. It was originally in the budget, taken out in lieu of an individual's bill.

Senator Robinson states, there has been a long history on this bill. I know there has been some contention. If you trace the history on this bill, contrary to the sponsor in the House, who is suggesting this has to be a separate bill, I personally believe it belong in the University System budget. I think we are covering the bases. The chancellor and the board office has developed over the year with the tribally controlled colleges. The

interaction we have here, I think to separate that out, is a mistake. I think it belongs in this budget. The committee may disagree with that.

Chairman Holmberg states, funds come from revenues of oil pumped on the reservation. We will mull this over and visit with the entire appropriations committee. I know some of folks from the House have been lobbying hard about it is absolutely critical that it be a separate bill and it can't be folded in to the higher ed. budget. Let us see what the votes are in the committee before we go any further.

Senator Robinson states, would we bring this up on Friday or late tomorrow?

Chairman Holmberg states, because Bill needs to get us some information to get. Friday would be the earliest. I did get a report on the student debt of the graduate from the board office. I was reading that UND overstated what was actual fact and it is a much more mixed bag. I will copy it and get it to you all.

Chairman Holmberg closed the subcommittee on HB1003.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1003
04-04-2011
Job # 16313

☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

A ROLL CALL VOTE ON THE HIGHER EDUCATION BUDGET

Minutes: You may make reference to "attached testimony."

Chairman Holmberg: Called the committee back to order on the Higher Ed (NDUS) budget. Brady Larson, Legislative Council and Tammy R. Dolan, OMB was also present.

Chairman Holmberg: Presented proposed amendments#11.8155.02016. The amendments you have before you reduce the executive recommendation but add back in its 3 ½ M below the Executive budget but a definite increase in the budget for higher education of 51M over 2 years ago of general fund money?

Brady Larson: Start on page 13 of amendments. This is the beginning of the statement purpose of amendment. (Page 12, will see one appropriation for legislative council and will cover that at a later time.) Page 13, is the funding changes for University System. Footnotes found on pp. 16....start at the middle of the page. Explains and does an overview of the amendments. Willing to discuss some statutory changes. Public health is a brand new program, when funding was only added to the school of medicine. On page 17 other changes where you can find these sections. Page #7, section added, 1363 for the tribal college grant program – different rates for disbursement to the tribal colleges. One other item back to page # 7, section 3, there is an appropriation in legislative council, and this is for the purpose of a study for the school of medicines and health sciences. (13.47)

Chairman Holmberg: V. Chair Bowman thought the diesel building at Wahpeton would be in here. It is not in the amendments, it's in the bill itself. That capital construction project is in 1003, it didn't have to be referenced here.

Senator Christmann: On page 16, bottom 3rd of page, on the funding requests, the $1.335 M of other funds is what other funds?

Chairman Holmberg: The House had put in $4.1335M from that carry over money. That carry over money was designated in executive budget to go to centers of excellence. We left in Dept of Commerce. The subcommittee thought that 4.1335M was a lot of

money to finish the floor. We reduced it down to 3M, but BSC said the cost would be 4.1335M; we gave them authorization to raise local funds up to 4.1335M. That $1M335K is money they would have to raise themselves in order to put towards that building. It is not new money. They raise it themselves.

Senator Christmann: On UND, on the first line, the 7.7M special funds is federal, 5th line down the 2 1/4M ....is that also federal?

Chairman Holmberg: It is local money they have to raise themselves. There is no general fund money in here. The Conference Committee will give us updated numbers on the possibility of a federal grant.

Senator Christmann: On Minot State, $5M from general fund and $8.7M in other funds and then we get down to the revenue bonds with the Bank of ND loan proceeds ...I don't know what that means? What loans we are talking about?

Brady Larson: Minot State has found they need some additional money in the 2009 session for their physical plant building. They intend to do is borrow money from BND to finance the project and would pay it off with special funds. Ancillary funds purpose for housing. That would be any funds that the campus would raise or possibly get on a federal grant.

Senator Krebsbach: That is a project that is being done pending on them rising 8.7M before they spend the 5M?

Speaker unidentified: There are about 3 buildings that are going to be heated and cooled. This $5M is for that next phase and from the savings of the geothermal, it would pay for the revenue bond....the 8.1M we are looking at.. They are trying to obtain a grant or some other type of funding, if they can, that would reduce the amount they would need on the revenue bond.

Senator Robinson: If we don't go down this road at Minot in very early date, they need to replace their boiler at a very high cost.....several million dollars.

Senator Krebsbach: Anywhere from 8 to 10M would be needed.

V. Chair Grindberg: What is the total cost of the proposed joint IT building?

Chairman Holmberg: the total cost is14.3M, minus 1.79M and then what UND has asked is authorization to apply and accept federal grant money if they are able to find money to put an addition on that building as there building has research capabilities. That is the MNS proposal.
The president said they could make it work.

V. Chair Bowman: Moved amendment .02016.

Senator Robinson: Second

Clerk: A roll call vote was taken on amendment #.02016.
Yea: 12; Nay: 1; absent: 0. Motion carried.

Senator Wardner: Moved amendments .02017. (17th amendment)

Senator Warner. Second

Senator Wardner: This would add the Teddy Roosevelt resource center, sum of the building project is $10.66M. (Inflation has caused an increase.) Just a few comments. I believe there would be 25M in the ending fund balance projected as of Jan 1, 2010. We got there everybody thought the money was there, it was a mistake in the transferring of money. We were informed it hadn't hit the trigger; I was pleased with the people in Dickinson and the University. However, the money wasn't there, they didn't qualify. We wouldn't get it at that time.
This time is in the governor's budget. There is a need, DSU is growing all the time, and there is a need for this facility. It's going to be a resource center, state of the art, technology, along with this is housing of the TR files. Nowhere in this country is a library that houses TR materials. They are stored in about 3 different sites. It is going forward, house it all at DSU. If we are going to have that we are going to have to have an appropriate place where people want to come, it will be a great asset to North Dakota. TR spent a lot of time here, there are a lot of people who are infatuated with TR, and stand where he stood and do more study, will be a real positive. That's the reasoning they would like to see this place done. Thank you for your consideration on this amendment.

Chairman Holmberg: Is there discussion. I don't have the percentage; we are below 3.1/2 M below the executive recommendation. This would be about 8M over... if it passes we'll get all the percentages done. We all understand the building and project. Call the roll on amendment # 2017.

Clerk: A roll call vote was taken on amendment #2017. Yea: 5; Nay: 8; absent: 0.

Chairman Holmberg: The amendment failed 5 to 8.

Senator Robinson: Moved Do Pass as Amended.

Senator Krebsbach. Second

Chairman Holmberg: Discussion.

Senator Robinson: I appreciate Senator Wardner proposal here. The committee had good discussion on this proposal. The issue of deferred maintenance and the TR Center and as we move forward, I expect after serving on the conference committee on the higher education package, the conference committee will have their finger prints on this bill before we wrap up. I commend the chair of the subcommittee; Senator Holmberg did a great job bringing 11 different campuses, and extensive high education community. We have a long way to go, but at this juncture, I would encourage support as the bill as amended.

Senator Christmann: One request, on this Minot financing, someone can draw it out on paper what is going for each project and what is going in order to leverage financing to pay something else back.....would make it easier to understand. That is my request.

Chairman Holmberg: Is there someone from the board office who could do that? This will take a day or so to get upstairs.....won't be on the calendar for tomorrow.

Senator Christmann: Beyond that, our state government we are renting buildings all over town, pretty high prices. When something is full, we don't rush out and build new buildings immediately. It seems like this system of 11 going on 15 campuses in its own world; if a campus is thriving and full, we build more buildings to satisfy the need for space. If an institution is struggling and not full, we build more building and try to entice more students to come there. Having more buildings to maintain is not the solution to defer maintenance.

Senator Robinson: If you would review the improvements to the U system, we have remodeled existing buildings, Menard Hall at NDSU a beautiful facility which houses a lot of classrooms and has tremendous usage. We are remodeling and expanding at VUS, and at Mayville, we took down 2 older building and another one will be coming down. We added square footage some remodeling. In conference committee, the issue in deferred maintenance and repairing.....some of the facilities will be a part of our discussion.

Chairman Holmberg: I don't think you find the conference committee from the Senate side will be interested in adding money over and above the executive budget. The first half we weren't overly successful on the HS budget.

Senator Krebsbach: There are 3 projects for Minot, 5M for the geothermal, upgrading and remodeling of food service areas (not been touched for several years) and the plant facility building the physical plant building, that is the building that houses the old boilers and very old. It time to re-do that building.

V. Chair Bowman: Look at some of the campuses limiting the amount of students that come and emphasize the scholastic part of high education. We want some of the sharpest of the sharpest, rather than just have the class is full. I was pleased we talked about that, we know what this budget's done since I have been here, our colleges have grown, but not ND numbers. Is it our responsibility to educate everyone else, for less money than if they went to the U of M? We have the best, then limit the number that can get into that class.....we'll fill those classes with ND kids. They will want to get that degree, our ND students, as our costs continue to go up, it's going to approve the quality of education not just the size.

Chairman Holmberg: How numbers are counted, legislators get very frustrated. We saw data at one campus, over 95% of the students are in front of teacher (on campus) and then another campus there were only 5% in front of a teacher. A concept that blew a lot of people's minds, the amendment that V. Chair Grindberg put forth, we want a handle on that and understand it. It's very different than when we went to school as far

as online or distance learning, where will be in 10 or 15 years? It might be the direction Higher Ed is going?

V. Chair Grindberg: The bar graph on campus, I think that is the nature of one of the areas this legislature is trying to get their hands around. We need to empower our campuses to grow online, 10 years from now 50% will take on line, and it is kind of confusing. We have record enrollment, with dynamic that is changing in High Education. The public needs to know how many are on the campus, I think that amendment will help set in motion the cost structure and performance structure.

Chairman Holmberg: We had passed out earlier, SB 2300, the Commission. on High Ed, that had a death of fire. It went up in flames. V. Chair Grindberg had talked to me earlier; there were amendments that Brady Larson prepared for HB 1033, which mirrors language we used two years ago regarding legislative interim study. If we are not going to do the commission, we need to have something below that. Personal opinion the amendments that occurred on SB 2300, went a long way in making it not very helpful. It's gone.

Senator Robinson: As we review legislative history, these proposals are ahead of their time. Often that proves to be the case and some of the concepts and ideas that are embedded in some of this legislation that is proposed that is not approved will show up in the next session. Perhaps your efforts are not all lost; some will be resurrected at some point and time.

Chairman Holmberg: It would be foolish to continue under the funding the way it is now, very difficult. We end with 3 different line items it becomes easily to be confused. I would be very surprised if there wasn't a huge effort over the next two years to change that funding model. Personal opinion too much work.

Senator Christmann: You mentioned things being confusing to legislators and writers. If we pass this amendment, what is confusing to the people who sent us here to make decisions on their behalf that at a time when ND economy experiencing prosperity that is probably unprecedented in 125 years of history, is still not enough to quench our appetite for spending .....We are going to be spending and we are going to be bonding and borrowing from the bank to meet our spending desires.

Chairman Holmberg: Look at the explanation on that, you'll find that it is not much different than when you have Dickinson State wanting to bond to build a dormitory or refurbish a dormitory or for a food service place and the payments are taken out of the money that is generated revenue bonds....they are not obligation bonds.

Senator Wardner: One comment for DSU; that stadium has not one cent of state money in it.

A ROLL CALL VOTE WAS TAKEN ON A DO PASS AS AMENDED ON HB 1003. YEA: 12; NAY: 1; ABSENT: 0. Motion carried. Chairman Holmberg will carry the bill.

The hearing was closed on HB 1003

11.8155.02016
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Holmberg
April 2, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after "system" insert "; to provide an appropriation to the legislative council"

Page 1, line 3, after "projects" insert "; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies"

Page 1, remove lines 13 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$240,721	$12,254,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	(8,340)	7,177,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0
Two-year campus marketing	800,000	0	800,000

Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	300,000	1,000,000
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Grants	100,000	(100,000)	0
Student mental health	0	168,000	168,000
Academic and technical program revolving fund	0	1,000,000	1,000,000
Total all funds	$93,507,640	$2,004,323	$95,511,963
Less estimated income	4,748,958	(994,240)	3,754,718
Total general fund	$88,758,682	$2,998,563	$91,757,245
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$3,531,623	$27,735,628
Capital assets	243,481	13,767,125	14,010,606
Total all funds	$24,447,486	$17,298,748	$41,746,234
Less estimated income	0	8,835,000	8,835,000
Total general fund	$24,447,486	$8,463,748	$32,911,234
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$1,203,282	$9,159,492
Capital assets	43,662	111,705	155,367
Total all funds	$7,999,872	$1,314,987	$9,314,859
Less estimated income	0	0	0
Total general fund	$7,999,872	$1,314,987	$9,314,859
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$1,205,296	$8,902,295
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$6,361,622	$14,145,096
Less estimated income	0	4,820,000	4,820,000
Total general fund	$7,783,474	$1,541,622	$9,325,096
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$15,693,731	$140,730,514
Capital assets	2,300,545	48,158,167	50,458,712
Total all funds	$127,337,328	$63,851,898	$191,189,226
Less estimated income	0	31,650,000	31,650,000
Total general fund	$127,337,328	$32,201,898	$159,539,226
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$17,124,359	$125,491,981
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$54,537,061	$164,596,908
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$18,437,061	$128,496,908
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,777,695	$34,384,850
Capital assets	753,332	21,317,713	22,071,045
Total all funds	$32,360,487	$24,095,408	$56,455,895
Less estimated income	0	10,500,000	10,500,000
Total general fund	$32,360,487	$13,595,408	$45,955,895
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$3,124,204	$23,247,941
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$3,149,592	$23,657,019
Less estimated income	0	0	0
Total general fund	$20,507,427	$3,149,592	$23,657,019
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$1,304,283	$12,933,899
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,538,797	$13,377,404
Less estimated income	0	0	0
Total general fund	$11,838,607	$1,538,797	$13,377,404
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$3,287,409	$37,911,116
Capital assets	596,870	21,187,305	21,784,175
Total all funds	$35,220,577	$24,474,714	$59,695,291
Less estimated income	0	15,884,555	15,884,555
Total general fund	$35,220,577	$8,590,159	$43,810,736
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$1,413,578	$17,781,579
Capital assets	258,416	11,513,319	11,771,735
Total all funds	$16,626,417	$12,926,897	$29,553,314
Less estimated income	0	815,000	815,000
Total general fund	$16,626,417	$12,111,897	$28,738,314
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$770,850	$6,633,222
Capital assets	109,725	705,782	815,507
Total all funds	$5,972,097	$1,476,632	$7,448,729
Less estimated income	0	0	0
Total general fund	$5,972,097	$1,476,632	$7,448,729
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$5,155,396	$46,045,797
Total all funds	$40,890,401	$5,155,396	$46,045,797
Less estimated income	0	0	0
Total general fund	$40,890,401	$5,155,396	$46,045,797
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	61,153	97,791
Total all funds	$4,507,678	$702,280	$5,209,958
Less estimated income	997,486	0	997,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$218,988,355	$758,047,693

Grand total special funds	5,746,444	107,610,315	113,356,759
Grand total general fund	$533,312,894	$111,378,040	$644,690,934"

Page 7, replace line 12 with:

"Dickinson state university operating funds	350,000	700,000"

Page 7, replace lines 17 and 18 with:

"Capital projects - General fund	39,008,248	45,725,000
Capital projects - Other funds	166,958,000	106,284,555"

Page 7, replace line 20 with:

"Special assessments payments	0	819,357"

Page 7, replace lines 23 through 25 with:

"Total all funds	$257,001,168	$156,254,912
Total other funds	197,017,920	108,604,555
Total general fund	$59,983,248	$47,650,357"

Page 7, remove lines 30 and 31

Page 8, replace lines 1 through 4 with:

"**SECTION 3. APPROPRIATION - LEGISLATIVE COUNCIL - LEGISLATIVE MANAGEMENT STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the legislative council for the purpose of defraying expenses associated with a legislative management study of the university of North Dakota school of medicine and health sciences as provided under this section, for the biennium beginning July 1, 2011, and ending June 30, 2013.

During the 2011-12 interim, the legislative management shall study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 8, after line 12, insert:

"**SECTION 6. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET SECTION REPORT.** North Dakota state university may use funding of $5,000,000 received during the biennium beginning July 1, 2007, and ending June 30, 2009, and funding of $13,000,000 received during the biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the biennium beginning July 1, 2011, and ending June 30, 2013. North Dakota state university shall report to

the budget section regarding the status of the Minard hall project and may request increased spending authorization from the budget section for the project.

SECTION 7. PERMANENT OIL TAX TRUST FUND - TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANTS. The tribally controlled community college grants line item in subdivision 1 of section 1 of this Act includes the sum of $1,000,000 from the permanent oil tax trust fund, or so much of the sum as may be necessary, for the purpose of providing grant assistance payments to tribally controlled community colleges, for the biennium beginning July 1, 2011, and ending June 30, 2013. No more than $500,000 may be expended for this purpose during the first year of the biennium."

Page 9, after line 10, insert:

"SECTION 12. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES - TRANSFER AUTHORITY. The capital assets line item of subdivision 5 of section 1 of this Act includes $14,300,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may transfer up to $1,800,000 of this amount to the university of North Dakota school of medicine and health sciences operations line item in subdivision 13 of section 1 of this Act for the purpose of increasing the number of students at the school of medicine and health sciences and increasing the number of medical student residency positions, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 10, after line 4, insert:

"University of North Dakota - Flight operations center renovation 1,500,000"

Page 10, after line 8, insert:

"Minot state university - Food service renovation 1,500,000"

Page 10, replace line 10 with:

"Total special funds $43,500,000

SECTION 16. AMENDMENT. Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations.

Each member of the state board of higher education, except the student member, is entitled to receive as compensation one hundred <u>forty-eight</u> dollars per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 17. AMENDMENT. Section 15-70-04 of the North Dakota Century Code is amended and reenacted as follows:

15-70-04. Submission of grant application - Distribution of grants.

1. In order to qualify for a grant under this chapter, ~~an institutiona~~ tribally controlled community college shall submit an application at the time and in the manner required by the state board of higher education. The application must ~~document~~:

   a. Include the name and address of each student who qualifies for financial assistance under this chapter; and

   b. Document the enrollment status of each student ~~on whose account~~who qualifies for financial assistance under this chapter ~~is sought~~.

2. If an application is approved, the state board of higher education shall distribute to ~~each~~the tribally controlled community college, during each year of the biennium, ~~five thousand three hundred four dollars per full-time equivalent nonbeneficiary student~~an amount equivalent to the most recent per student payment provided in accordance with the Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If the amount appropriated is insufficient to meet the requirements of this section, the board shall ~~distribute a prorated amount per full-time equivalent nonbeneficiary student~~prorate the amount to be distributed.

3. If after meeting the requirements of this section any amount remains available for distribution at the conclusion of each year of the biennium, the state board of higher education shall provide prorated distribution based on criteria set forth in this section.

4. At the time and in the manner determined by the state board of higher education, each tribally controlled community college receiving assistance under this section shall file a report indicating:

   a. The graduation rate of nonbeneficiary students; and

   b. The ratio between the amount of funding received by the tribally controlled community college under this section and the college's annual budget.

SECTION 18. AMENDMENT. Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

   b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full-time as a nurse practitioner, physician assistant, or certified nurse~~

~~midwife in this state for more than one year before the date of the application;~~

~~e.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 19. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

   b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

   ~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 20. AMENDMENT. Section 57-51.1-07.4 of the North Dakota Century Code is amended and reenacted as follows:

57-51.1-07.4. Separate allocation of state share of collections from reservation development.

Notwithstanding any other provision of law, the state treasurer shall transfer to the permanent oil tax trust fund the first ~~seven hundred thousand~~one million dollars of the state's share of tax revenues under this chapter from oil produced from wells within the exterior boundaries of the Fort Berthold Reservation after June 30, ~~2009~~2011.

SECTION 21. LEGISLATIVE INTENT - STUDENT TUITION RATES. It is the intent of the sixty-second legislative assembly that student tuition rate increases are not to be limited due to the level of funding received for the 2011-13 biennium for student affordability. Each campus may increase tuition rates in an amount required to meet campus needs subject to state board of higher education approval. The state board of higher education may not request student affordability funding for the 2013-15

biennium and shall submit a budget request using a funding model that does not include a student affordability funding component.

SECTION 22. LEGISLATIVE INTENT - ENROLLMENT REPORTING. It is the intent of the sixty-second legislative assembly that North Dakota university system enrollment reports detailing fall semester enrollment information only include data for full-time students that are physically present on campus.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - PROGRAM TUITION RATES - WORKFORCE NEEDS. During the 2011-12 interim, the legislative management shall consider studying programs offered by North Dakota university system institutions that address the workforce needs of the state, including a review of the use of graduated tuition rates to increase enrollment in programs that address workforce needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 10, line 12, replace "3, 4," with "4"

Page 10, line 12, replace "12" with "15"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Legislative Council				
Total all funds	$0	$0	$100,000	$100,000
Less estimated income	0	0	0	0
General fund	$0	$0	$100,000	$100,000
University System Office				
Total all funds	$103,926,168	$94,711,963	$800,000	$95,511,963
Less estimated income	3,754,718	2,754,718	1,000,000	3,754,718
General fund	$100,171,450	$91,957,245	($200,000)	$91,757,245
Bismarck State College				
Total all funds	$38,053,301	$36,102,760	$5,643,474	$41,746,234
Less estimated income	7,500,000	7,500,000	1,335,000	8,835,000
General fund	$30,553,301	$28,602,760	$4,308,474	$32,911,234
Lake Region State College				
Total all funds	$9,314,859	$8,895,180	$419,679	$9,314,859
Less estimated income	0	0	0	0
General fund	$9,314,859	$8,895,180	$419,679	$9,314,859
Williston State College				
Total all funds	$11,920,096	$13,764,268	$380,828	$14,145,096
Less estimated income	2,820,000	4,820,000	0	4,820,000
General fund	$9,100,096	$8,944,268	$380,828	$9,325,096
University of North Dakota				
Total all funds	$178,573,093	$177,102,504	$14,086,722	$191,189,226
Less estimated income	21,700,000	21,700,000	9,950,000	31,650,000
General fund	$156,873,093	$155,402,504	$4,136,722	$159,539,226
UND Medical Center				
Total all funds	$46,653,406	$45,490,630	$555,167	$46,045,797
Less estimated income	0	0	0	0
General fund	$46,653,406	$45,490,630	$555,167	$46,045,797

North Dakota State University				
Total all funds	$166,286,316	$157,432,016	$7,164,892	$164,596,908
Less estimated income	36,100,000	36,100,000	0	36,100,000
General fund	$130,186,316	$121,332,016	$7,164,892	$128,496,908
State College of Science				
Total all funds	$54,203,080	$63,865,998	($7,410,103)	$56,455,895
Less estimated income	10,500,000	10,500,000	0	10,500,000
General fund	$43,703,080	$53,365,998	($7,410,103)	$45,955,895
Dickinson State University				
Total all funds	$31,757,019	$22,186,024	$1,470,995	$23,657,019
Less estimated income	0	0	0	0
General fund	$31,757,019	$22,186,024	$1,470,995	$23,657,019
Mayville State University				
Total all funds	$13,685,384	$12,918,898	$458,506	$13,377,404
Less estimated income	0	0	0	0
General fund	$13,685,384	$12,918,898	$458,506	$13,377,404
Minot State University				
Total all funds	$43,860,736	$42,990,973	$16,704,318	$59,695,291
Less estimated income	5,050,000	5,050,000	10,834,555	15,884,555
General fund	$36,810,736	$37,940,973	$5,869,763	$43,810,736
Valley City State University				
Total all funds	$27,259,465	$18,487,763	$11,065,551	$29,553,314
Less estimated income	815,000	815,000	0	815,000
General fund	$26,444,465	$17,672,763	$11,065,551	$28,738,314
Dakota College at Bottineau				
Total all funds	$6,748,729	$6,476,512	$972,217	$7,448,729
Less estimated income	0	0	0	0
General fund	$6,748,729	$6,476,512	$972,217	$7,448,729
Forest Service				
Total all funds	$5,209,958	$5,209,958	$0	$5,209,958
Less estimated income	997,486	997,486	0	997,486
General fund	$4,212,472	$4,212,472	$0	$4,212,472
Bill total				
Total all funds	$737,451,610	$705,635,447	$52,412,246	$758,047,693
Less estimated income	89,237,204	90,237,204	23,119,555	113,356,759
General fund	$648,214,406	$615,398,243	$29,292,691	$644,690,934

House Bill No. 1003 - Legislative Council - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Legislative Management study			$100,000	$100,000
Total all funds	$0	$0	$100,000	$100,000
Less estimated income	0	0	0	0
General fund	$0	$0	$100,000	$100,000
FTE	0.00	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for a Legislative Management Study[1]	Total Senate Changes
Legislative Management study	$100,000	$100,000
Total all funds	$100,000	$100,000
Less estimated income	0	0

General fund	$100,000	$100,000
FTE	0.00	0.00

[1] Funding is added for a Legislative Management study of the University of North Dakota School of Medicine and Health Sciences.

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	100,171,450	91,957,245	(200,000)	91,757,245
Bismarck State College	30,553,301	28,602,760	4,308,474	32,911,234
Lake Region State College	9,314,859	8,895,180	419,679	9,314,859
Williston State College	9,100,096	8,944,268	380,828	9,325,096
University of North Dakota	156,873,093	155,402,504	4,136,722	159,539,226
UND Medical Center	46,653,406	45,490,630	555,167	46,045,797
North Dakota State University	130,186,316	121,332,016	7,164,892	128,496,908
State College of Science	43,703,080	53,365,998	(7,410,103)	45,955,895
Dickinson State University	31,757,019	22,186,024	1,470,995	23,657,019
Mayville State University	13,685,384	12,918,898	458,506	13,377,404
Minot State University	38,810,736	37,940,973	5,869,763	43,810,736
Valley City State University	26,444,465	17,672,763	11,065,551	28,738,314
Dakota College at Bottineau	6,748,729	6,476,512	972,217	7,448,729
Forest Service	4,212,472	4,212,472		4,212,472
Total general fund	$648,214,406	$615,398,243	$29,192,691	$644,590,934

Detail of Senate changes to the General Fund

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office				($200,000)		
Bismarck State College	731,556	543,985				
Lake Region State College	200,540	219,139				
Williston State College	214,161	166,667				
University of North Dakota	1,676,738	2,459,984				
UND Medical Center	571,224	591,552				
North Dakota State University	1,858,284	4,698,999				
State College of Science	604,037	166,667				
Dickinson State University	48,128	472,867	250,000			700,000
Mayville State University	41,839	166,667	250,000			
Minot State University	439,621	180,142	250,000			
Valley City State University	148,884	166,667	250,000			
Dakota College at Bottineau	105,550	166,667				
Forest Service						
Total general fund	$6,640,562	$10,000,003	$1,000,000	($200,000)	$0	$700,000

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total General Fund Changes
University System Office				($200,000)
Bismarck State College	32,933		3,000,000	4,308,474
Lake Region State College				419,679
Williston State College				380,828
University of North Dakota				4,136,722
UND Medical Center		(607,609)		555,167
North Dakota State University		607,609		7,164,892
State College of Science	(807)		(8,180,000)	(7,410,103)

Dickinson State University				1,470,995
Mayville State University				458,506
Minot State University			5,000,000	5,869,763
Valley City State University			10,500,000	11,065,551
Dakota College at Bottineau			700,000	972,217
Forest Service				
Total general fund	$32,126	$0	$11,020,000	$29,192,691

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	3,754,718	2,754,718	1,000,000	3,754,718
Bismarck State College	7,500,000	7,500,000	1,335,000	8,835,000
Lake Region State College				
Williston State College	2,820,000	4,820,000		4,820,000
University of North Dakota	21,700,000	21,700,000	9,950,000	31,650,000
UND Medical Center				
North Dakota State University	36,100,000	36,100,000		36,100,000
State College of Science	10,500,000	10,500,000		10,500,000
Dickinson State University				
Mayville State University				
Minot State University	5,050,000	5,050,000	10,834,555	15,884,555
Valley City State University	815,000	815,000		815,000
Dakota College at Bottineau				
Forest Service	997,486	997,486		997,486
Total other funds	$89,237,204	$90,237,204	$23,119,555	$113,356,759

Detail of Senate changes to Other Funds

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office					$1,000,000	
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$1,000,000	$0

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total Other Funds Changes
University System Office				$1,000,000
Bismarck State College			1,335,000	1,335,000
Lake Region State College				
Williston State College				
University of North Dakota			9,950,000	9,950,000
UND Medical Center				
North Dakota State University				
State College of Science				

Dickinson State University				
Mayville State University				
Minot State University			10,834,555	10,834,555
Valley City State University				
Dakota College at Bottineau				
Forest Service				
Total other funds	$0	$0	$22,119,555	$23,119,555

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	103,926,168	94,711,963	800,000	95,511,963
Bismarck State College	38,053,301	36,102,760	5,643,474	41,746,234
Lake Region State College	9,314,859	8,895,180	419,679	9,314,859
Williston State College	11,920,096	13,764,268	380,828	14,145,096
University of North Dakota	178,573,093	177,102,504	14,086,722	191,189,226
UND Medical Center	46,653,406	45,490,630	555,167	46,045,797
North Dakota State University	166,286,316	157,432,016	7,164,892	164,596,908
State College of Science	54,203,080	63,865,998	(7,410,103)	56,455,895
Dickinson State University	31,757,019	22,186,024	1,470,995	23,657,019
Mayville State University	13,685,384	12,918,898	458,506	13,377,404
Minot State University	43,860,736	42,990,973	16,704,318	59,695,291
Valley City State University	27,259,465	18,487,763	11,065,551	29,553,314
Dakota College at Bottineau	6,748,729	6,476,512	972,217	7,448,729
Forest Service	5,209,958	5,209,958		5,209,958
Total all funds	$737,451,610	$705,635,447	$52,312,246	$757,947,693
FTE	2245.51	2245.51	0.00	2245.51

Detail of Senate changes to All Funds

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office				($200,000)	$1,000,000	
Bismarck State College	731,556	543,985				
Lake Region State College	200,540	219,139				
Williston State College	214,161	166,667				
University of North Dakota	1,676,738	2,459,984				
UND Medical Center	571,224	591,552				
North Dakota State University	1,858,284	4,698,999				
State College of Science	604,037	166,667				
Dickinson State University	48,128	472,867	250,000			700,000
Mayville State University	41,839	166,667	250,000			
Minot State University	439,621	180,142	250,000			
Valley City State University	148,884	166,667	250,000			
Dakota College at Bottineau	105,550	166,667				
Forest Service						
Total all funds	$6,640,562	$10,000,003	$1,000,000	($200,000)	$1,000,000	$700,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total All Funds Changes
University System Office				$800,000
Bismarck State College	32,933		4,335,000	5,643,474
Lake Region State College				419,679
Williston State College				380,828

University of North Dakota			9,950,000	14,086,722
UND Medical Center		(607,609)		555,167
North Dakota State University		607,609		7,164,892
State College of Science	(807)		(8,180,000)	(7,410,103)
Dickinson State University				1,470,995
Mayville State University				458,506
Minot State University			15,834,555	16,704,318
Valley City State University			10,500,000	11,065,551
Dakota College at Bottineau			700,000	972,217
Forest Service				
Total all funds	$32,126	$0	$33,139,555	$52,312,246
FTE	0.00	0.00	0.00	0.00

[1] Funding removed by the House to limit tuition increases at institutions is restored.

[2] Funding removed by the House for equity distributions to institutions is restored.

[3] Funding removed by the House for STEM teacher education enhancement is restored for nonresearch institutions.

[4] Operations funding from the general fund for the University System office is reduced by $200,000.

[5] Funding from the permanent oil tax trust fund removed by the House for grants to tribally controlled community colleges is restored.

[6] One-time funding from the general fund is added for Dickinson State University as a result of decreased revenues estimated to be received from oil royalties.

[7] Funding for 2011-13 special assessment payments is adjusted to reflect updated calculations for Bismarck State College and the State College of Science.

[8] Funding is transferred from the University of North Dakota School of Medicine and Health Sciences to North Dakota State University for the new joint master's degree in public health program to be administered by both institutions. The executive recommendation provided all funding for the program to the University of North Dakota School of Medicine and Health Sciences.

[9] Funding is adjusted for the following capital projects:

- **Bismarck State College** - Funding of $3 million from the general fund and $1,335,000 from other funds is added for the National Energy Center of Excellence fourth floor project. The House provided funding of $4,335,000 for the project from unspent 2009-11 general fund appropriations relating to the Great Plains Applied Energy Research Center project which is removed by this amendment.
- **University of North Dakota** - Special fund authority of $7.7 million is added for the North Dakota University System/University of North Dakota joint information technology building in addition to funding provided from the general fund. The executive recommendation included $11.2 million of funding from the general fund for the project, and the House increased the general fund amount to $14.3 million. Special fund authority of $2.25 million is also provided for the University of North Dakota flight operations center renovation project.
- **State College of Science** - Funding from the general fund of $8,180,000 for the State College of Science Old Main project is removed.
- **Minot State University** - Funding of $5 million from the general fund and $8,734,555 from other funds is added for the geothermal energy project. Special fund authority is also added for a food service remodeling project from revenue bonding proceeds ($1.5 million) and for the physical plant building project from Bank of North Dakota loan proceeds ($600,000). The physical plant building project is also estimated to include $650,000 of unspent 2009-11 biennium general fund appropriations.
- **Valley City State University** - Funding of $10.5 million from the general fund is provided for the Rhoades Science Center project. The executive recommendation provided funding of

$7,971,000 from the general fund which was removed by the House.

- **Dakota College at Bottineau** - Funding of $700,000 from the general fund is added for campus improvements.

House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Provides North Dakota State University with authority to use 2007-09 and 2009-11 biennium funding for the Minard Hall project in the 2011-13 biennium and requires Budget Section reports on the status of the project.
- Adds a section to allow the State Board of Higher Education to transfer $1.8 million of the general fund appropriation from the North Dakota University System/University of North Dakota joint information technology building project to the University of North Dakota School of Medicine and Health Sciences for the purpose of increasing medical school class sizes.
- Adjusts Section 15 to provide revenue bonding authorization for the Minot State University food service remodeling project ($1.5 million) and a portion of the University of North Dakota flight operations center project ($1.5 million).
- Adds a section to amend Section 15-10-08 to increase the daily compensation of members of the State Board of Higher Education from $100 per day to $148 per day.
- Adds two sections to amend Sections 43-12.2-03 and 43-17.2-03 relating to the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program.
- Adds two sections to amend Sections 15-70-04 and 57-51.1-07.4 relating to grants to tribally controlled community colleges for nonbeneficiary students.
- Adds a section of legislative intent regarding student tuition rates during the 2011-13 biennium and future budget requests of the University System.
- Adds a section of legislative intent regarding information provided in the University System fall enrollment report.
- Provides for a Legislative Management study of the use of graduated tuition rates for programs that address workforce needs.

Date: 4-4-11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1003

Senate APPROPRIATIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 11.8155.02016

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Bowman Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓	✓			
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 12 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

11.8155.02017
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 4, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 7, after line 29, insert:

"**SECTION 3. APPROPRIATION - DICKINSON STATE UNIVERSITY - THEODORE ROOSEVELT RESOURCE CENTER - ADDITION TO STOXEN LIBRARY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $10,660,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of constructing an addition to Stoxen library and related operating costs, for the period beginning with the effective date of this Act and ending June 30, 2013. Of the funding provided in this section, $10,560,000 is one-time funding for the purpose of constructing an addition to Stoxen library, and $100,000 is for 2011-13 biennium operating costs associated with the addition to Stoxen library."

Page 10, line 12, after the first "Act" insert ", the capital project contained in section 3 of this Act,"

Page 10, line 12, replace "3, 4" with "4, 5"

Page 10, line 12, replace "12" with "13"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides the following funding to Dickinson State University:

- One-time funding of $10,560,000 from the general fund for the Stoxen Library addition project. The funding for the project is declared to be an emergency measure.
- Funding of $100,000 from the general fund for increased 2011-13 biennium operating costs associated with the Stoxen Library addition.

Date: 4-4-11
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1003

Senate APPROPRIATIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 11.8155.02017

Action Taken: ☑ Do Pass ☐ Do Not Pass ☑ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Wardner Seconded By Warner

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg		✓	Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell		✓
Senator Grindberg		✓	Senator Robinson		✓
Senator Christmann		✓			
Senator Wardner	✓				
Senator Kilzer		✓			
Senator Fischer	✓				
Senator Krebsbach		✓			
Senator Erbele	✓				
Senator Wanzek		✓			

Total (Yes) 5 No 8

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Failed

Date: 4-4-11

Roll Call Vote # 3

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1003

Senate APPROPRIATIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☑ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Robinson Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann		✓			
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 12 No 1

Absent ✓

Floor Assignment Holmberg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1003, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, after "system" insert "; to provide an appropriation to the legislative council"

Page 1, line 3, after "projects" insert "; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies"

Page 1, remove lines 13 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$240,721	$12,254,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	(8,340)	7,177,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0
Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584

Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	300,000	1,000,000
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Grants	100,000	(100,000)	0
Student mental health	0	168,000	168,000
Academic and technical program revolving fund	0	1,000,000	1,000,000
Total all funds	$93,507,640	$2,004,323	$95,511,963
Less estimated income	4,748,958	(994,240)	3,754,718
Total general fund	$88,758,682	$2,998,563	$91,757,245
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$3,531,623	$27,735,628
Capital assets	243,481	13,767,125	14,010,606
Total all funds	$24,447,486	$17,298,748	$41,746,234
Less estimated income	0	8,835,000	8,835,000
Total general fund	$24,447,486	$8,463,748	$32,911,234
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$1,203,282	$9,159,492
Capital assets	43,662	111,705	155,367
Total all funds	$7,999,872	$1,314,987	$9,314,859

Less estimated income	0	0	0
Total general fund	$7,999,872	$1,314,987	$9,314,859
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$1,205,296	$8,902,295
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$6,361,622	$14,145,096
Less estimated income	0	4,820,000	4,820,000
Total general fund	$7,783,474	$1,541,622	$9,325,096
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$15,693,731	$140,730,514
Capital assets	2,300,545	48,158,167	50,458,712
Total all funds	$127,337,328	$63,851,898	$191,189,226
Less estimated income	0	31,650,000	31,650,000
Total general fund	$127,337,328	$32,201,898	$159,539,226
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$17,124,359	$125,491,981
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$54,537,061	$164,596,908
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$18,437,061	$128,496,908
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,777,695	$34,384,850
Capital assets	753,332	21,317,713	22,071,045
Total all funds	$32,360,487	$24,095,408	$56,455,895
Less estimated income	0	10,500,000	10,500,000
Total general fund	$32,360,487	$13,595,408	$45,955,895
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$3,124,204	$23,247,941
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$3,149,592	$23,657,019
Less estimated income	0	0	0
Total general fund	$20,507,427	$3,149,592	$23,657,019
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$1,304,283	$12,933,899
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,538,797	$13,377,404
Less estimated income	0	0	0
Total general fund	$11,838,607	$1,538,797	$13,377,404
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$3,287,409	$37,911,116
Capital assets	596,870	21,187,305	21,784,175

Total all funds	$35,220,577	$24,474,714	$59,695,291
Less estimated income	0	15,884,555	15,884,555
Total general fund	$35,220,577	$8,590,159	$43,810,736
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$1,413,578	$17,781,579
Capital assets	258,416	11,513,319	11,771,735
Total all funds	$16,626,417	$12,926,897	$29,553,314
Less estimated income	0	815,000	815,000
Total general fund	$16,626,417	$12,111,897	$28,738,314
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$770,850	$6,633,222
Capital assets	109,725	705,782	815,507
Total all funds	$5,972,097	$1,476,632	$7,448,729
Less estimated income	0	0	0
Total general fund	$5,972,097	$1,476,632	$7,448,729
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$5,155,396	$46,045,797
Total all funds	$40,890,401	$5,155,396	$46,045,797
Less estimated income	0	0	0
Total general fund	$40,890,401	$5,155,396	$46,045,797
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	61,153	97,791
Total all funds	$4,507,678	$702,280	$5,209,958
Less estimated income	997,486	0	997,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$218,988,355	$758,047,693
Grand total special funds	5,746,444	107,610,315	113,356,759
Grand total general fund	$533,312,894	$111,378,040	$644,690,934"

Page 7, replace line 12 with:

"Dickinson state university operating funds	350,000	700,000"

Page 7, replace lines 17 and 18 with:

"Capital projects - General fund	39,008,248	45,725,000
Capital projects - Other funds	166,958,000	106,284,555"

Page 7, replace line 20 with:

"Special assessments payments	0	819,357"

Page 7, replace lines 23 through 25 with:

"Total all funds	$257,001,168	$156,254,912
Total other funds	197,017,920	108,604,555
Total general fund	$59,983,248	$47,650,357"

Page 7, remove lines 30 and 31

Page 8, replace lines 1 through 4 with:

"**SECTION 3. APPROPRIATION - LEGISLATIVE COUNCIL - LEGISLATIVE MANAGEMENT STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the legislative council for

the purpose of defraying expenses associated with a legislative management study of the university of North Dakota school of medicine and health sciences as provided under this section, for the biennium beginning July 1, 2011, and ending June 30, 2013.

During the 2011-12 interim, the legislative management shall study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 8, after line 12, insert:

"**SECTION 6. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET SECTION REPORT.** North Dakota state university may use funding of $5,000,000 received during the biennium beginning July 1, 2007, and ending June 30, 2009, and funding of $13,000,000 received during the biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the biennium beginning July 1, 2011, and ending June 30, 2013. North Dakota state university shall report to the budget section regarding the status of the Minard hall project and may request increased spending authorization from the budget section for the project.

SECTION 7. PERMANENT OIL TAX TRUST FUND - TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANTS. The tribally controlled community college grants line item in subdivision 1 of section 1 of this Act includes the sum of $1,000,000 from the permanent oil tax trust fund, or so much of the sum as may be necessary, for the purpose of providing grant assistance payments to tribally controlled community colleges, for the biennium beginning July 1, 2011, and ending June 30, 2013. No more than $500,000 may be expended for this purpose during the first year of the biennium."

Page 9, after line 10, insert:

"**SECTION 12. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES - TRANSFER AUTHORITY.** The capital assets line item of subdivision 5 of section 1 of this Act includes $14,300,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may transfer up to $1,800,000 of this amount to the university of North Dakota school of medicine and health sciences operations line item in subdivision 13 of section 1 of this Act for the purpose of increasing the number of students at the school of medicine and health sciences and increasing the number of medical student residency positions, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 10, after line 4, insert:

"University of North Dakota - Flight operations center renovation 1,500,000"

Page 10, after line 8, insert:

"Minot state university - Food service renovation 1,500,000"

Page 10, replace line 10 with:

"Total special funds $43,500,000

SECTION 16. AMENDMENT. Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations.

Each member of the state board of higher education, except the student member, is entitled to receive as compensation one hundred forty-eight dollars per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 17. AMENDMENT. Section 15-70-04 of the North Dakota Century Code is amended and reenacted as follows:

15-70-04. Submission of grant application - Distribution of grants.

1. In order to qualify for a grant under this chapter, ~~an institution~~a tribally controlled community college shall submit an application at the time and in the manner required by the state board of higher education. The application must ~~document~~:

   a. Include the name and address of each student who qualifies for financial assistance under this chapter; and

   b. Document the enrollment status of each student ~~on whose account~~who qualifies for financial assistance under this chapter ~~is sought~~.

2. If an application is approved, the state board of higher education shall distribute to ~~each~~the tribally controlled community college, during each year of the biennium, ~~five thousand three hundred four dollars per full-time equivalent nonbeneficiary student~~an amount equivalent to the most recent per student payment provided in accordance with the Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If the amount appropriated is insufficient to meet the requirements of this section, the board shall ~~distribute a prorated amount per full-time equivalent nonbeneficiary student~~prorate the amount to be distributed.

3. If after meeting the requirements of this section any amount remains available for distribution at the conclusion of each year of the biennium, the state board of higher education shall provide prorated distribution based on criteria set forth in this section.

4. At the time and in the manner determined by the state board of higher education, each tribally controlled community college receiving assistance under this section shall file a report indicating:

   a. The graduation rate of nonbeneficiary students; and

   b. The ratio between the amount of funding received by the tribally controlled community college under this section and the college's annual budget.

SECTION 18. AMENDMENT. Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full time as a nurse practitioner, physician assistant, or certified nurse midwife in this state for more than one year before the date of the application;~~

~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 19. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 20. AMENDMENT. Section 57-51.1-07.4 of the North Dakota Century Code is amended and reenacted as follows:

57-51.1-07.4. Separate allocation of state share of collections from reservation development.

Notwithstanding any other provision of law, the state treasurer shall transfer to the permanent oil tax trust fund the first ~~seven hundred thousand~~one million dollars of the state's share of tax revenues under this chapter from oil produced from wells within the exterior boundaries of the Fort Berthold Reservation after June 30, ~~2009~~2011.

SECTION 21. LEGISLATIVE INTENT - STUDENT TUITION RATES. It is the intent of the sixty-second legislative assembly that student tuition rate increases are not to be limited due to the level of funding received for the 2011-13 biennium for student affordability. Each campus may increase tuition rates in an amount required to meet campus needs subject to state board of higher education approval. The state board of higher education may not request student affordability funding for the 2013-15 biennium and shall submit a budget request using a funding model that does not include a student affordability funding component.

SECTION 22. LEGISLATIVE INTENT - ENROLLMENT REPORTING. It is the intent of the sixty-second legislative assembly that North Dakota university system enrollment reports detailing fall semester enrollment information only include data for full-time students that are physically present on campus.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - PROGRAM TUITION RATES - WORKFORCE NEEDS. During the 2011-12 interim, the legislative management shall consider studying programs offered by North Dakota university system institutions that address the workforce needs of the state, including a review of the use of graduated tuition rates to increase enrollment in programs that address workforce needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 10, line 12, replace "3, 4," with "4"

Page 10, line 12, replace "12" with "15"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Legislative Council				
Total all funds	$0	$0	$100,000	$100,000
Less estimated income	0	0	0	0
General fund	$0	$0	$100,000	$100,000
University System Office				
Total all funds	$103,926,168	$94,711,963	$800,000	$95,511,963
Less estimated income	3,754,718	2,754,718	1,000,000	3,754,718
General fund	$100,171,450	$91,957,245	($200,000)	$91,757,245
Bismarck State College				
Total all funds	$38,053,301	$36,102,760	$5,643,474	$41,746,234
Less estimated income	7,500,000	7,500,000	1,335,000	8,835,000
General fund	$30,553,301	$28,602,760	$4,308,474	$32,911,234
Lake Region State College				
Total all funds	$9,314,859	$8,895,180	$419,679	$9,314,859
Less estimated income	0	0	0	0
General fund	$9,314,859	$8,895,180	$419,679	$9,314,859
Williston State College				
Total all funds	$11,920,096	$13,764,268	$380,828	$14,145,096
Less estimated income	2,820,000	4,820,000	0	4,820,000
General fund	$9,100,096	$8,944,268	$380,828	$9,325,096
University of North Dakota				
Total all funds	$178,573,093	$177,102,504	$14,086,722	$191,189,226
Less estimated income	21,700,000	21,700,000	9,950,000	31,650,000
General fund	$156,873,093	$155,402,504	$4,136,722	$159,539,226
UND Medical Center				
Total all funds	$46,653,406	$45,490,630	$555,167	$46,045,797
Less estimated income	0	0	0	0
General fund	$46,653,406	$45,490,630	$555,167	$46,045,797

North Dakota State University				
Total all funds	$166,286,316	$157,432,016	$7,164,892	$164,596,908
Less estimated income	36,100,000	36,100,000	0	36,100,000
General fund	$130,186,316	$121,332,016	$7,164,892	$128,496,908
State College of Science				
Total all funds	$54,203,080	$63,865,998	($7,410,103)	$56,455,895
Less estimated income	10,500,000	10,500,000	0	10,500,000
General fund	$43,703,080	$53,365,998	($7,410,103)	$45,955,895
Dickinson State University				
Total all funds	$31,757,019	$22,186,024	$1,470,995	$23,657,019
Less estimated income	0	0	0	0
General fund	$31,757,019	$22,186,024	$1,470,995	$23,657,019
Mayville State University				
Total all funds	$13,685,384	$12,918,898	$458,506	$13,377,404
Less estimated income	0	0	0	0
General fund	$13,685,384	$12,918,898	$458,506	$13,377,404
Minot State University				
Total all funds	$43,860,736	$42,990,973	$16,704,318	$59,695,291
Less estimated income	5,050,000	5,050,000	10,834,555	15,884,555
General fund	$38,810,736	$37,940,973	$5,869,763	$43,810,736
Valley City State University				
Total all funds	$27,259,465	$18,487,763	$11,065,551	$29,553,314
Less estimated income	815,000	815,000	0	815,000
General fund	$26,444,465	$17,672,763	$11,065,551	$28,738,314
Dakota College at Bottineau				
Total all funds	$6,748,729	$6,476,512	$972,217	$7,448,729
Less estimated income	0	0	0	0
General fund	$6,748,729	$6,476,512	$972,217	$7,448,729
Forest Service				
Total all funds	$5,209,958	$5,209,958	$0	$5,209,958
Less estimated income	997,486	997,486	0	997,486
General fund	$4,212,472	$4,212,472	$0	$4,212,472
Bill total				
Total all funds	$737,451,610	$705,635,447	$52,412,246	$758,047,693
Less estimated income	89,237,204	90,237,204	23,119,555	113,356,759
General fund	$648,214,406	$615,398,243	$29,292,691	$644,690,934

House Bill No. 1003 - Legislative Council - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Legislative Management study			$100,000	$100,000
Total all funds	$0	$0	$100,000	$100,000
Less estimated income	0	0	0	0
General fund	$0	$0	$100,000	$100,000
FTE	0.00	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for a Legislative Management Study[1]	Total Senate Changes
Legislative Management study	$100,000	$100,000
Total all funds	$100,000	$100,000
Less estimated income	0	0
General fund	$100,000	$100,000
FTE	0.00	0.00

[1] Funding is added for a Legislative Management study of the University of North Dakota

School of Medicine and Health Sciences.

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	100,171,450	91,957,245	(200,000)	91,757,245
Bismarck State College	30,553,301	28,602,760	4,308,474	32,911,234
Lake Region State College	9,314,859	8,895,180	419,679	9,314,859
Williston State College	9,100,096	8,944,268	380,828	9,325,096
University of North Dakota	156,873,093	155,402,504	4,136,722	159,539,226
UND Medical Center	46,653,406	45,490,630	555,167	46,045,797
North Dakota State University	130,186,316	121,332,016	7,164,892	128,496,908
State College of Science	43,703,080	53,365,998	(7,410,103)	45,955,895
Dickinson State University	31,757,019	22,186,024	1,470,995	23,657,019
Mayville State University	13,685,384	12,918,898	458,506	13,377,404
Minot State University	38,810,736	37,940,973	5,869,763	43,810,736
Valley City State University	26,444,465	17,672,763	11,065,551	28,738,314
Dakota College at Bottineau	6,748,729	6,476,512	972,217	7,448,729
Forest Service	4,212,472	4,212,472		4,212,472
Total general fund	$648,214,406	$615,398,243	$29,192,691	$644,590,934

Detail of Senate changes to the General Fund

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office				($200,000)		
Bismarck State College	731,556	543,985				
Lake Region State College	200,540	219,139				
Williston State College	214,161	166,667				
University of North Dakota	1,676,738	2,459,984				
UND Medical Center	571,224	591,552				
North Dakota State University	1,858,284	4,698,999				
State College of Science	604,037	166,667				
Dickinson State University	48,128	472,867	250,000			700,000
Mayville State University	41,839	166,667	250,000			
Minot State University	439,621	180,142	250,000			
Valley City State University	148,884	166,667	250,000			
Dakota College at Bottineau	105,550	166,667				
Forest Service						
Total general fund	$6,640,562	$10,000,003	$1,000,000	($200,000)	$0	$700,000

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total General Fund Changes
University System Office				($200,000)
Bismarck State College	32,933		3,000,000	4,308,474
Lake Region State College				419,679
Williston State College				380,828
University of North Dakota				4,136,722
UND Medical Center		(607,609)		555,167
North Dakota State University		607,609		7,164,892
State College of Science	(807)		(8,180,000)	(7,410,103)
Dickinson State University				1,470,995
Mayville State University				458,506
Minot State University			5,000,000	5,869,763
Valley City State University			10,500,000	11,065,551
Dakota College at Bottineau			700,000	972,217
Forest Service				
Total general fund	$32,126	$0	$11,020,000	$29,192,691

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	3,754,718	2,754,718	1,000,000	3,754,718
Bismarck State College	7,500,000	7,500,000	1,335,000	8,835,000

Lake Region State College				
Williston State College	2,820,000	4,820,000		4,820,000
University of North Dakota	21,700,000	21,700,000	9,950,000	31,650,000
UND Medical Center				
North Dakota State University	36,100,000	36,100,000		36,100,000
State College of Science	10,500,000	10,500,000		10,500,000
Dickinson State University				
Mayville State University				
Minot State University	5,050,000	5,050,000	10,834,555	15,884,555
Valley City State University	815,000	815,000		815,000
Dakota College at Bottineau				
Forest Service	997,486	997,486		997,486
Total other funds	$89,237,204	$90,237,204	$23,119,555	$113,356,759

Detail of Senate changes to Other Funds

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office					$1,000,000	
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$1,000,000	$0

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total Other Funds Changes
University System Office				$1,000,000
Bismarck State College			1,335,000	1,335,000
Lake Region State College				
Williston State College				
University of North Dakota			9,950,000	9,950,000
UND Medical Center				
North Dakota State University				
State College of Science				
Dickinson State University				
Mayville State University				
Minot State University			10,834,555	10,834,555
Valley City State University				
Dakota College at Bottineau				
Forest Service				
Total other funds	$0	$0	$22,119,555	$23,119,555

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Executive Budget	House Version	Senate Changes	Senate Version
University System Office	103,926,168	94,711,963	800,000	95,511,963
Bismarck State College	38,053,301	36,102,760	5,643,474	41,746,234
Lake Region State College	9,314,859	8,895,180	419,679	9,314,859
Williston State College	11,920,096	13,764,268	380,828	14,145,096
University of North Dakota	178,573,093	177,102,504	14,086,722	191,189,226
UND Medical Center	46,653,406	45,490,630	555,167	46,045,797
North Dakota State University	166,286,316	157,432,016	7,164,892	164,596,908
State College of Science	54,203,080	63,865,998	(7,410,103)	56,455,895
Dickinson State University	31,757,019	22,186,024	1,470,995	23,657,019
Mayville State University	13,685,384	12,918,898	458,506	13,377,404
Minot State University	43,860,736	42,990,973	16,704,318	59,695,291
Valley City State University	27,259,465	18,487,763	11,065,551	29,553,314

Dakota College at Bottineau	6,748,729	6,476,512	972,217	7,448,729
Forest Service	5,209,958	5,209,958		5,209,958
Total all funds	$737,451,610	$705,635,447	$52,312,246	$757,947,693
FTE	2245.51	2245.51	0.00	2245.51

Detail of Senate changes to All Funds

	Restores Tuition Affordability Funding[1]	Restores Equity Funding[2]	Restores STEM Teacher Education Enhancement Funding[3]	Reduces Funding for University System Office Operations[4]	Restores Funding for Tribal College Assistance Grants[5]	Adds One-Time Funding for Dickinson State University Operations[6]
University System Office				($200,000)	$1,000,000	
Bismarck State College	731,556	543,985				
Lake Region State College	200,540	219,139				
Williston State College	214,161	166,667				
University of North Dakota	1,676,738	2,459,984				
UND Medical Center	571,224	591,552				
North Dakota State University	1,858,284	4,698,999				
State College of Science	604,037	166,667				
Dickinson State University	48,128	472,867	250,000			700,000
Mayville State University	41,839	166,667	250,000			
Minot State University	439,621	180,142	250,000			
Valley City State University	148,884	166,667	250,000			
Dakota College at Bottineau	105,550	166,667				
Forest Service						
Total all funds	$6,640,562	$10,000,003	$1,000,000	($200,000)	$1,000,000	$700,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for Special Assessment Payments[7]	Adjusts Funding for Master's Degree in Public Health Program[8]	Adjusts Funding for Capital Projects[9]	Total All Funds Changes
University System Office				$800,000
Bismarck State College	32,933		4,335,000	5,643,474
Lake Region State College				419,679
Williston State College				380,828
University of North Dakota			9,950,000	14,086,722
UND Medical Center		(607,609)		555,167
North Dakota State University		607,609		7,164,892
State College of Science	(807)		(8,180,000)	(7,410,103)
Dickinson State University				1,470,995
Mayville State University				458,506
Minot State University			15,834,555	16,704,318
Valley City State University			10,500,000	11,065,551
Dakota College at Bottineau			700,000	972,217
Forest Service				
Total all funds	$32,126	$0	$33,139,555	$52,312,246
FTE	0.00	0.00	0.00	0.00

[1] Funding removed by the House to limit tuition increases at institutions is restored.

[2] Funding removed by the House for equity distributions to institutions is restored.

[3] Funding removed by the House for STEM teacher education enhancement is restored for nonresearch institutions.

[4] Operations funding from the general fund for the University System office is reduced by $200,000.

[5] Funding from the permanent oil tax trust fund removed by the House for grants to tribally controlled community colleges is restored.

[6] One-time funding from the general fund is added for Dickinson State University as a result

of decreased revenues estimated to be received from oil royalties.

[7] Funding for 2011-13 special assessment payments is adjusted to reflect updated calculations for Bismarck State College and the State College of Science.

[8] Funding is transferred from the University of North Dakota School of Medicine and Health Sciences to North Dakota State University for the new joint master's degree in public health program to be administered by both institutions. The executive recommendation provided all funding for the program to the University of North Dakota School of Medicine and Health Sciences.

[9] Funding is adjusted for the following capital projects:

- **Bismarck State College** - Funding of $3 million from the general fund and $1,335,000 from other funds is added for the National Energy Center of Excellence fourth floor project. The House provided funding of $4,335,000 for the project from unspent 2009-11 general fund appropriations relating to the Great Plains Applied Energy Research Center project which is removed by this amendment.
- **University of North Dakota** - Special fund authority of $7.7 million is added for the North Dakota University System/University of North Dakota joint information technology building in addition to funding provided from the general fund. The executive recommendation included $11.2 million of funding from the general fund for the project, and the House increased the general fund amount to $14.3 million. Special fund authority of $2.25 million is also provided for the University of North Dakota flight operations center renovation project.
- **State College of Science** - Funding from the general fund of $8,180,000 for the State College of Science Old Main project is removed.
- **Minot State University** - Funding of $5 million from the general fund and $8,734,555 from other funds is added for the geothermal energy project. Special fund authority is also added for a food service remodeling project from revenue bonding proceeds ($1.5 million) and for the physical plant building project from Bank of North Dakota loan proceeds ($600,000). The physical plant building project is also estimated to include $650,000 of unspent 2009-11 biennium general fund appropriations.
- **Valley City State University** - Funding of $10.5 million from the general fund is provided for the Rhoades Science Center project. The executive recommendation provided funding of $7,971,000 from the general fund which was removed by the House.
- **Dakota College at Bottineau** - Funding of $700,000 from the general fund is added for campus improvements.

House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Provides North Dakota State University with authority to use 2007-09 and 2009-11 biennium funding for the Minard Hall project in the 2011-13 biennium and requires Budget Section reports on the status of the project.
- Adds a section to allow the State Board of Higher Education to transfer $1.8 million of the general fund appropriation from the North Dakota University System/University of North Dakota joint information technology building project to the University of North Dakota School of Medicine and Health Sciences for the purpose of increasing medical school class sizes.
- Adjusts Section 15 to provide revenue bonding authorization for the Minot State University food service remodeling project ($1.5 million) and a portion of the University of North Dakota flight operations center project ($1.5 million).
- Adds a section to amend Section 15-10-08 to increase the daily compensation of

members of the State Board of Higher Education from $100 per day to $148 per day.

- Adds two sections to amend Sections 43-12.2-03 and 43-17.2-03 relating to the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program.
- Adds two sections to amend Sections 15-70-04 and 57-51.1-07.4 relating to grants to tribally controlled community colleges for nonbeneficiary students.
- Adds a section of legislative intent regarding student tuition rates during the 2011-13 biennium and future budget requests of the University System.
- Adds a section of legislative intent regarding information provided in the University System fall enrollment report.
- Provides for a Legislative Management study of the use of graduated tuition rates for programs that address workforce needs.
-

2011 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1003

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/13/11
Job #16574

☒ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes:

Chairman Skarphol: Brought the conference committee meeting on HB 1003 to order. Roll call was taken with all conference committee members present except for Rep. Williams. Requested Senator Holmberg to explain the changes.

Senator Holmberg: Referring to the green book it is on page 16 what we did. If you have the numbered pages then you go to the 4th page from the back. Or if you have the amendments themselves you go to page 13. The Senate looks at the entire budget and felt that as per discussions in the Senate that we wanted the budget to come in under the Executive recommendation and two we wanted to reduce ongoing expenses. 3. We wanted to make sure the final general fund increased from 2009-2011 was under 8.9%. According to the analysis by the Legislative Counsel these amendments put the budget at 8.7% under the Executive Budget. It is a reduction of $3.5 million from the executive budget. But it is an increase of 28 and change from the House action. Tuition affordability was restored, but we also put an amendment in telling the board office not to use this ploy anymore of having a separate line item for tuition. The Board puts their budget together then, the amendment states that they are to put their budget together and live with it. Secondly the equity funding that was removed. We spent a lot of time whining and complaining about the current system we have for funding higher education with the pier institutions and all of that, but we don't have another system in mind right now. We went with restoring the Executive budget $1M of the $1.5M. Thirdly our recollection of the stem money was always to be used for four year schools, but what happened is the last time the

board split it up and gave it also to the research universities so we restored $1 million of the $1.5 million that was in the Executive Budget and said it can only go to the four teacher colleges. Next we reduced funding for the university operations line item. As you know in the budget it is governance. We took out $200,000 and I think we immediately felt we could have taken out more. I mentioned that we would be looking at further reduction in that line item. The bill 1363 for tribal assistance colleges was folded into 1003 and defeated in the Senate. There is a footnote here that says it is not general fund money. It is the same funding source that the House passed which came from oil revenue from tribal lands.

Chairman Skarphol: It was asked for by the sponsor of that whole thing that we maintain the reference to the source of that revenue and his impression was that language is not in here referring to that the money shall come from the oil revenue. It doesn't specifically reference that source. That is one of the things we want to keep in the back of our minds.

Brady Larson, Legislative Council Representative: There is a section included in the bill that provides that $1 million of oil revenue from Ft. Berthold Reservation be deposited into the Permanent Oil Tax Trust Fund. It would be Section 20 of the Engrossed bill with Senate amendments on p. 14.

Senator Holmberg: We had a problem with this budget and 1020. In that the Dickinson State and Research Center out there rely on oil money and that has gradually decreased. Unless they strike oil again we had some suggestions on expenditures, also money in 1020 and we determined we would just give them a onetime grant of $700,000 to their operating line item so that is that $700,000. The Governor's budget had $3 in change for special assessments across the system and you took out the funding for the out years. In other words paying them off and all you had in your budget was the amount of money that would be necessary this biennium and we agreed with you. But we found out BSC has another $32,900 in specials and science has $807 less dollars in specials so we made that change. $607,000 to each campus was a change. We made an adjustment for capital projects. You had $4.3 thousand for the completion of the fourth floor and we had the opportunity to go up and visit and it is a great facility. It should be finished so they can utilize it for more than just beautiful banquets and snow storms like we had. We felt it was a bit rich, reduced to $3.3M and there was quite a large contingency fund of $274,000 and we felt that is a building they know what it there and there is no asbestos so there should be a lot of need there. We also had trouble with the $500,000 for lab equipment so we reduced it to $3 million and we also have language in there to authorization them to spend up to $4.3 million in order to give them authorization to raise the money. Then we gave Special fund authority to UND for some grants that they have applied for a research addition to the tech building. The only problem was at the eleventh hour there was a request from the Board office for a little changing of a couple of those numbers and I don't see the office here. We need to get that in case there was a problem with those numbers.

Chairman Skarphol: The special funds on that UND project, reiterate what they may be. Special fund authority of $7.7 million.

Senator Holmberg: UND applied for a federal grant to put on an addition to house some additional research capabilities. That grant is not guaranteed, but they wanted the authority to put in the application and they will hear in the future after the session. Number will be

obtained from the Board office to get the exact number. We looked at the original list that came from the Board office and the Executive Office and then we looked at what you did and the Senate really liked your addition of the House addition of Bisek Hall. We were trying to balance things out. There were some other needs that we felt were important in the Senate so we made a motion and removed that $8.1 million from the College of Societal main project.

Rep. Martinson: For the UND project, how much is in there for the Tech Center?

Senator Holmberg: The tech center is the $14.3 minus $1.8.

Rep. Martinson: Does it require that the $1.8 go to the medical school or does it give you some room?

Senator Holmberg: The amendment that Dahl is presenting says it shall.

Chairman Skarphol: She has given me an amendment that she is asking us to put on.

Rep. Martinson: I will either you or Brady later because I am a little confused on that.

Senator Holmberg: The House had visited the issue of the expansion of the medical school. It did not succeed in the House partially because it is a large expenditure for buildings and we also had information that for $1.799 million they could expand their classes an additional 16 physicians.

Rep. Martinson: What about the $2.25 for flight operations renovation project?

Senator Holmberg: That was a request that came from the Board of UND wants to do an expansion out at the airport. The building bonded and paid for by flight fees. Minot State had a project last time of geothermal. It was one of them on the list that was not funded. They had a concern about going forward because of a fear that in the next few years their boiler system will not be able to provide power to them so we added $5 million from the general fund and $8.734 from other funds to complete phase 2 of that geothermal project at Minot State.

Chairman Skarphol: Does the $5 million General Fund requires the match be made before they can start the project?

Senator Holmberg: It does not say that.

Senator Krebsbach: The $5 million is for the next phase of it. We have started the first phase from moneys that we had gotten prior to and this is for the second phase. The third phase would be somehow to get grants for other funding for the $8.7 million, which is not general fund money.

Chairman Skarphol: At some time we will need to know what phase I, phase II and the rest of the balance is. It doesn't need to be now, but later.

Senator Holmberg: Valley City we put the Rhoads Building back in. Originally they had asked for $10.8. The Executive Budget had it reduced to $7.9 and we increased it back up to $10.5. Dakota College at Bottineau and the City of Bottineau is doing a lot of road work and we know that the parking lots are in rough shape and we put this $700,000.

Senator O'Connell: City of Bottineau is replacing all their streets this coming year. The parking lots are the original ones on the campus since 1960s. Oak Creek has run full all winter long for Lake Metigoshe and they are going to have to lay fiber and the whole works.

Senator Holmberg: Some other amendments are: Department of Commerce has some unspent money; $4.3 applied Energy Research Center went into the 4th floor. We put it in the general fund. That is where the $3 million came from. Discussed the Williston State; Minard Hall to be completed. Minot State food service remodeling project. That is revenue bonds to complete that. We raised daily compensation of members of the State Board of Higher Education from $100 to $148 as we all have done in a number of budgets so far this biennium. Policy section added because there was no place for it to go. Medical school to help get physicians to the rural communities. There is a provision in there that the medical person cannot have more than one year medical experience. The problem this year they had two individuals that wanted to go to a rural community and take advantage of this program where the rural community helps pay down their loans etc. Neither one of those individual was eligible because they had practiced medicine more than one year each. We decided in the Senate that it would be better to have a physician that had more experience so we removed the one year requirement. We got from the board office a document indicating that the total head count that was reported in the news media was 48,120 students in the system, but there were actually only 31,766 bodies being enrolled in campus and taking classes on campus. Added language to address Workforce needs.

Meeting Closed to meet again at the call of the chair.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/15/11
16649

☒ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noted that everyone is present. This is an important piece of budget that we will have to deal with. In a previous meeting we got through most everything that the Senate did. Information was requested from the State Architect's office with regard to capital projects. Addressing Brady Larson, Legislative Council Representative.

Larson: the State Architect has not yet responded.

Chairman Skarphol: The reason is that it is nice to have someone else's opinion as to the cost of some of these projects. We have some differences on the capital projects we approved, understanding that there is a need for some money to be available at Lake Region to fix some roofs. The availability of the small amount of money within the budget is necessary.

Senator O'Connell: The plant expansion and it is just in the five year flood zone and they have never had any problem with water down under on the campus. Where it is being built is in a safe area.

Rep. Martinson: Tell us why you added more money for the building?

Senator Holmberg: The original request from the campus was $10.85M for the building. The Executive Recommendation had reduced that down to $8.?M and the Executive budget had looked at some combinations and some of the labs that was going to be under the band room and there was a plan of putting together some rooms that wouldn't be very conducive for lab space. So the Senate looked at the $10.8 and decided that that was too much and put in the $10.5M in the budget. We started with the base request on the building which was a $10.8.

Rep. Martinson: Does this include the renovation of the old building also?

Senator Holmberg: There are three aspects of the Valley City project. They are renew, remodel and build. Some of the classrooms are in relatively decent shape that require new desks, painting and such. The remodel are some that need more extensive work such as those used as a chemistry lab and need proper ventilation. The addition that is to the south would be new lab space and new construction.
It is in three parts to be done in three phases because the building is heavily utilized during the year.

Rep. Martinson: When the science building was renovated at Dickinson State for several million, then they came back the next session and said they have to remodel what was just vacated and almost doubled the cost of that project.
Does the $10.5M include everything?

Senator Holmberg: Yes, the renewing, the remodeling and the new construction. It is not a phase project from the standpoint of financing.

Chairman Skarphol: The IT building in Grand Forks, the full is $24M and more costs are expected in segments. Assurance is needed from the state architect to fully understand the long term implications.

Tammy Dolan, OMB Analyst: The architect is out today.

Chairman Skarphol: How about tomorrow? *Laughter* The map is appreciated but if the 500 year flood takes off....It is a dilemma because if it does get to the 500 year flood plain the rest of the Rhoades Science Center is in it.

Rep. Martinson: Was the Rhoades Science Center affected in the '09 flood?

Bill Goetz, Chancellor, North Dakota University System: Yes, minimal. The addition is higher than what the existing structure is. There is an elevation factor.

Chairman Skarphol: Take the map and show us where the dikes are.

Senator O'Connell: Senator Robinson could tell us that information.

Chairman Skarphol: It is a genuine concern to us to build a new building and the next years have it totally overwhelming, or even to start construction.

Rep. Martinson: The main reason this was not funded in the House was because of concern of the flood, back water or flood water. Renovation of the old is the major concern.

Chairman Skarphol: Moving next to capital projects and need for roofs at Devils Lake. $1.25M was sufficient for both buildings and he came back with $866,000 was the architect's estimate.

Senator Holmberg: If the roof situation at Devils Lake was in the request that had been presented but the Senate has since considered it and see the need for roofs should be repaired now rather than later.

Chairman Skarphol: Dr. Bower, President of Lake Region brought that number back and it has not been substantiated. Requesting Senator Robinson outline, on the map, where the dikes were.

Senator Robinson: The facility is in the 500 year flood plain and the dikes were north and across the river. There is a bridge .....

Chairman Skarphol: Requesting that the Senator take the map and draw a line marking the dikes. Referring to page 19 of the *Analysis of Changes to the Governor's Budget for Conference Committees*. We want to get a better understanding of the $7.7M because there is a request to increase it, what connection it has to the IT building and what it will add to the value.

Senator Holmberg: In reviewing the Executive Summary we could read and review it.

Chairman Skarphol: Requesting Kathy McDonald to provide the information referred to by Senator Holmberg. It is number 3 on the handout we received. See Attachment # 1. The committee needs a better understanding of the grant money related to the IT building and what the connection is and why it doesn't reduce the overall costs of the building when you get $8M in grant money and if we are expanding it to something new and exciting.

Goetz: The request for the building as presented was $14.3M. UND currently has a grant application in of $8M proposed for the research aspect of the aerospace area, not to be integrated but to be an isolated component. They are separate. The grant is not at approval status.

Senator Holmberg: If the grant does not come through it makes no difference regarding this building. It cannot be used to supplant state money but in addition as a research component.
The plan in HB 1003 is not a research building.

Chairman Skarphol: What is the connection to the IT building?

Goetz: It is not aerospace, it is research that could meld with weather research.

Chairman Skarphol: Does the work that is going to be done on this necessitate co-location with the It facility because of its technology needs?

Goetz: There is integration there and also the opportunity to use a match to make the $8m grant successful.

Chairman Skarphol: If it is segregated how can it be a match?

Goetz: there is an acceptance of that. Co-located but separate.

Rep. Martinson: All you are asking for is the spending authority if the grant should be successful.

Goetz: Yes

Senator Holmberg: Thank you for bringing that forward, the alternative would have been bringing that forward in July to the emergency commission.

Chairman Skarphol: Minot State University on the geothermal, the $5M, what are the specifics?

Senator Krebsbach: Attachment # 2 was distributed and the planning for the Geothermal Project was explained and the progress delineated.

Chairman Skarphol: If we were to not fund this project, would it cash flow?
Why does it work?

Senator Krebsbach: If we look at $5M versus the $10M t will save money in the long run with both the heating and air conditioning?

Chairman Skarphol: Will energy performance pay for it, has the analysis to see if that is the case been done.

Chairman Skarphol: Addressing Goetz regarding whether or not the analysis has been done and asking for forthcoming information..

Chairman Skarphol: Action can be taken when everything is done.

Meeting closed to meet again at the call of the chair

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/18/11
16718

☒ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noted that all members are present. Discussing the projects related to the University System budget.
We have had conversations about the costs of projects in State government. You do an analysis of most of the projects and I am looking for some reassurance that the costs associated here are accurate.

Joel Leapaldt, Architect Facility Management: There is a dollar amount that is targeted and projects as requested by the Governor's office. The task is trying to fit those within the dollars and if they were reduced would they still be viable projects? It is not an effort to supplant what was done by the outside consultants and architects.

Chairman Skarphol: The IT building in Grand Forks, it came in $11M and we moved it up; after conversations with you about whether or not that is necessary. It depends whether we want a Cadillac or a Chevy in the building.

Leapaldt: It has more to do with the office space that we think is necessary if it is not co-located with the data center.

Chairman Skarphol: That is the difference between the Cadillac and Chevy.

Leapaldt: Everyone would like to have co-location, under the same roof and be attached and adjacent. That is the case with Valley City where at what level do you fund that co-location. I will provide numbers and theories but ultimately the committee has to decide on at least four buildings.

Senator Holmberg: The current iteration of the IT building is at $12.5M because the Senate took $1.8M out for another purpose at UND. The original was $12.112M. During the summer they had wanted $17M plus.

Leapaldt: The total bill now is closer to $25M.

Senator Holmberg: You are aware of their grant application and desire to receive grant money to do a research facility. They do have that request asking us for authorization to utilize the money if they get it. We were pleased that they brought that forward rather than wait until after the session, get the money and then come to the emergency commission in the budget section. We are talking about $12.5M which is somewhere in between where you started where the House was.

Leapaldt: I can't say that is where I started from, that is where I was asked to start if the project was still viable. Building the data center feasible and whether or not UND could live the amount of office space that would be available after paying for the data center and at that point more was needed.

Senator Holmberg: They are roughly $1.3M over what was in the Executive budget, the version that the Senate passed.

Chairman Skarphol: For comparison with regard to this, the amount of the actual data center, versus what is there today in square footage...

Leapaldt: Roughly 290,000 square feet in the existing and 750,000 in the new.

Chairman Skarphol: Is that a realistic expectation that there needs to be an increase in size in the data centers in order to accommodate future needs?

Leapaldt: They aren't doing things right now that they would like to do. It is not just expansion but also necessary things that aren't being done.

Chairman Skarphol: What kind of years of potential capability does this provide? Is there enough for a 20 year window of opportunity?

Leapaldt: It is hard to say, they will also be coming back for another tier research lab at another point as a part of this whole $25M project.

Chairman Skarphol: Over and above what Senator Holmberg referred to as far as the the $8M grant? This is the initial phase of a multiphase project.

Leapaldt: Yes, if it turned out that this level lab was not sufficient, you would still have that opportunity to increase the 25,000 square feet that they plan on asking in the future.

Chairman Skarphol: They plan on asking for another 25,000 square feet for data warehouse space?

Leapaldt: yes, it is another level above what this redundancy system would provide, so it would be more expensive on a cost per square foot basis.

Chairman Skarphol: When should we expect.....

Leapaldt: I don't know.

Chairman Skarphol: As far as office space compared to what they have today consolidating it in here that is fairly comparable?

Leapaldt: Not known without notes.

Chairman Skarphol: The uniqueness of the building in comparison to a typical structure, costs associated with climate control what does that amount to?

Leapaldt: $125.00 to $150.00 a square foot for the office space and $767.00 for the data center. That is typical because you have a small amount of footage and double redundancy as far as back a generation. The air exchanges per hour are considerably higher. It is an industry wide level.

Chairman Skarphol: Data Center, it is at ground Level?

Leapaldt: Interesting choice for Grand Forks.

Chairman Skarphol: Take a look at these things and see if there is anything that can be cut. That there are contingencies within contingencies that we need to be aware of.

Leapaldt: The roofs at Devils Lake were one of those situations where there were contingencies within contingencies. We provided Dolan with a revised number for those.

Rep. Martinson: You are in a difficult situation, you are asked to give us the bare minimum. Expressing appreciation to Leapaldt. Let's do it right if we are going to do it. It is our job to say if we want to do the bare minimum and have someone come back in two years and say "we told you that building wasn't going to be big enough." My attitude is that if we are going to do it, let's do it right even if it means a delay for two years. Let's not cut corners for the sake of cutting corners.

Leapaldt: Apt description.

Senator Holmberg: Tammy has data on roofs at Devils Lake.

Chairman Skarphol: For our purposes in the future, how does the process of requests made by institutions for a new building, they get an architect to give them estimates first and after that you take a look at it and evaluate whether or not the estimate is within the realm of being reasonable.

Leapaldt: They get paid on a commission, it is important to have someone from the state looking at it and say that this viable.

Chairman Skarphol: If an institution comes in and wants $10M based on their estimate and you give the Executive Branch your estimate and they decide ultimately if it is going to move forward in the budget.

Leapaldt: Yes, correct. There are political decisions that occur outside of my priority list.

Chairman Skarphol: The Governor in his budget decides based on the estimates given. The Lake Region situation and requesting Dolan to provide the figures.

Tammy Dolan, OMB Analyst: The projects that were presented to us were $1.75M for seven different projects in the extraordinary repairs request. Leapaldt was able to sit down with them and look at the total square feet, and came up with two sections that took $1.1M down to about $866,000. The first section of that which would be the most critical roof would be $466,000 and another chunk that would $400,000. Within the $466,000 there would be roof replacement on their library and their gym, North Hall, an Academic wing and the Student Union dining hall replacement. The other three would be the Erlandson building, business and science wing and the support offices area.

Chairman Skarphol: Why are they secondary?

Dolan: All are necessary but those four are most critical.

Senator Holmberg: There is duplicative funding in TrainND. There is TrainND money in the CT and E budget, in SB 2057, and in HB 1003. Is the plan to have 3 pots of money or is there a difference?

Brady Larson, Legislative Council Representative: The line item is called Workforce training for $3M in CT and E.

Chairman Skarphol: Is that not for the money that is distributed out to the regional centers for purposes of distributing it to Workforce Training on a biennial basis, for administrative costs
In SB 2057 the borrowing authority for Section 15 because of the fact that Williston State is bonded out. We need the language that addresses their capability more specifically. They have asked to have both an other fund category for the loan and revenue bond authority for the loan so they have the option of moving either way if they have grants or private money to give flexibility and capability to borrow from the bank on whatever the balance is unpaid and they want revenue bond authority. It is not in the higher ed budget. It is in here so we don't overlook getting it done. Where ever that is or what is in SB 2057 needs to be revised

slightly to give them the flexibility between other funds or revenue bonds borrowed from the bank.

Senator Holmberg: The $225,000 in HB 1003?

Chairman Skarphol: It would be very beneficial to the TrainND program in Williston if we could move that to $500,000 as opposed to the $225,000.

Senator Holmberg: When they come up in different bills, we all want to understand how they all fit together.

Chairman Skarphol: In Section 14 in SB 2057 does set $250,000 as the number. They wanted it all, we said they have to borrow some of it.

Rep. Martinson: Distributing a memo from Lee Keldor, see Attachment # 1 and Proposed amendment .8155.02021 for future discussion. Mayville State is looking at $55,000 to help complete a study on their ground water problems and $200,000 to put an elevator in their Student Union. From Senator Nething an amendment provides appropriation for Old Main from profits of the Bank of North Dakota. No support is expressed for the addition to the Dickinson Library but if there were money available support would be given for either a stand alone or an addition that is not a library but a Theodore Roosevelt Center. We should start going through a list of things that we could agree on. We should start agreeing on things that we aren't going to discuss any further.

Senator Robinson: Last week when you met you asked about the Rhoades Project, regarding the proximity to the diking that took place in 2009 and we are diking again this year. He distributed map, see Attachment # 3 and explained the condition of the dikes. FEMA required addition to the dikes, remove dirt, seeded grass and have had to add clay to it again. The criterion is such that the clay can't be left in place. No water was taken on in Rhoades in 2009. Money was provided to allow for movement of the IT switch gear and such out of the first floor of Rhoades and up to the regional technology center. When it came back it was placed on second floor. The building is dry, the campus is dry, there is a lot of mud, tough streets and such. Remodeling of the existing building and moving farther away from the river is continuing.

Rep. Martinson: Motion to accept the Senate amendments on Valley City, the Minot project and the diesel project in Wahpeton

Senator O'Connell: Second

Roll Call Vote 6-0-0 Motion Carried

Senator Holmberg: In reviewing the budget presented by the Board that came to Senate Appropriations, there were a couple of items that we didn't discuss. One is a new program in the system, $1M for new and expanded activity for an academic and technological start up revolving fund. If there are any technical folks out there, they will have an aneurism. There is also Technology maintenance at $3.527M. It has not vetted very much.

A third one regarding the budget: that was in the Board Office budget as stated on page 1 of the Engrossed Bill. There are capital assets of $12.254M to be addressed to payments on bonds. During the last biennium, the fund gained about $400,000 of interest. Due to the interest fluctuations, consider taking off $50,000 providing a cushion. The Senate has an issue of not being very eager to increase over 8.88% increase in capital funds spending.

Chairman Skarphol: Where do you think you are at right now?

Senator Holmberg: Right now we are at 8.7% and the Senate passed the bill at 8.7%. Those are Larson's numbers and would ask for consideration. The Senate will go to the floor with a report on the adjustments made without comment whether it is good or evil.

Chairman Skarphol: #4 on the green sheet talks about Information Systems Services. You talked about the $3.527M for technology maintenance
$1.87M of that $3.5M of Northern Tier is the operating costs and it is duplicative of what was done last session. Asking Dolan to comment as to the accuracy. There was $1M carry forward last time to cover the operating costs plus a smaller appropriation.
The University system share of State Data Network upgrade at $1.006M is the University systems part of the upgrade that is being done by State government and the University System. The State Government portion was less than $1M or the $600,000 range. Requesting comment from Larson or Dolan.

Dolan: The upgrade that creates two data bases, there is $616,000 in the higher ed budget for that. The State part is about $1M.

Chairman Skarphol: Under the $3.5M that Senator Holmberg is referring to, the $1.006M, what is the $1M? $650,000 of the University share of ConnectND cost increases for data and processor capacity, is that also part of the upgrade?

Dolan: No, they are separate. The $3.5M is the Northern Tier which is about 1.87. The State Data Network adding some campus and internet one upgrades is about $1M and the ConnectND cost increases for disc and processor capacity issues is $651,000. OMB added for the ConnectND data base upgrades, $616,000.

Chairman Skarphol: The $1.006M is for upgrading all the campuses hardward.

Dolan: The circuit and internet one upgrades, software and hardware.

Senator Holmberg: Those appear to be some firm numbers.

Chairman Skarphol: $1M funding pool to address needs on campuses realted to expanding academic programs?

Senator Holmberg: Revolving fund. I wanted further explanation, as we go forward. No disagreement that roofs are important.

Chairman Skarphol: Addressing Larson, any comment on the $1M revolving fund, for the smaller campuses?

Larson: It would be used to address either new or expanding programs so it can address workforce needs of the state such as the wind energy program at Lake Region and others.

Dolan: It would allow new programs that need to be started to get a jump start. It would allow them to phase out old programs and jump start new programs so they could get started a little more quickly.

Chairman Skarphol: Are they anticipated to put back in that they saved from shutting down the old programs? Or is it a grant program and the money is gone?

Dolan: It is more of a grant program but the savings that would be generated on the campuses would be used to run that program in the future.

Rep. Martinson: (Inaudible)

Laura Glatt, Vice Chancellor North Dakota University System: The Board originally submitted a $3M request. As it engaged in budget development, there were a number of requests from campuses for new academic programs. Rather than trying to anticipate at this point what would be needed two or three years from now, this concept of a pool originated. We came in with a $3M request, the Governor's budget included $1M. the intent is that it act like a revolving fund. For example, to expand wind energy, the oney would be returned as enrollment grows.

Chairman Skarphol: Where would they get the money to return to fund? From increased enrollment?

Glatt: A reallocation, some programs can only expand if they scale back and eliminate an existing one and they can only be closed down after students graduate from the program. Yes, this buys time to gain more enrollment and to phase out an old program. Between those two fund sources, they should be able to fund the program on an ongoing basis without the general fund support.

Chairman Skarphol: If they can support the program it is good, but if they are making a profit then how are they going to pay it back?

Glatt: By one of two sources. Assumption that enough enrollment would be gained so that they will have an additional $.5M in tuition revenue.

Chairman Skarphol: Over and above?

Glatt: That would supplant the $.5M in general fund we gave them from this pool. They no longer need this $.5M because now they have $.5M in new revenue coming in. One could supplant the other or by buying enough time to find money within their budget to reallocate.

Senator Holmberg: If the committee decided they didn't want the new revolving fund, is it listed under ongoing general funds or onetime general fund appropriations?

Larson: It would be an ongoing general appropriation amount.

Senator Holmberg: The overall budget that came out of the Senate was 8.7% increase over the previous biennium but the ongoing was 11.8%. A concern is ongoing expenditures, getting them as manageable as possible.

Rep. Martinson: Give thought to fund Old Main at Wahpeton or the Theodore Roosevelt Center. A stand alone center not a library at Dickinson. If there are other funding sources available such as the Bank of North Dakota available that we could discuss.

Chairman Skarphol: The Teddy Roosevelt Center has been discussed and a required match has drawn some interest in Dickinson. What that level of match would be is open for discussion. It should be a state of the art, not a book warehouse.

Senator Holmberg: Contingency appropriation, how does that show up on your cheat sheet that we use?

Larson: It would be shown as one time appropriation on our sheet. We would have to account as if that appropriation would go out.

Chairman Skarphol: The last time we set it out at a level that we would expect the general fund balance.....Remind us of how that works.

Larson: The last Legislative Assembly did provide a continued appropriation to Dickinson State University. That was effective based on actual general funded revenues exceeding by $25M for the first six months of the biennium.

Chairman Skarphol: Asking for further discussion and hearing none, the meeting is closed **to be reopened at the call of the Chair.**

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/19/11
16759

☒ Conference Committee

Committee Clerk Signature Shirley Banning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noted that all members are present. Beginning with discussion of Attachment # 1 prepared by Legislative Council related to potential areas of reduction. According to this document $650,000 was moved out of Information Technology building in Grand Forks and it would leave it at..Recording failure.

Senator Holmberg: It is a starting point. One time funding changes.

Chairman Skarphol: In conversations with Mr. Leapaldt, State Architect, comments on what he suggested are that the difference between the $11.2M and the $12.5M and it offered the opportunity for 20 new offices. The increase represents 10 of those offices.

Rep. Martinson: At first glance is that your only concern?

Senator Holmberg: Inaudible, microphone not turned on.

Rep. Martinson: If we agree to that could you agree to the other three?

Senator Holmberg: Inaudible.

Rep. Martinson: Addressing Brady Larson, Legislative Council Representative and asking where would that put us percentage wise if we were to put that $650,000 back in the tech building.

Larson: No information available.

Chairman Skarphol: We talked about was the $8.7M in General fund and that would leave roughly $1M if we were to go to $8.8M that would be available as well.

Senator Holmberg: That is the overall increase in General fund. If reductions can be shown in the ongoing that would be positive. As of right now, the $8.7M, and that is quite a ways down on the list of agencies who have had changes in ongoing. It is far from the top of the list.
Anything we can do to hold down the ongoing will be met with smiles, maybe not votes. We are talking about a budget that passed 40-7 in the Senate.

Chairman Skarphol: The percentage was not a whole lot different in the house. Distributing amendments on the three tiered funding system, Amendment .02024
Discussion was that this was discussed in HB 1033. Stating that he was not aware of that discussion.

Senator Holmberg: Wait until Monday. Laughter

Chairman Skarphol: The other reason that folks are here is the Dickinson issue. From the House it will not happen in this session.

Senator Holmberg: In Senate Appropriations the choice was not to include that in this biennium

Rep. Martinson: Move Senator Nething's bill on Old Main at Wahpeton

Rep. Williams: Second
That building is structurally strong. It has a new roof on it, windows installed in the 1980s. Three floors are used for computer programming, the IT center, classrooms and offices. It is very functional but the change of the deduction of $900,000 because that includes the demolition for two halls. It should be in the 73 range not the 82 range because they have been standing there a long time and can continue to stand until the next legislative session. That building is the hub of the campus. The problem is the interior, the ventilation system, like any older building. It merits consideration.

Chairman Skarphol: The two buildings scheduled for removal are they not being utilized at all?

Rep. Williams: Hektner Hall is full of office space and classrooms, it is being used. That should not be demolished until Old Main is completed. The other hall (Burch Hall) has not been used for 15 years.
Roll Call Vote: 3-3-0 Motion failed. Opposed by Senators Holmberg, Krebsbach and O'Connell.

Motion Failed
Rep. Martinson: Move the Carlson Amendments to HB 1003, 11.8155.02024

Rep. Williams: Second

Roll Call Vote: 3-3-0 Motion failed. Opposed by Senators Holmberg, Krebsbach and O'Connell.

Motion Failed

Rep. Martinson: Move to accept first three reductions in Attachment # 1 and hold item four for another meeting. To make the $1.350M in reductions in the areas listed.

Senator O'Connell: Second

Roll Call Vote: 6-6-0 Motion Carried.

Chairman Skarphol: For the purposes of instructing Council with regard to the $1.8M we have an amendment. Amendment .02023 was distributed. As proposed by Rep. Dahl, it includes in Section 3 the $100,000 for the study on the Medical School. Section 4 has to do with the legislative management study; Section 12 has to do with the transfer. If $1.8M will be appropriated Council would have to prepare this differently. Rather than out of the Capital Assets Line just reduce the Capital Assets line, give them the money and basically start over.

Senator Holmberg: That was our end game. We had the language "may" and President Kelly said they could make it work. To say that there is $1.8M for that and IT building is reduced by $1.8M.

Chairman Skarphol: As far as Sections 3 and 4, you are okay with that?

Senator Holmberg: No problem with that.

Chairman Skarphol: Instructing Council to incorporate Sections 3 and 4 into the ultimate amendment that we will have.

Senator Holmberg: Move to Amend .02023 to incorporate Sections 3 and 4 and the changes to.....

Rep. Martinson: Second

Brady Larson, Legislative Council Representative: Clarifying how this is different than what is in the Senate version. The Senate version provides $100,000 to Legislative council for the study for the School of Medicine, this provides the $100,000 to the School of Medicine directly to develop the space utilization plan. In Section 4 there is language that requires the Legislative Management chairman to appoint a separate committee to study

the School of Medicine. That would preclude it from being assigned to an interim higher education committee.

Rep. Martinson: It should be part of the Higher Education committee.

Senator Holmberg: Do not like "shall appoint". It is an issue that is extremely important and timely but just don't like "shall appoint". They have to "appoint".

Chairman Skarphol: Change the language to "shall consider appointing".

Rep. Martinson: If we think it should be a higher education committee, let's just say that it should be a part of the higher education committee study.

Chairman Skarphol: Do we think it should be?

Senator Holmberg: Or do we let them decide whether it should be separate or not, if you say "shall consider appointing" they can say they will just roll it in.

Rep. Martinson: Let's have the motion and the second be to separate them out.

Chairman Skarphol: The distinction is significant.

Voice Vote on the changes to Section 12. Carried 6-0-0, Rescinded and Remanded.

Senator Holmberg: Will there be discussion on roofs. Tammy Dolan, OMB Analyst informed the committee that Devils Lake could be done in a phase of $466 and $400.

Chairman Skarphol: We could but there are other things that should be discussed.

Senator Holmberg: Talk about all capital things at once.

Chairman Skarphol: We can talk about the roof situation. With regard to the reductions it does provide us the opportunity to do some things.

Senator Holmberg: The critical roofs are issues we have to address. The question is what our bottom line is here and what else is lurking that might come forth. It would not be prudent to spend $866,000 today and find out there is a ghost lurking someplace that will cost X or Y.

Chairman Skarphol: We should take no individual action on that today. If changes are discussed, it should be in a comprehensive package. In the future we should consider capital projects in a different way and if we provide the dollars without the direction of which buildings get done, they can provide us with a priority list much like the water resources folks do. Provide a list with the ability to adjust and that safety issues be taken care of before new buildings are built. Public safety issues be considered before any new projects are considered. That might be a better way of handling new capital projects in the University System. It warrants discussion and we should make a requirement that a

significant percentage be set aside for that purpose, unless it is unutilized, it must be done first.

For the folks who are here for the Teddy Roosevelt Center, we won't do anything this session. It is unfortunate that Dr. McCallum took no recommendation on that project. Expressing regret that the mission was not realized but expressing hope that in the future, next session, those interested can come back and talk about a Teddy Roosevelt Presidential Center rather than a book warehouse. A Presidential library or a Teddy Roosevelt Presidential Center is another approach that has been suggested.

Hearing closed to be reopened at the call of the Chair.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/20/11
16790

☐ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noted that all members are present. Shifting gears to talk about the changes made by the Senate and addressing the equity issue. The House took it out and you folks put it back in. The $10M and why is that the appropriate number and the distribution. There is angst about the peer institution rankings and asking Senator Holmberg to comment.

Senator Holmberg: We share your angst on the peer institution issue. It is the system by which they were asked to construct their budget, hopefully it will be gone by the next session. It is difficult to understand and impossible to explain to the average person.
We went back to the executive recommendation of the $10M utilizing the same formula that the Board used with has to do with how far they are from their peer institutions. And finally the Senate considered the $10.3M from the Executive recommendation.

Chairman Skarphol: We won't see this issue next session.

Senator Holmberg: We need a system that is understandable by everyone. The present system is not transparent. The language in HB 1033 has suggestions for change the funding mechanism of the higher education system.

Chairman Skarphol: Who will bring that suggestion for change forward?

Senator Holmberg: The Board will make suggestions. Unless OMB would initiate this.

Chairman Skarphol: In HB 1033 there is language for a higher Education study and got substantially abbreviated. Asking Brady Larson to read from Amendment .04000, See Attached.

Brady Larson, Legislative Council Representative: Distributing and Reading the changes in the bill.

Chairman Skarphol: Read the section about the funding mechanisms

Larson: Reading from the bill, see the Attached.

Chairman Skarphol: It is sufficiently defines the study. There has been discussion about the three tiered system. That language does somewhat imply it. We need to be open minded to look at other ways of doing it that we have not discussed.

Senator Holmberg: HB 1033 is done, it was passed this morning. There were suggestions for very abbreviated language that said they shall study it, some said nothing should be put in and let the Chairman put together a study.

Chairman Skarphol: The whole equity issue, at some point we have to achieve that so (it can go away).

Senator Holmberg: This would be premature and more input is needed from the Board. If the Legislature gave the directive to the Board in HB 2003 that it should not be based on a peer institution method. It would force something to happen..
Chairman Skarphol: Are you talking about intent? Would you make this a motion?

Senator Holmberg: I would make this a motion but we should think about it more.

Chairman Skarphol: The Science, Technology, Economics and Mathematics (STEM) funding, it was $1.5M and you restored $1M to the four Baccalaureate institutions, the Research universities have asked why they did not get it. We understood it was for the development of curriculum and it requires a continued level of funding.

Senator Holmberg: Looked at by the Senate, the $1.5M was added and the money was to go to the four universities. It is better to put it there because of what the money could do more there.

Rep. Martinson: Might we negotiate on that area?

Senator Krebsbach: Time for reflection

Rep. Martinson: Valley City was taken off the table but why appropriation was increasedfrom $7.9M to $10.5M, what was your answer?
Senator Holmberg: It had to do with the original proposal that came from the university and went through the Board Office process which was a $10.85M building. When it got

through the process at OMB they looked at some ways in which some money could be saved by doing some work. In visiting the Rhoades Center a few weeks ago, and OMB would have the rational on the reasoning of those reductions.

Tammy Dolan OMB Analyst: We started with a budget number, starting with the most recent data at Valley City with enrollment and useable classroom space for the whole campus. We came up with spaces in other buildings that could be used so that they wouldn't have to build so much space in Rhoades. Based on the 2009 and information from testimony with more current data we found we were asking them to use spaces that were not appropriate.

Chairman Skarphol: What is the difference in the footprint? The size of the facility. Depending on the size of the facility, is that what the difference in dollars makes?

Dolan: Yes, not huge but different. With more current information a higher dollar figure we might have been recommended from the beginning a higher dollar figure for the project.

Chairman Skarphol: What is the difference between a classroom need and an office need, is that the difference they were looking at?

Dolan: A science lab was one of them which is different from a traditional classroom.

Rep. Martinson: We got grief for taking those three projects off the table right away and then asked about the difference in funding. Asking for information on the cost increase from $8M to $10M. Valley City is not going away, just more information is needed.
Senator Robinson explaining the difference but did not approach the podium.

Senator O'Connell: Take Bismarck College off?

Rep. Martinson: No, Bismarck might need a little bit more. It was at $4.335M when it left the House and you are at $3M and that is why that is still hanging around.
Motion made to End Discussion on Bottineau

Senator Holmberg: Second

Voice Vote Carried.

Chairman Skarphol: There is discussion about continuing the tuition affordability issue. It is not an obligation to be sure every student graduates debt free. Education is an investment. This should be discussed during the interim.

Senator Holmberg: There was discussion in committee and on the floor that we do not want a line item on it, give us a budget and it will be dealt with.

Chairman Skarphol: There is consternation about things we are asked to do. This committee should give consideration to what is done about capital projects, related to the safety issues. More emphasis should have been given to the small campuses. We need to think about how we address the safety issues.

Senator Holmberg: The campuses did their priority list but they were given the flexibility to take care of some of them through the extraordinary repair money given to them.
2. Addressing Dolan re Devils Lake about roof replacement and about dividing it into two phases. Are roofs going on buildings that next session will need changes?

Dolan: Would have to talk to Leapaldt about that.

Chairman Skarphol: We would like that information. There are seven projects at Lake Region and every one of them needs a roof replaced.

Meeting closed to be reopened at the call of the Chair.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/21/11
16814

☒ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes: *Attachment #s 1-5*

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noting that all committee members are present. Beginning with discussion on the infrastructure money repair, see Attachment # 1. The column on the right is the amount that each institution is scheduled to get. The total is $11M among all the campuses. The $4.446M is the amount of increase over this current biennium. With regard to Lake Region to repair all the roofs for $866,000 and knowing whether or not they have been diligent in trying to do it. The infrastructure repairs and maintenance number would not cover the costs associated with doing it.

Senator Holmberg: As we go forward on this budget, could we give consideration for increasing that number at Lake Region by $455,000 for the roofrather than running it through the capital construction list?

Chairman Skarphol: On our side we have discussed the need for doing all seven roofs. There would be no waste and it would tie in to current and upcoming road and street work. Distributing Proposed Amendments # 02027 Attachment # 2 and reviewing the verbiage related to the development of a budget request. Reading through it, and emphasizing the funding component. We ask that the equity mechanism based on peer institutions go away. Does that language accomplish what was discussed yesterday, are there other changes, or is there a need to further consider?

Senator Holmberg: At first look, it contains the three components of equity distributions, affordability and could incorporate the three tiered system in the proposal that they put forth.

Rep. Martinson: Move to adopt the amendments, .02027.

Senator O'Connell: Second

Senator Holmberg: Does the adoption of these amendments strip away everything the Senate did or are we adopting the content in Section 13?

Chairman Skarphol: The motion is to adopt the concept and we will put together a comprehensive amendment at the end.

Voice Vote Carries.

Chairman Skarphol: Distributing Amendment .02026, See Attachment # 3 and reading the contents. There was a 1965 Supreme Court decision that disallowed this type of mechanism; however, by confining it to the general fund projects, I think we eliminate that. The consternation was that institutions would not be able to build dormitories with revenue bonds. We may have addressed what may have been unconstitutional.

Brady Larson, Legislative Council Representative: The Supreme Court case was from the 60's and involved a situation where the legislature had appropriated a block grant amount of money to universities system and allowed the State Board of Higher Education to determine how to expend that money at each campus. What the Supreme Court found is that, in that situation the Legislature had unlawfully delegated their legislative duties to the State Board of Higher Education. This amendment would provide that the University System prioritize their capital projects and present those to the Legislature and the Legislature would fund each of those capital projects as it sees fit. There would be no conflict with the Supreme Court case of the 60's.

Chairman Skarphol: It is an attempt to make capital projects be evaluated or preplanned somewhat similar to what we have developed in Information Technology. This allows a better upfront evaluation of the actual costs involved and we be allowed to have some input as it is moving forward.

Rep. Martinson: If we had had this last time, Old Main in Wahpeton would have received a priority over the diesel. It would be fitting to put that renovation ahead of students' education. This looks like that to me.

Chairman Skarphol: It also would have fixed the roofs at Devils Lake first. The Board did not bring forward the small project issues. The roofs were all in the small category. This does make a fairly substantial change to the Legislature's massaging of the building projects.

Rep. Martinson: We are here to... we could probably do that with Old Main but we think that the diesel center should come first. We should think about this for a little bit.

Senator Krebsbach: Was this discussed on the House side so you could have feedback from all?

Chairman Skarphol: No, it was discussed as an alternative to additional needs on capital projects. After these things come forward after the preliminary decisions have been made about how we are going to spend our capital projects, it is disconcerting. We can set it aside.
Proposed amendments relating to the school of Medicine, see attachment # 4

Rep. Martinson: Explaining Sections 3 and 4 of proposed Amendments to Sections 3 and 4 of the Engrossed HB 1003. In Section 3, it is $100,000 that was in the Senate Bill and Section 4 was also in Section of the Senate Bill with different wording. The $100,000 is to have an architect study their building needs. And the other that requires an interim study on the School of Medicine.

Chairman Skarphol: Questioning the need for the $100,000 for an architect to study and creating the assumption that something will be built. There was resistance to that idea on the House side.

Rep. Martinson: You are just doing that because you didn't think I like your amendment. *Laughter*

Senator Holmberg: The Senate version appropriated the money to the legislative council. This would not be a double up.

Chairman Skarphol: What is your logic for having it in the Legislative management side?

Senator Holmberg: It was to develop a space utilization plan. In the Senate discussion there wasn't any difference. It was just where to put money.
The language in Section 3 looks okay, and removing what the Senate had done in the Bill itself regarding the $100,000. The Senate had anticipated that there would be about $100,000 cost to do a study. It would be put into the Legislative budget so we could hide it from your eyes but you found it. Attachment # 4

Chairman Skarphol: Section 4, the word "shall".....

Senator Holmberg: Nervous about the word "shall" from the standpoint that Management likes the flexibility; however, you could but "may" in here and the study will go forward because they do have to respond to a study and the work that was done at the Medical School already regarding future needs for health care providers in the state over the years and it would be incumbent on us to follow through with the legislative view of what Medical School found what the Legislative response would be.

Chairman Skarphol: I agree with the need but question the requirement that the Legislature do it just because the Medical School started it. Rep. Dahl did not want it to be a part of the Higher Education committee's work but rather a separate committee that concentrates on this with a smaller group of people with a more intense focus. Thus her request to have a "shall appoint".

Rep. Martinson: Change to "may", strike out "shall. If everyone is agreeable, just make that change.

Chairman Skarphol: Are you making a motion with regard to the acceptance of these?

Rep. Martinson: Motion to accept the proposed Amendments to Engrossed HB 1003.

Senator Holmberg: Second.

Voice Vote carried

Senator Holmberg: Senator Robinson distributed Attachment # 5.

Chairman Skarphol: We can read it and discuss later.

Rep. Williams: Could we go back to .02026, Attachment #3 and discussing Section 13 It directs the State Board of Higher Education to develop an alternative funding mechanism for prioritizing building projects. In the last grouping of projects Health and Safety were a primary concern. It doesn't restrict It insures that safety issues get taken care of first I would like to see this passed.

Chairman Skarphol: No disagreement. It insures that necessary repairs are done and public Safety issues are taken care of first.

Senator Holmberg: The other language that is kind of refreshing is the periodic update so that the budget section is aware of the paths that the Board is working on regarding the construction projects. By the fact that they provide legislators with updates and opportunity to provide additional input. Legislators on the budget section are kept informed.

Chairman Skarphol: Would like to read through the lengthy document.

Rep. Martinson: Need to see where we are on a couple of issues so I would like to **Move to cut equity funding in half.**

Rep. Williams: Second

Chairman Skarphol: $10.3M. The motion is to try to make some room and get us back in line with the Governor's budget.

Senator Holmberg: With the stuff done it indicates ongoing general fund increase of 8.4% and that number is below the Executive budget on general fund expenditures. Correct?

Larson: The 8.4% would be total general fund. It would still be under the executive recommendation.

Chairman Skarphol: As a follow up, what are the general fund differences are between the Executive budget and the current proposal regarding the operating costs and separately the capital costs?

Larson: Can provide that information.

Chairman Skarphol: The House would like to be assured that we are in line on both.

Senator Holmberg: We are slightly over on capital construction projects. There are always the footnotes you have to add, plus and minus. What we have going right now is the Governor's budget if you include the work that was done for BSC, it amounts to about $40.651M and where we are right now is $3.9M above the Executive level.

Chairman Skarphol: Requesting that it be on a document.

Roll Call Vote 3-3-0 Motion Fails, Opposed by Senators Holmberg, Krebsbach, and O'Connell.

Chairman Skarphol: Hearing closed to be reopened at the call of the Chair.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/22/11
16841

☒ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

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Minutes: *Attachment #s 1,2,3*

Chairman Skarphol: Called the Conference Committee meeting to order on HB 1003 and noted that all members are present. Reviewing Attachment # 1, the Joint UND/NDSU IT Facility in Grand Forks. As it passed out of the House, Columns 3 and 4 delineate the aspects considered. The Senate side columns 7 and 8 are where the facility stands at this point. The dollar amounts are in the left hand column under 7 and 8 that is the number of cubicles the building would have if it were build at the $12.5 M. It would hold the 97 FTE employees located there. State Information Technology System (SITS) under higher education has 56 FTE. UND has 62 FTE and 118 people are not going to fit into those slots designed for 97 FTE. The concept was tht they would co-locate all the people in one facility. Looking farther down on Attachment 3, right next to the $5.410M there is a 7,500 figure, which is the square footage of the data center. Today's data has 2,900 square feet. It is anticipated that if the research facility that is being requested in the grant were to locate there and all of the anticipated needs of the exponential growth in the Unmanned Aircraft aspect at UND were to happen then that 7,500 square feet would be needed. They anticipate tremendous growth there. This information shows the current status.
One of the supervisors at UND says it is not adequate for their needs going forward into the future. You work with the cards you are dealt. The two research universities and the University System Office could be encouraged and the system office to work more collaboratively and better utilize the dollars they are given. The Chancellor would agree that there is a good prospect that things could be done if they were encouraged to do so.

Bill Goetz: Chancellor for the North Dakota University System: Mr.Thursby has been in discussions to the possibility that the research universities and the University system Office could take steps to that effect. Actions taken here relative to this facility would influence such collaboration. How expeditious this occurs hinges on retirements and other changes in terms of job descriptions.

Chairman Skarphol: Amendment .02028 was distributed and discussed, it speaks to this issue.

Rep. Martinson: It would be very foolish if we believe the people you are talking to would believe that building a facility that would not be an adequate size building. How do you move data stuff and not move the people? I thought the purpose of the building was to put everything in one location. So then do we still have people all over the place?

Chairman Skarphol: It is imperative that the SITS folks be there and a higher priority of NDSU people are there. It is convenient if they are all in the same location.

Goetz: That is correct. We look first of all at the number of locations that the SITS people are located, three or four different locations. With the UND people it is about five different locations. If you have an organization and it comes to communications and working together it is more efficient to have one center.

Senator Holmberg: The concerns and impetus for moving out of the basement of UPS. Under the configuration that is in front of us now, would there be any reason to continue to use the basement of UPS?

Goetz: No

Senator Holmberg: What about the upper floors, is that where those who wouldn't get into this facility, would they stay in UPS or would they go to another place?

Goetz: Other spaces are being considered. The School for the Blind is being considered. Other spaces would be a possibility should the staff not be accommodated as was originally proposed.

Senator Holmberg: We found in SB 2013 that any renovation or availability of the School for the Blind is not going to occur this next biennium. The school district has waved the white flag that they are not closing schools or anything like that. The School for the Blind will not be available for two years.

Chairman Skarphol: In discussing Amendment .02028, addressing Chancellor Goetz....

Goetz: In light of questions I have not had a chance to read it.

Chairman Skarphol: It talks about the State Board of Higher Education "May spend additional funds on a project up to $5M that are made available from dollars within either the institutions' budgets or wherever. Reading from Section 5 of the Amendment

There needs to be more cooperation and collaboration between UND and NDSU and the system office to create those efficiencies.

Goetz: The capital asset itself would be the sum of $12.5M? Then there would be an additional $5M that the Board would have discretion in terms of consolidation of services.

Chairman Skarphol: Not additional dollars but the authority to try to use dollars in the two institutions more cooperatively rather than have two segmented entities. Some type of savings should be realized with the consolidation of two facilities into one.

Goetz: The $5M is not part of the $12.5M.

Chairman Skarphol: The $5M is additional authority that you can use if you can find the money and spend it on the development of this facility.

Rep. Martinson: Where will the building located? $1.5M for earth work?

Goetz: As to the location, proximity would be close to the Hilton Garden. On the earth work, I cannot speak to that issue in terms of how that amount was arrived at.

Rep. Martinson: The University doesn't own the property?

Goetz: They own that property.

Rep. Martinson: That is a pretty prime piece of property, Isn't it?

Chairman Skarphol: It would be in conjunction with the Aerospace Center. It is located fairly close to the UND Aerospace Center.

Goetz: Yes, fairly close.

Senator Krebsbach: They were seeking a grant that we gave authority to add to this structure and that was for research? Was any of that research that they are contemplating with the UAW project?

Goetz: There is some degree of confusion. The authorization that you have discussed is for a potential grant for high level research unit that would adjoin this project if approved. We are not to confuse this proposal brought forward and early in the stages of our budget process is separate and apart from what has now just recently developed and evolved as a potential opportunity where UND is making application for a grant for a high level research facility would be tied to aerospace program, weather research and so forth. This is very much a separate authorization from this proposal.

Senator Krebsbach: This was to confirm that there is no duplication in any way.

Goetz: No, there is none.

Chairman Skarphol: It is totally segregated; it will be adjacent to it, attached to it but totally segregated.

Goetz: Yes, there could be some utilization of resource but it would be focused on its own purpose and operation.

Chairman Skarphol: Would it be utilizing data center space in this facility or do you think it would be independent with its own data center?

Goetz: Independent but could utilize resources within the data center. Those are all ifs.

Senator Holmberg: The actual site will be on land owned by the University on their land but the actual footprint is still being looked at.

Goetz: The certainty of the location is still being appropriately discussed.

Senator Holmberg: The location, for the record, in the event there is a question afterward.

Chairman Skarphol: We don't necessarily want to take action on the amendment. Share the amendment with the two institutions so they could tell us about any consternation they might have over the language.
There was brief discussion about potentially reducing that $12.5M, what the feelings are now after looking at these numbers. If we did have a $650,000 reduction, moving over to columns 11 and 12, see Attachment # 1there would 58 slots, SITS folks would fit in there but that would be the extent of it.
Rep. Williams asked to have distributed Attachment # 3 on Student Mental Health Services. He feels that the institution that is in his district managed to do this without state dollars then he is questioning whether or not it is appropriate that we furnish it. This lays out what is in the budget and something to be considered. In total it amounts to $871,140 with what is in the system office.

Senator Holmberg: Requesting more information from Rep. Williams on how it is provided in Wahpeton.

Rep. Williams: After the last biennium there were two FTE and money was used to fund the Mental Health Coordinators, why did other institutions not do the same thing within their existing budgets? Why were they getting money for their mental health coordinator position? Wahpeton and the two universities have mental health people; the others want to get on board. None of the choices we are making are easy choices. We are looking at cutting back on this and that and want to bring this up because it is $871,000. Addressing Chancellor Goetz, Science took two FTE and funded a mental health person.

Senator O'Connell: Contract service for after hours service, what is that?

Tammy Dolan, OMB Analyst: It would be for services provided to all 11 campuses so that students have contact for after hours mental health services, hot line services when the staff may not be on board. It may be more of a phone service.

Chairman Skarphol: Requesting comments from the chancellor or vice chancellor on the $156,000 of one time monies. State wide assessment surveys and training, if we hire mental health counselors we would assume that they would not need training.

Laura Glatt, Vice Chancellor for Administrative Affairs North Dakota University System Office: That would be offered training in other resources offered through Western Interstate Commission for Higher Education (WICHE). While we are hiring licensed mental health counselors with any profession or discipline there is always a need for ongoing trainging especially as it relates to serving our students across the university system. That money would be used to facilitate those kinds of system wide training activities for those individuals.

Chairman Skarphol: Two at Science do not have the advantage of this. Is it $156,000 that we could better utilize somewhere else?

Glatt: All licensed mental health counselors, including those currently employed would participate in those training activities, not limited to new positions.

Chairman Skarphol: They haven't been doing it for the past two years and they would still be performing their duties. Is there a better way to utilize the $156,000?

Glatt: Wahpeton may be funding that training out of their own budget

Goetz: The WICHE connection is critically important. The $156,000 is to spread that resource across the system, regardless if there are existing counselors or not. The WICHE objective here would be to bring WICHE in and the training would be conducted for those who are being trained, administration, support staff, faculty, taking on professional development as it relates to a whole lot of things in terms of observation of students, faculty, staff. It goes beyond counselors. That is the intent of one time funding.

Chairman Skarphol: What service is WICHE providing for the dues that are being paid?

Goetz: Their mental health component is separate and apart from the other work that WICHE does. Their work is contract work and is separate and apart.

Senator Holmberg: Regarding the descriptors for geriatrics training, the $1.15M.....

Brady Larson, Legislative Council Representative: It would add either one or two additional positions or the operating costs for those two positions to expand the geriatrics training program at the school of Medicine.

Senator Holmberg: It would provide a masters in public health.

Chairman Skarphol: Geriatrics training, two FTE positions and related operating.

Chairman Skarphol: Done for today.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/25/11
16867

☒ Conference Committee

Committee Clerk Signature Shirley Brenning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes: *Attachment #s 1,2,3*

Chairman Skarphol: Called the Conference Committee to order on HB 1003 and noted that all committee members are present. We have alternative language that was asked for with regard to the proposed amendment on the IT building in Grand Forks. Asking Chancellor Goetz if he had input on the language after his talk with Mr. Thursby.
The House side is confused on the leadership we are getting from our leadership. Is that true on the Senate side, too?
Referring to the most recent general fund appropriations, conference committee version $643,340,934. See Attachment # 1. Asking Brady Larson to confirm that we are where we think we are with regard to general fund appropriations, both ongoing and capital projects.
Does this include a reduction in the appropriation on the IT building from $12.5M to $11,850,000? Or does it not? It does not, so the building is still at $12.5M with this printout.
Talking about the ongoing general fund appropriation, which is the top line going across (Attachment # 1), the Governor's Executive recommendation was $605,854,782. With the current ongoing appropriation is $597,000,000. So we are roughly $8M under the Governor's executive recommendation.

Senator Holmberg: There were a couple of issues discussed in committee the other day and I don't know what our closure rate was on that. On the $1M removed from the revolving loan fund, is that included or is that already taken out of the $597M?

Brady Larson, Legislative Council Representative: The $597M reflects the removal of the $1M.

Senator Holmberg: There was discussion about $871,000 on mental health to select campuses. Is that in or out of this number?

Larson: That amount was not removed and is still in the numbers reflected on this sheet.

Chairman Skarphol: We are under on the ongoing general fund. Let's go to the onetime. The Executive recommendation is $42,359,000 and we are currently at $45,950,000 at roughly $3.5M over on one time capital expenditures. We are roughly $5M under the executive recommendation.

Larson: Correct

Senator Holmberg: Looking at the big picture, where we were at as far as the general fund is concerned on this budget was, it says $8.4M is where we are and if you look at the other four big budgets or the top four budgets, you would find that DPI weighed in at 9.9% increase over last biennium; Human Services which is 17% over last biennium.
Department of Transportation is skewed because of money.... that is at 8,000%.
This one comes well below.

Rep. Martinson: Providing proposed changes to relate to the Senators for consideration.
Lake Region State College roof replacement project, $866,000.
Williston State College Workforce Training building, $275,000.
Dickinson State University digitization project for the Theodore Roosevelt Project, $750,000
Bismarck State College for the renovation and completion of the fourth floor, $750,000.
Mayville State including an elevator at $200,000 and the drainage study at $55,000 totaling $255,000.

Chairman Skarphol: $2.896M.

Larson: $2.896M

Chairman Skarphol: The $110,000 for security at Williston State, has that been included in the figures?

Larson: That has not been acted on.

Senator O'Connell: Valley City, is there still a $1M match in there?

Chairman Skarphol: Not familiar with a match unless the Senate put it in.

Senator O'Connell: No, we .....raised that $1M to start with....Just making a suggestion that we bring that back.

Senator Holmberg: ...the $1M the House brought back. *Laughter* $2.896M

Rep. Martinson: Move to delete $871,140 line item for mental health services.

Senator Holmberg: Second

Voice Vote Carried

Senator Holmberg: That is ongoing.

Rep. Martinson: Could we ask Larson to provide another sheet with those additions, what it would look like if we put those five projects in.

Chairman Skarphol: Another document with the actions that have been taken so we can follow for sure...an update.
Addressing the amendment on the IT building and the proposed alternative amendment. The biggest concern is the last sentence on the previous amendment with regard to any additional funds .
Addressing Chancellor Goetz, is there actually potential of coming up with some additional dollars that could be added to the building costs or are the suggested blending of funds to create efficiencies for whatever building we provide. The additional $5M authorization you anticipate, that being utilized to move that building cost to like $4.3M to achieve the size that you folks believe to be optimum? Reviewing Attachment # 2.

Bill Goetz, Chancellor North Dakota University System: The result of incurring efficiencies would contribute to addressing the $12M if we can generate additional savings as a result of efficiencies. It would contribute additional resources toward the $12.5M.

Chairman Skarphol: If you think the $14.3M is sufficient, should we cap it there? Or should we allow you to go to the $17.5M if you could achieve the full efficiencies of the $5M in addition to the $12.5M. As I add up the numbers of employees, 56 State Information Technology System (SITS) and 62 UND, that is 118. And $14.3M according to the document that you provided us. There are cubicles for 145.

Goetz: If we could operate with a cap at $17M as originally arrived at then grant opportunities for meeting our objectives in terms of bring all staff under one roof.

Chairman Skarphol: $17M allows for 173 cubicles. Are there that many additional IT people that we are not aware of.

Goetz: Not having those numbers.....

Chairman Skarphol: You talked about 56 SITS people, 62 UND people, whom else would you need? There's 175 you are 55 people more than that. Where are the other 55 going to come from. We are not hoping you hire them to fill the cubicles.

Laura Glatt, Vice Chancellor North Dakota University System: The number of cubical spaces calculated is a rough approximation based upon 125 square feet per space.
The architect's original suggestion was that some of the offices will be hard walled offices and others cubicles. The hard walled offices are going to take more space than are the

cubicles. We may end up with fewer offices, but for simplification they were added together and averaged. The $17.6M original project was intended to house current operations plus allow for future growth both in terms of the data center and the office space.. There is flexible space built in at the $17.6M original for potential future growth.

Chairman Skarphol: What will happen with extra space? It has been recommended that we have language that would prohibit certain things from happening in that space.

Goetz: Since this was put together at $17.6M the original request, we now have another consideration that came forward and that was the $8M grant pending. Then going back to the architect and request that it be reduced revised, a number was set and that was just a little bit over the $14.3M that you now have in terms of a revised request. It is from that number that I would like to see us operate from with available space at 145 staff to lend itself to bringing our staff together as was originally intended. If we could arrive at the $14.3M, recognize the $8M potential grant authorization, we can make this work. The $5M efficiencies that would be allowed would address the needs.

Chairman Skarphol: Addressing Senator Holmberg Is there language to allow for the grant in the Senate version or did that come in later?

Senator Holmberg: There is language (Microphone not turned on)

Chairman Skarphol: Requesting Larson to incorporate that language.

Senator Holmberg: Move to authorize for the acceptance of the grant in the event it is granted.

Rep. Martinson: Second

Voice vote carried

Chairman Skarphol: With regard to the alternative language for the amendment that was drafted, do we have a motion on that?

Senator Holmberg: Move the alternative amendment be adopted.

Senator Krebsbach: Second

Voice Vote carried

Chairman Skarphol: The issue with regard to the $110,000 for Williston State. It is rather important to Williston State because of the environment they are operating in. Hoping the committee will look favorably on that as changes are made.

Senator Holmberg: We have to make tough decisions on the basis of the whole picture. We don't nip and tuck but lay everything out there that is agreeable to the sides and then move that up or down.

Rep. Martinson: Request of Brady not to draft another projected document until we are closer to where we want to be.

Chairman Skarphol: The pressure is on the (House) side to still find some rather substantial money in here. I don't know where we are going to find it but the number floating around is significant.

Senator Holmberg: I heard $20M.

Rep. Martinson: We could find all the money we want. What we can't find is the votes.

Senator Holmberg: The conference Committee on SB 2013 DPI met once and we are done.

Chairman Skarphol: I am not sure the conference Committee on SB 1206 is ever going to get done.

Rep. Williams: Who was the chair of SB 2013?

Senator Holmberg: Yours truly and also the chairman of SB 2015 and we did not resolve anything.

Rep. Martinson: Move we have a different chair. *Laughter*

Chairman Skarphol: Conference Committee is finished for this morning.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/26/11
16900

☒ Conference Committee

Committee Clerk Signature Shirley Brauning

Explanation or reason for introduction of bill/resolution:

BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Called the Conference Committee to order on HB 1003 North Dakota University System and noted that all members are present.

Rep. Martinson: Move to cut Equity by $2M out of the Equity Line Item.

Senator O'Connell: Second

Rep. Williams: Distributing Attachment # 1 and explaining the proposal as the last best place to go. We have to find some extra money in the higher ed budget to delete and we've been going after this and that and I'm worried that we'll get like a bunch of leg horns and start pecking at each other. This is a $10M Equity sheet and it shows the percentages and the amounts. The proposal is to cut $2M out of the $10M and distribute it by the equity formula. That way we distribute the pain proportionately among the institutions. We have gone into the Chancellor's Office, looked at the Capital projects, taken money out of the mental health areas. I see this as probably the last best place to go.

Chairman Skarphol: To reduce each institution by 20%?

Rep. Williams: Yes, if you are working off of the $10M at the top of the page and you work it through, it should work out to just about what you are saying.

Chairman Skarphol: A nod from the System Office, that would be your interpretation of a reduction by $2M that you would just take 20% off each institution?

Bill Goetz, Chancellor North Dakota University System: Did not approach the podium.

Chairman Skarphol: If we pass this it would be 20% off of each, is that yours?

Rep. Williams: I want the $2M out of here rather than somewhere else.

Holm: If we take it off the top and let the minimum to remain, that money would come from three campuses and everyone else would stay the same? That is not you intention. What assurances do we have that throwing the $2M off the top that it will quiet those who say we should be taking $10M off the table?

Rep. Williams: If I felt that were true I wouldn't be proposing this. Perhaps you need to run it past the leadership and see if that will satisfy their hunger.

Chairman Skarphol: At some point in time we will have to pass and leave it up to leadership to resolve the issues.

Roll Call Vote Taken: 5-1-0, Motion Carried. Opposed by Senator Holmberg.

Chairman Skarphol: Addressing Larson and asking him to Review the amendments that have been distributed. We will withhold questions until you are finished so we fully understand what is here.

Brady Larson, Legislative Council Representative: Reviewing the Proposed Amendment .02025, beginning with p. 13 and reviewing each of the footnotes. Footnote page 18, moving on to p. 15, the special fund portion; pp. 7-11 which are the new Sections 3, 4, 5, 6, 7, 9, 10 18, 20, 21, 22, 23, and 24.

Rep. Martinson: I didn't get to Brady before he drew these up but if there is no objection I would like Brady to put it on his list that up to $750,000 of the Dickinson money must be spent on the continuation of the digitizing project. Any objection to that?

Chairman Skarphol: Of the $900,000?

Senator O'Connell: Where are you at, what page and what line?

Rep. Martinson: It is on page 14. That is where the money is, the wording is ....

Chairman Skarphol: There is not a lot of time for discussion because it is 4:01 and some of us have conference committees. We will get back to those issues. Thanking Larson, **meeting closed for today.**

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1003
4/27/11
16912

☒ Conference Committee

Committee Clerk Signature Shirley Branning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide an appropriation to the legislative council; to provide an exemption; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies; and to declare an emergency.

Minutes: *Attachment # 1*

Chairman Skarphol: Called the Conference Committee to order on HB 1003 North Dakota University System, and noted that all members are present.

Rep. Martinson: Move to reconsider action to adopt an amendment to take $2M out of the equity pool.

Senator Holmberg: Second

Voice Vote Carried.

Rep. Martinson: Move to combine equity and tuition affordability and decrease that combined appropriation by $1.4M and allow the Board to allocate the money to the schools according to existing formulas.

Senator Holmberg: Second

Chairman Skarphol: Discussion

Senator Holmberg: That would be a total of $16,640,565 minus $1.4M.

Roll Call Vote: 6-0-0. Motion carried.

Rep. Martinson: Move that in Sections 3 and 4 that the money be changed to the General Fund.

Senator Holmberg: Second
Voice Vote Carries

Senator Holmberg: Does that cover the general fund trust fund issue as it regards to 1003?

Brady Larson, Legislative Council Representative: It does as long as Section 5 remains in there that discusses the 2009-2011 projects that were funded from the Permanent Oil Tax Trust fund.

Chairman Skarphol: That is an appropriate thing to do to leave section 5 as is.

Rep. Martinson: Move to delete to $200,000 from the Wahpeton project, the Valley City project, $150,000 from the Minot project, and $50,000 from the proposed increase to Bismarck State.

Senator Holmberg: Second

Senator O'Connell: Asks for repetition of the Bismarck State amount.

Rep. Martinson: $50,000.

Senator Holmberg: In that amendment were you also contemplating that those schools would be given the spending authority? Is that part of the amendment?

Rep. Martinson: Yes

Voice Vote Carried

Rep. Martinson: adopt the full set of amendments as they were presented.

Senator Holmberg: Second

Chairman Skarphol: Discussion? Adopt Amendment # 030.

Roll Call Vote: 6-0-0 Motion Carries.

Senator O'Connell: The Dean at Dakota College, Bottineau said the second item on their priority list is to replace piping going across the ceiling at a cost of $263,000. There is a flood inside the building that houses the business office at Bottineau. The situation has ruined a lot of furniture and papers. Requesting that if amendments are made up, this be added at this late hour. The parking lot was first and this was second on their list

Chairman Skarphol: Is there any way it can be done within the $700,000?

Senator O'Connell: No, it was put in as an estimate and is two years old. That was at $78,000 and with specials it was around that $900....and something and the Senate cut it back to $700,000.

Chairman Skarphol: Deferred maintenance money is only a small portion of that. Opinions from the committee members?

Senator Holmberg: Looking at p. 48 of the University system book, Dakota College Bottineau. This is their small to medium sized projects. The first item was additional IVAN classrooms, second was science lab updates, third Nelson Science Center upgrades.

Senator O'Connell: The Dean said that was their second priority.

Senator Holmberg: Requesting chancellor Goetz to provide direction to the right page.

Bill Goetz, Chancellor, and North Dakota University System: Page 44 of the System Budget book, the listing of the heating system upgrade was priority # 13.

Chairman Skarphol: Do you have their list of their priority projects?

Goetz: Do not.

Senator Holmberg: It would be within that because number 8 of the Board list is the repaving on # 13 of the parking lot. According to this document this was the second priority.

Senator O'Connell: Black pipe was installed in 1961, according to the email, they have been having leaks and it is all in the ceilings. When one pipe breaks it floods their office, the problem is old pipes.

Rep. Williams: At the risk of sounding callus, we just finished cutting done this budget by $200,000, I cannot support this, the hour is late, just so you know.

Rep. Martinson: If we could make all the decisions in this room, I would be amenable in a motion to allow Bottineau to make that determination of where they want to spend the money, like getting by with one parking lot less if that is a priority. I can't support it either.

Senator Holmberg: The wording is for campus improvements which is general. Additional language would not be needed. The amount of capital asset that Bottineau has is not a huge amount and they have $115,000 in capital asset.

Tammy Dolan, OMB Analyst: $115,000.

Senator O'Connell: Motion for $263,000 for new piping on the campus.

Senator Krebsbach: Second

Roll Call Vote: Motion fails: 3-3-0, Opposed by Representatives Skarphol, Martinson and Williams.

Senator Holmberg: It would be nice if all the committee members would get a sheet that gives the delineation of where this budget now is in relation to the Executive budget and to the last biennium, 8.2%/8.3% increase over two years ago. We always have that discussion on the Senate floor.

Larson: To make note regarding the limitation on tuition rates or not limiting tuition rates. The Senate had included a provision in their version that would not put a limitation on campuses to limit student tuition based on student affordability funding levels. It would provide that campuses could increase student tuition rates at whatever level they would choose. That language is not included in the Conference Committee minutes at this time. Would the committee like to provide any direction on that issue?

Senator Holmberg: That language very popular in the Senate

Chairman Skarphol: Is the language that it would not limit tuition rates?

Larson: That is correct.

Rep. Williams: It was 2.5 and 4 is that correct? Zero at 2 year schools
Addressing Chancellor Goetz. If we maintain that language of zero up to 2.5, how do you react to what we have done?

Goetz: It would be preference to have language in there that the Board, on a request from a campus for a good reason would ask for increased tuition and it was the Board's decision as to whether or not that would be approved. It is the Board's decision and is consistent with what was in place the last two years.
Would ask for additional authority to raise tuition

Rep. Williams: Move to put original language back in the bill.

Chairman Skarphol: Motion dies for lack of a second.

Larson: The proper language with the Senate Receding and all the formalities.

Senator Holmberg: Thanks to Brady Larson for sending out emails when people were not working with information that he had gathered. *Laughter* Requesting a delineation of the actions taken.

Rep. Martinson: The more people that look at those amendments for technical errors the better.

Senator Holmberg: The amendments that were adopted were 2030.

Chairman Skarphol: 20230 is the amendment

Rep. Williams: Compliment Larson. The Senator implies that Brady isn't a normal person. *Laughter*

Larson: For the copies of the amendments, they will be distributed to all members, they Council office will email them and a stack of amendments will be left in the Sakakawea Room available for anyone who wishes to see them. They will be ready at 1:45 pm.

Chairman Skarphol: Meeting adjourned.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/18/11

Roll Call Vote 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator O'Connell

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Senate amendments on Valley City, the Minot project, and diesel project in Wahpeton

HB 1003
NDUS
4/18/11

11.8155.02021
Title.

Prepared by the Legislative Council staff for
Senator Nething
April 12, 2011

Attachment #2

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

In addition to the amendments adopted by the Senate as printed on page ____ of the Senate Journal, Engrossed House Bill No. 1003 is further amended as follows:

Page 1, line 2, after "system" insert "; to provide a contingent appropriation"

Page 7, after line 29, insert:

"**SECTION 3. CONTINGENT APPROPRIATION - TRANSFER OF BANK OF NORTH DAKOTA PROFITS TO NORTH DAKOTA STATE COLLEGE OF SCIENCE.** If the current earnings and accumulated undivided profits of the Bank of North Dakota are $8,180,000 or more for the calendar year ending December 31, 2011, the industrial commission shall transfer, on July 1, 2012, the sum of $8,180,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota which is appropriated to the North Dakota state college of science for the purpose of the old main renovation project, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 10, line 12, replace "3, 4, and 12" with "4, 5, and 13"

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/19/11

Roll Call Vote #: 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X				X
Rep. Martinson	X			X			Senator Krebsbach	X				X
Rep. Williams	X			X			Senator O'Connell	X				X

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Sen. Nething's bill on Old Main at Wahpeton

Prepared by the Legislative Council staff for
Representative Carlson
April 18, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 3, after "projects" insert "; to amend and reenact sections 54-44.1-04 and 54-44.1-06 of the North Dakota Century Code, relating to budget requests and appropriations for the North Dakota university system"

Page 10, after line 10, insert:

"**SECTION 13. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-04. (Effective through July 31, 2011) Budget estimates of budget units filed with the office of the budget - Deadline.

The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The budget estimates for the North Dakota university system must include block grants for the university system for a base funding component and for an initiative funding component for specific strategies or initiatives and a budget estimate for an asset funding component for renewal and replacement of physical plant assets at the institutions of higher education. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget in the director's discretion may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director designates shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

(Effective after July 31, 2011) Budget estimates of budget units filed with the office of the budget - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The budget estimates for the North Dakota university system must include:

1. Block grants for a base funding component at each institution and the university system office. The block grants for institutions must be based on a separate funding calculation for research institutions, baccalaureate institutions, and two-year institutions.

2. An initiative funding component for specific strategies or initiatives. Initiative funding for institutions must include separate requests for research, baccalaureate, and two-year institutions.

3. A budget estimate for an asset funding component for the renewal and replacement of physical plant assets at the institutions of higher education.

The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 14. AMENDMENT. Section 54-44.1-06 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-06. (Effective through July 31, 2011) Preparation of the budget data - Contents.

The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:

   a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and

   b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

   Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.

3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.

4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.

5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.

6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.

7. Drafts of proposed general and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial

plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act. The draft of the proposed appropriations act for the North Dakota university system must include block grants for a base funding appropriation and for an initiative funding appropriation for specific strategies or initiatives and an appropriation for asset funding for renewal and replacement of physical plant assets at the institutions of higher education.

8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.

9. Any other information as the director of the budget determines desirable or as is required by law.

(Effective after July 31, 2011) Preparation of the budget data - Contents. The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:

   a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and

   b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

   Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.

3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.

4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.

5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.

6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.

7. Drafts of a proposed general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act. The draft of the proposed appropriations act for the North Dakota university system must include:

   a. Block grants for a base funding component at each institution and the university system office. The base funding block grants for institutions must be based on a separate funding calculation for research institutions, baccalaureate institutions, and two-year institutions.

b. An initiative funding component for specific strategies or initiatives. Initiative funding for institutions must include separate requests for research, baccalaureate, and two-year institutions.

c. A budget estimate for an asset funding component for the renewal and replacement of physical plant assets at the institutions of higher education.

8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.

9. Any other information as the director of the budget determines desirable or as is required by law."

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/19/11

Roll Call Vote #: 2

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X				X
Rep. Martinson	X			X			Senator Krebsbach	X				X
Rep. Williams	X			X			Senator O'Connell	X				X

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Carlson Amendments 11.8155.02024

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/19/11

Roll Call Vote #: 3 (Voice Vote)

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Accept first three reductions in Attch. #1 Add item four. Make the $1.35 M in reductions in areas listed.

11.8155.02023
Title.

Prepared by the Legislative Council staff for
Representative Dahl
April 13, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 3, after "projects" insert "; to provide for a legislative management study"

Page 7, after line 29, insert:

"**SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of developing a space utilization plan for the school, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. During the 2011-12 interim, the legislative management chairman shall appoint a separate committee to study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 9, after line 10, insert:

"**SECTION 12. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES - TRANSFER.** The capital assets line item of subdivision 5 of section 1 of this Act includes the sum of $14,300,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education shall transfer $1,800,000 of this amount to the university of North Dakota school of medicine and health sciences operations line item in subdivision 13 of section 1 of this Act for the purpose of increasing the number of students at the school of medicine and health sciences and increasing the number of medical student residency positions, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 10, line 12, replace "3, 4, and 12" with "5, 6, and 15"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides for the following:

- Adds $100,000 of funding from the general fund for the University of North Dakota School of Medicine and Health Sciences to develop a space utilization plan.
- Provides for a Legislative Management study of the University of North Dakota School of Medicine and Health Sciences and requires the Legislative Management chairman to appoint a separate committee to conduct the study. The Senate provided for a Legislative Management study of the School of Medicine and Health Sciences and included funding for the study but did not require that a separate committee be appointed.
- Requires the State Board of Higher Education to transfer $1.8 million from the joint North Dakota University System/University of North Dakota information technology building project to the University of North Dakota School of Medicine and Health Sciences for the purpose of expanding the enrollment of the school. The Senate provided authorization for the transfer but did not require the State Board of Higher Education to make the transfer.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/19/11

Roll Call Vote #: 4

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Amend .02023 to incorporate Sections 3 and 4

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/20/11

Voice Vote Vote 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X						Senator Holmberg	X				
Rep. Martinson	X						Senator Krebsbach	X				
Rep. Williams	X						Senator O'Connell	X				

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment End discussion on Bottineau

attachment # 2

11.8155.02027
Title.

Prepared by the Legislative Council staff for
Representative Skarphol
April 20, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 3, after "projects" insert "; to provide legislative intent"

Page 10, after line 10, insert:

"**SECTION 13. LEGISLATIVE INTENT - NORTH DAKOTA UNIVERSITY SYSTEM BUDGET REQUEST.** It is the intent of the sixty-second legislative assembly that the state board of higher education develop a budget request for the North Dakota university system for the 2013-15 biennium that does not include a funding component for student affordability to limit student tuition increases or a funding component for equity distributions to institutions based on a peer institution comparison. The budget request may be based on a funding method that incorporates a tiered system of funding distributions based on institution type or other funding method that addresses the needs of the North Dakota university system."

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/21/11

VoiceVote 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator O'Connell

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 11. 8155 . 02027 of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

4/21/11
attachment #4

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of developing a space utilization plan for the school, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. During the 2011-12 interim, the legislative management chairman shall appoint a separate committee to study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/21/11

VoiceVote 2

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/21/11

Roll Call Vote 3

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Rep. Williams

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X				X
Rep. Martinson	X			X			Senator Krebsbach	X				X
Rep. Williams	X			X			Senator O'Connell	X				X

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment Cut equity funding in half

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re)engrossed

Date: 4/25/11

Voice Vote ____ ✓ ____

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) ____

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re)Engrossed) ____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier ____ Senate Carrier ____

LC Number ____ . ____ of amendment

LC Number ____ . ____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment:
Delete the $871,140 line item for
mental health services

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re)engrossed

Date: 4/25/11

Voice Vote 2

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Senator Holmberg Seconded by: Rep. Martinson

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: To authorize for the acceptance of the grant in the event it is granted.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/25/11

Voice Vote 3

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Senator Holmberg Seconded by: Senator Krebsbach

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Alternative language for the amendment that was drafted be accepted.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re)engrossed

Date: 4/26/11

Roll Call Vote 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator O'Connell

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X				X
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 5 No: 1 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Cut $2M out of the equity line item.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Voice Vote 1

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmbergll

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Reconsider action to adopt an amendment to take $2M out of the equity line item.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Roll Call Vote 2

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: **Combine equity and tuition affordability and decrease that combined appropriation by $1.4M and allow the Board to allocate the money to the schools according to existing formulas.**

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Voice Vote 3

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☒ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1606 -- 1620

☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Chairman Skarphol Senate Carrier Senator Holmberg

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: **Sections 3 and 4 monies be changed to the General Fund.**

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Voice Vote 4

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☒ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1606 -- 1620

☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Chairman Skarphol Senate Carrier Senator Holmberg

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: **Delete $200,000 from the Wahpeton project, the Valley City project, $150,000 from the Minot project, and $50,000 from the proposed increase to Bismarck State.**

11.8155.02032
Title.04000
Fiscal No. 3

Prepared by the Legislative Council staff for
Conference Committee
April 27, 2011

VR
4/27/11
1800

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after "system" insert "; to provide borrowing authority"

Page 1, line 3, after "projects" insert "; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, and subsection 3 of section 43-17.2-03 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies"

Page 1, remove lines 13 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$190,721	$12,204,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	(308,340)	6,877,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438

Academic and technical education scholarships	3,000,000	(3,000,000)	0
Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	300,000	1,000,000
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Equity and student affordability	0	15,240,565	15,240,565
Grants	100,000	(100,000)	0
Total all funds	$93,507,640	$15,726,888	$109,234,528
Less estimated income	4,748,958	(1,994,240)	2,754,718
Total general fund	$88,758,682	$17,721,128	$106,479,810
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$2,256,082	$26,460,087
Capital assets	243,481	13,767,125	14,010,606
Total all funds	$24,447,486	$16,023,207	$40,470,693
Less estimated income	0	8,535,000	8,535,000
Total general fund	$24,447,486	$7,488,207	$31,935,693
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$663,033	$8,619,243
Capital assets	43,662	977,705	1,021,367
Total all funds	$7,999,872	$1,640,738	$9,640,610
Less estimated income	0	0	0
Total general fund	$7,999,872	$1,640,738	$9,640,610
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$803,898	$8,500,897
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$5,960,224	$13,743,698
Less estimated income	0	2,225,000	2,225,000
Total general fund	$7,783,474	$3,735,224	$11,518,698
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$11,557,009	$136,593,792
Capital assets	2,300,545	45,158,167	47,458,712
Total all funds	$127,337,328	$56,715,176	$183,052,504
Less estimated income	0	30,450,000	30,450,000
Total general fund	$127,337,328	$26,265,176	$153,602,504
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$10,567,076	$118,934,698
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$47,979,778	$158,039,625
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$11,879,778	$121,939,625
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,006,991	$33,614,146
Capital assets	753,332	21,317,713	22,071,045
Total all funds	$32,360,487	$23,324,704	$55,685,191
Less estimated income	0	10,700,000	10,700,000
Total general fund	$32,360,487	$12,624,704	$44,985,191
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$2,682,639	$22,806,376
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$2,708,027	$23,215,454
Less estimated income	0	0	0
Total general fund	$20,507,427	$2,708,027	$23,215,454
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$1,010,207	$12,639,823
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,244,721	$13,083,328
Less estimated income	0	0	0
Total general fund	$11,838,607	$1,244,721	$13,083,328
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$2,647,646	$37,271,353
Capital assets	596,870	21,187,305	21,784,175
Total all funds	$35,220,577	$23,834,951	$59,055,528
Less estimated income	0	16,034,555	16,034,555
Total general fund	$35,220,577	$7,800,396	$43,020,973
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$1,037,737	$17,405,738
Capital assets	258,416	11,513,319	11,771,735
Total all funds	$16,626,417	$12,551,056	$29,177,473
Less estimated income	0	1,015,000	1,015,000
Total general fund	$16,626,417	$11,536,056	$28,162,473
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$378,063	$6,240,435
Capital assets	109,725	705,782	815,507
Total all funds	$5,972,097	$1,083,845	$7,055,942
Less estimated income	0	0	0
Total general fund	$5,972,097	$1,083,845	$7,055,942
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$5,892,620	$46,783,021
Total all funds	$40,890,401	$5,892,620	$46,783,021
Less estimated income	0	0	0
Total general fund	$40,890,401	$5,892,620	$46,783,021
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	67,153	103,791
Total all funds	$4,507,678	$708,280	$5,215,958
Less estimated income	997,486	6,000	1,003,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$215,394,215	$754,453,553

Grand total special funds	5,746,444	103,071,315	108,817,759
Grand total general fund	$533,312,894	$112,322,900	$645,635,794"

Page 7, replace line 12 with:

"Dickinson state university operating funds	350,000	900,000
Mayville state university drainage study	0	55,000
UND school of medicine space utilization study	0	100,000"

Page 7, replace lines 17 through 21 with:

"Capital projects - General fund	39,008,248	47,136,000
Capital projects - Other funds	166,958,000	105,065,555
Capital projects - Permanent oil tax trust fund	10,400,000	0
Special assessments payments	0	819,357"

Page 7, replace lines 23 through 25 with:

"Total all funds	$257,001,168	$154,325,912
Total other funds	197,017,920	105,065,555
Total general fund	$59,983,248	$49,260,357"

Page 7, remove lines 30 and 31

Page 8, replace lines 1 through 4 with:

"SECTION 3. TRANSFER - PERMANENT OIL TAX TRUST FUND - 2009-11 BIENNIUM. The office of management and budget shall transfer any unexpended funds appropriated from the permanent oil tax trust fund in chapter 31 of the 2009 Session Laws to the appropriate higher education institution's special fund at the end of the biennium beginning July 1, 2009, and ending June 30, 2011. For the purposes of this section, "end of the biennium" means thirty days after the close of the biennial period but prior to the cancellation of unexpended appropriations under section 54-44.1-11.

SECTION 4. BORROWING AUTHORITY - WILLISTON STATE COLLEGE - WORKFORCE TRAINING BUILDING PROJECT. Williston state college may borrow the sum of $1,725,000, or so much of the sum as may be necessary, from the Bank of North Dakota for the workforce training building project for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 8, remove lines 5 through 9

Page 8, line 10, replace "$12,254,769" with "$12,204,769"

Page 8, after line 12, insert:

"SECTION 6. EQUITY AND STUDENT AFFORDABILITY FUNDING POOL TRANSFERS. The equity and student affordability line item in subdivision 1 of

section 1 of this Act includes the sum of $15,240,565 which must be transferred by the state board of higher education to institutions under its control based on existing formulas for equity and student affordability distributions.

SECTION 7. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING PROJECT - BUDGET SECTION REPORT. The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $20,500,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from the university of North Dakota, North Dakota state university, and North Dakota university system 2011-13 biennium information technology services funding resulting from one-time savings or efficiencies. The North Dakota university system shall provide a report to the budget section of the legislative management regarding any funds expended pursuant to this section.

SECTION 8. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET SECTION REPORT. North Dakota state university may use unspent funding from the $5,000,000 appropriation received during the biennium beginning July 1, 2007, and ending June 30, 2009, and unspent funding from the $13,000,000 appropriation received during the biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the biennium beginning July 1, 2011, and ending June 30, 2013. North Dakota state university shall report to the budget section regarding the status of the Minard hall project and may request increased spending authorization from the budget section for the project."

Page 10, replace line 4 with:

"Williston state college workforce training center 1,725,000"

Page 10, replace line 10 with:

"Total special funds $40,225,000

SECTION 16. AMENDMENT. Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations.

Each member of the state board of higher education, except the student member, is entitled to receive as compensation one hundred forty-eight dollars per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 17. AMENDMENT. Section 15-70-04 of the North Dakota Century Code is amended and reenacted as follows:

15-70-04. Submission of grant application - Distribution of grants.

1. In order to qualify for a grant under this chapter, ~~an institution~~a tribally controlled community college shall submit an application at the time and in the manner required by the state board of higher education. The application must~~document~~:

   a. Include the name and address of each student who qualifies for financial assistance under this chapter; and

   b. Document the enrollment status of each student ~~on whose account~~who qualifies for financial assistance under this chapter ~~is sought~~.

2. If an application is approved, the state board of higher education shall distribute to ~~each~~the tribally controlled community college, during each year of the biennium, ~~five thousand three hundred four dollars per full-time equivalent nonbeneficiary student~~an amount equivalent to the most recent per student payment provided in accordance with the Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If the amount appropriated is insufficient to meet the requirements of this section, the board shall ~~distribute a prorated amount per full-time equivalent nonbeneficiary student~~prorate the amount to be distributed.

3. If after meeting the requirements of this section any amount remains available for distribution at the conclusion of each year of the biennium, the state board of higher education shall provide prorated distribution based on criteria set forth in this section.

4. At the time and in the manner determined by the state board of higher education, each tribally controlled community college receiving assistance under this section shall file a report indicating:

   a. The graduation rate of nonbeneficiary students; and

   b. The ratio between the amount of funding received by the tribally controlled community college under this section and the college's annual budget.

SECTION 18. AMENDMENT. Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

   b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full time as a nurse practitioner, physician assistant, or certified nurse~~

~~midwife in this state for more than one year before the date of the application;~~

~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 19. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

   b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

   ~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 20. LEGISLATIVE INTENT - NORTH DAKOTA UNIVERSITY SYSTEM BUDGET REQUEST. It is the intent of the sixty-second legislative assembly that the state board of higher education develop a budget request for the North Dakota university system for the 2013-15 biennium that does not include a funding component for student affordability to limit student tuition increases or a funding component for equity distributions to institutions based on a peer institution comparison. The budget request may be based on a funding method that incorporates a tiered system of funding distributions based on institution type or other funding method that addresses the needs of the North Dakota university system.

SECTION 21. LEGISLATIVE INTENT - ENROLLMENT REPORTING. It is the intent of the sixty-second legislative assembly that North Dakota university system enrollment reports detailing fall semester enrollment information only include data for full-time students that are physically present on campus.

SECTION 22. LEGISLATIVE MANAGEMENT STUDY - PROGRAM TUITION RATES - WORKFORCE NEEDS. During the 2011-12 interim, the legislative management shall consider studying programs offered by North Dakota university

system institutions that address the workforce needs of the state, including a review of the use of graduated tuition rates to increase enrollment in programs that address workforce needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. During the 2011-12 interim, the legislative management chairman shall consider appointing a separate committee to study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study, if conducted, must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 10, line 12, remove "3,"

Page 10, line 12, remove the second comma

Page 10, line 12, replace "12" with "15"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council						
Total all funds	$0	$0	$0	$0	$100,000	($100,000)
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$0	$0	$100,000	($100,000)
University System Office						
Total all funds	$103,926,168	$94,711,963	$14,522,565	$109,234,528	$95,511,963	$13,722,565
Less estimated income	3,754,718	2,754,718	0	2,754,718	3,754,718	(1,000,000)
General fund	$100,171,450	$91,957,245	$14,522,565	$106,479,810	$91,757,245	$14,722,565
Bismarck State College						
Total all funds	$38,053,301	$36,102,760	$4,367,933	$40,470,693	$41,746,234	($1,275,541)
Less estimated income	7,500,000	7,500,000	1,035,000	8,535,000	8,835,000	(300,000)
General fund	$30,553,301	$28,602,760	$3,332,933	$31,935,693	$32,911,234	($975,541)
Lake Region State College						
Total all funds	$9,314,859	$8,895,180	$745,430	$9,640,610	$9,314,859	$325,751
Less estimated income	0	0	0	0	0	0
General fund	$9,314,859	$8,895,180	$745,430	$9,640,610	$9,314,859	$325,751
Williston State College						
Total all funds	$11,920,096	$13,764,268	($20,570)	$13,743,698	$14,145,096	($401,398)
Less estimated income	2,820,000	4,820,000	(2,595,000)	2,225,000	4,820,000	(2,595,000)
General fund	$9,100,096	$8,944,268	$2,574,430	$11,518,698	$9,325,096	$2,193,602
University of North Dakota						
Total all funds	$178,573,093	$177,102,504	$6,950,000	$184,052,504	$191,189,226	($7,136,722)
Less estimated income	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
General fund	$156,873,093	$155,402,504	($1,800,000)	$153,602,504	$159,539,226	($5,936,722)
UND Medical Center						
Total all funds	$46,653,406	$45,490,630	$1,292,391	$46,783,021	$46,045,797	$737,224

Less estimated income	0	0	0	0	0	0
General fund	$46,653,406	$45,490,630	$1,292,391	$46,783,021	$46,045,797	$737,224
North Dakota State University						
Total all funds	$166,286,316	$157,432,016	$607,609	$158,039,625	$164,596,908	($6,557,283)
Less estimated income	36,100,000	36,100,000	0	36,100,000	36,100,000	0
General fund	$130,186,316	$121,332,016	$607,609	$121,939,625	$128,496,908	($6,557,283)
State College of Science						
Total all funds	$54,203,080	$63,865,998	($8,180,807)	$55,685,191	$56,455,895	($770,704)
Less estimated income	10,500,000	10,500,000	200,000	10,700,000	10,500,000	200,000
General fund	$43,703,080	$53,365,998	($8,380,807)	$44,985,191	$45,955,895	($970,704)
Dickinson State University						
Total all funds	$31,757,019	$22,186,024	$1,029,430	$23,215,454	$23,657,019	($441,565)
Less estimated income	0	0	0	0	0	0
General fund	$31,757,019	$22,186,024	$1,029,430	$23,215,454	$23,657,019	($441,565)
Mayville State University						
Total all funds	$13,685,384	$12,918,898	$164,430	$13,083,328	$13,377,404	($294,076)
Less estimated income	0	0	0	0	0	0
General fund	$13,685,384	$12,918,898	$164,430	$13,083,328	$13,377,404	($294,076)
Minot State University						
Total all funds	$43,860,736	$42,990,973	$16,064,555	$59,055,528	$59,695,291	($639,763)
Less estimated income	5,050,000	5,050,000	10,984,555	16,034,555	15,884,555	150,000
General fund	$38,810,736	$37,940,973	$5,080,000	$43,020,973	$43,810,736	($789,763)
Valley City State University						
Total all funds	$27,259,465	$18,487,763	$10,689,710	$29,177,473	$29,553,314	($375,841)
Less estimated income	815,000	815,000	200,000	1,015,000	815,000	200,000
General fund	$26,444,465	$17,672,763	$10,489,710	$28,162,473	$28,738,314	($575,841)
Dakota College at Bottineau						
Total all funds	$6,748,729	$6,476,512	$579,430	$7,055,942	$7,448,729	($392,787)
Less estimated income	0	0	0	0	0	0
General fund	$6,748,729	$6,476,512	$579,430	$7,055,942	$7,448,729	($392,787)
Forest Service						
Total all funds	$5,209,958	$5,209,958	$6,000	$5,215,958	$5,209,958	$6,000
Less estimated income	997,486	997,486	6,000	1,003,486	997,486	6,000
General fund	$4,212,472	$4,212,472	$0	$4,212,472	$4,212,472	$0
Bill total						
Total all funds	$737,451,610	$705,635,447	$48,818,106	$754,453,553	$758,047,693	($3,594,140)
Less estimated income	89,237,204	90,237,204	18,580,555	108,817,759	113,356,759	(4,539,000)
General fund	$648,214,406	$615,398,243	$30,237,551	$645,635,794	$644,690,934	$944,860

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council					$100,000	($100,000)
University System Office	100,171,450	91,957,245	14,522,565	106,479,810	91,757,245	14,722,565
Bismarck State College	30,553,301	28,602,760	3,332,933	31,935,693	32,911,234	(975,541)
Lake Region State College	9,314,859	8,895,180	745,430	9,640,610	9,314,859	325,751
Williston State College	9,100,096	8,944,268	2,574,430	11,518,698	9,325,096	2,193,602
University of North Dakota	156,873,093	155,402,504	(1,800,000)	153,602,504	159,539,226	(5,936,722)
UND Medical Center	46,653,406	45,490,630	1,292,391	46,783,021	46,045,797	737,224
North Dakota State University	130,186,316	121,332,016	607,609	121,939,625	128,496,908	(6,557,283)
State College of Science	43,703,080	53,365,998	(8,380,807)	44,985,191	45,955,895	(970,704)
Dickinson State University	31,757,019	22,186,024	1,029,430	23,215,454	23,657,019	(441,565)
Mayville State University	13,685,384	12,918,898	164,430	13,083,328	13,377,404	(294,076)
Minot State University	38,810,736	37,940,973	5,080,000	43,020,973	43,810,736	(789,763)
Valley City State University	26,444,465	17,672,763	10,489,710	28,162,473	28,738,314	(575,841)
Dakota College at Bottineau	6,748,729	6,476,512	579,430	7,055,942	7,448,729	(392,787)
Forest Service	4,212,472	4,212,472		4,212,472	4,212,472	
Total general fund	$648,214,406	$615,398,243	$30,237,551	$645,635,794	$644,690,934	$944,860

Detail of Conference Committee changes to the General Fund

	Adds Funding for Equity and Student Affordability Funding Pool[1]	Reduces Funding for University System Office Operations[2]	Removes Funding for Expanding Program Fund[3]	Reduces Funding for Capital Bond Payments[4]	Restores Funding for Tribal College Assistance Grants[5]	Removes Funding for Student Mental Health Services[6]
Legislative Council						
University System Office	15,240,565	(500,000)	(1,000,000)	(50,000)	1,000,000	(168,000)
Bismarck State College						
Lake Region State College						(120,570)
Williston State College						(120,570)
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						(120,570)
Mayville State University						(140,570)
Minot State University						(20,000)
Valley City State University						(60,290)
Dakota College at Bottineau						(120,570)
Forest Service						
Total general fund	$15,240,565	($500,000)	($1,000,000)	($50,000)	$1,000,000	($871,140)

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College		32,933				
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center			(607,609)	1,800,000	100,000	
North Dakota State University			607,609			
State College of Science		(807)				
Dickinson State University	250,000					900,000
Mayville State University	250,000					
Minot State University	250,000					
Valley City State University	250,000					
Dakota College at Bottineau						
Forest Service						
Total general fund	$1,000,000	$32,126	$0	$1,800,000	$100,000	$900,000

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total General Fund Changes
Legislative Council					
University System Office					14,522,565
Bismarck State College				3,300,000	3,332,933
Lake Region State College				866,000	745,430
Williston State College	100,000	2,320,000		275,000	2,574,430
University of North Dakota				(1,800,000)	(1,800,000)
UND Medical Center					1,292,391
North Dakota State University					607,609
State College of Science				(8,380,000)	(8,380,807)
Dickinson State University					1,029,430
Mayville State University			55,000		164,430
Minot State University				4,850,000	5,080,000
Valley City State University				10,300,000	10,489,710
Dakota College at Bottineau				700,000	579,430
Forest Service					
	$100,000	$2,320,000	$55,000	$10,111,000	$30,237,551

Total general fund

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council						
University System Office	3,754,718	2,754,718		2,754,718	3,754,718	(1,000,000)
Bismarck State College	7,500,000	7,500,000	1,035,000	8,535,000	8,835,000	(300,000)
Lake Region State College						
Williston State College	2,820,000	4,820,000	(2,595,000)	2,225,000	4,820,000	(2,595,000)
University of North Dakota	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
UND Medical Center						
North Dakota State University	36,100,000	36,100,000		36,100,000	36,100,000	
State College of Science	10,500,000	10,500,000	200,000	10,700,000	10,500,000	200,000
Dickinson State University						
Mayville State University						
Minot State University	5,050,000	5,050,000	10,984,555	16,034,555	15,884,555	150,000
Valley City State University	815,000	815,000	200,000	1,015,000	815,000	200,000
Dakota College at Bottineau						
Forest Service	997,486	997,486	6,000	1,003,486	997,486	6,000
Total other funds	$89,237,204	$90,237,204	$18,580,555	$108,817,759	$113,356,759	($4,539,000)

Detail of Conference Committee changes to Other Funds

	Adds Funding for Equity and Student Affordability Funding Pool[1]	Reduces Funding for University System Office Operations[2]	Removes Funding for Expanding Program Fund[3]	Reduces Funding for Capital Bond Payments[4]	Restores Funding for Tribal College Assistance Grants[5]	Removes Funding for Student Mental Health Services[6]
Legislative Council						
University System Office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$0	$0

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						

Total other funds	$0	$0	$0	$0	$0	$0

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total Other Funds Changes
Legislative Council					
University System Office					
Bismarck State College				1,035,000	1,035,000
Lake Region State College					
Williston State College		(2,320,000)		(275,000)	(2,595,000)
University of North Dakota				8,750,000	8,750,000
UND Medical Center					
North Dakota State University					
State College of Science				200,000	200,000
Dickinson State University					
Mayville State University					
Minot State University				10,984,555	10,984,555
Valley City State University				200,000	200,000
Dakota College at Bottineau					
Forest Service				6,000	6,000
Total other funds	$0	($2,320,000)	$0	$20,900,555	$18,580,555

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council					$100,000	($100,000)
University System Office	103,926,168	94,711,963	14,522,565	109,234,528	95,511,963	13,722,565
Bismarck State College	38,053,301	36,102,760	4,367,933	40,470,693	41,746,234	(1,275,541)
Lake Region State College	9,314,859	8,895,180	745,430	9,640,610	9,314,859	325,751
Williston State College	11,920,096	13,764,268	(20,570)	13,743,698	14,145,096	(401,398)
University of North Dakota	178,573,093	177,102,504	6,950,000	184,052,504	191,189,226	(7,136,722)
UND Medical Center	46,653,406	45,490,630	1,292,391	46,783,021	46,045,797	737,224
North Dakota State University	166,286,316	157,432,016	607,609	158,039,625	164,596,908	(6,557,283)
State College of Science	54,203,080	63,865,998	(8,180,807)	55,685,191	56,455,895	(770,704)
Dickinson State University	31,757,019	22,186,024	1,029,430	23,215,454	23,657,019	(441,565)
Mayville State University	13,685,384	12,918,898	164,430	13,083,328	13,377,404	(294,076)
Minot State University	43,860,736	42,990,973	16,064,555	59,055,528	59,695,291	(639,763)
Valley City State University	27,259,465	18,487,763	10,689,710	29,177,473	29,553,314	(375,841)
Dakota College at Bottineau	6,748,729	6,476,512	579,430	7,055,942	7,448,729	(392,787)
Forest Service	5,209,958	5,209,958	6,000	5,215,958	5,209,958	6,000
Total all funds	$737,451,610	$705,635,447	$48,818,106	$754,453,553	$758,047,693	($3,594,140)
FTE	2245.51	2245.51	0.00	2245.51	2245.51	0.00

Detail of Conference Committee changes to All Funds

	Adds Funding for Equity and Student Affordability Funding Pool[1]	Reduces Funding for University System Office Operations[2]	Removes Funding for Expanding Program Fund[3]	Reduces Funding for Capital Bond Payments[4]	Restores Funding for Tribal College Assistance Grants[5]	Removes Funding for Student Mental Health Services[6]
Legislative Council						
University System Office	15,240,565	(500,000)	(1,000,000)	(50,000)	1,000,000	(168,000)
Bismarck State College						
Lake Region State College						(120,570)
Williston State College						(120,570)
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						(120,570)
Mayville State University						(140,570)

Minot State University						(20,000)
Valley City State University						(60,290)
Dakota College at Bottineau						(120,570)
Forest Service						
Total all funds	$15,240,565	($500,000)	($1,000,000)	($50,000)	$1,000,000	($871,140)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College		32,933				
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center			(607,609)	1,800,000	100,000	
North Dakota State University			607,609			
State College of Science		(807)				
Dickinson State University	250,000					900,000
Mayville State University	250,000					
Minot State University	250,000					
Valley City State University	250,000					
Dakota College at Bottineau						
Forest Service						
Total all funds	$1,000,000	$32,126	$0	$1,800,000	$100,000	$900,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total All Funds Changes
Legislative Council					14,522,565
University System Office				4,335,000	4,367,933
Bismarck State College				866,000	745,430
Lake Region State College	100,000				(20,570)
Williston State College				6,950,000	6,950,000
University of North Dakota					1,292,391
UND Medical Center					607,609
North Dakota State University				(8,180,000)	(8,180,807)
State College of Science					1,029,430
Dickinson State University			55,000		164,430
Mayville State University				15,834,555	16,064,555
Minot State University				10,500,000	10,689,710
Valley City State University				700,000	579,430
Dakota College at Bottineau				6,000	6,000
Forest Service					
Total all funds	$100,000	$0	$55,000	$31,011,555	$48,818,106
FTE	0.00	0.00	0.00	0.00	0.00

[1] Funding of $15,240,565 from the general fund is added for an equity and student affordability funding pool. A section is also added to provide that the funding be distributed to campuses based on existing

funding distribution formulas.

[2] Operations funding from the general fund for the University System office is reduced by $500,000. The Senate reduced operations funding for the University System office by $200,000.

[3] A pool of funding for expanding academic and technical programs is removed.

[4] Funding for capital bond payments is reduced by $50,000.

[5] Funding removed by the House for grants to tribally controlled community colleges is restored. The executive recommendation and Senate versions provided funding from the permanent oil tax trust fund and this amendment provides funding from the general fund.

[6] Ongoing funding of $715,140 and one-time funding of $156,000 included in the executive recommendation for student mental health services is removed.

[7] Funding removed by the House for STEM teacher education enhancement is restored for nonresearch institutions. The Senate also restored this funding.

[8] Funding for 2011-13 special assessment payments is adjusted to reflect updated calculations for Bismarck State College and the State College of Science. The Senate version also included the special assessment payment adjustments.

[9] Funding is transferred from the University of North Dakota School of Medicine and Health Sciences to North Dakota State University for the new joint master's degree in public health program to be administered by both institutions. The executive recommendation provided all funding for the program to the University of North Dakota School of Medicine and Health Sciences. The Senate also provided for the transfer of funding for the program.

[10] Funding is added to allow the University of North Dakota School of Medicine and Health Sciences to increase program enrollment and to increase the number of available student medical residency positions available. The Senate had authorized the State Board of Higher Education to transfer $1.8 million from the joint North Dakota University System/University of North Dakota information technology building project to the School of Medicine and Health Sciences to increase program enrollment.

[11] One-time funding of $100,000 is added for a space utilization study of the University of North Dakota School of Medicine and Health Sciences.

[12] One-time funding from the general fund of $750,000 is added for Dickinson State University for the digitization of documents related to the Theodore Roosevelt Center and $150,000 is added for programs that have experienced a loss of funding due to decreased revenues from oil royalties. The Senate provided $700,000 from the general fund for programs at Dickinson State University that have been affected by decreased revenue from oil royalties.

[13] Funding of $100,000 is added for campus security at Williston State College.

[14] The funding source for campus improvements ($1,000,000) and additional funding for the science center project ($1,320,000) at Williston State College is changed from the permanent oil tax trust fund to the general fund as a result of the provisions of House Bill No. 1451. The executive recommendation, House version, and Senate version provided funding for these projects from the permanent oil tax trust fund.

[15] One-time funding of $55,000 from the general fund is added for a campus drainage study at Mayville State University.

[16] Funding is adjusted for the following capital projects:

- **Bismarck State College National Energy Center of Excellence** - Funding of $3,300,000 from the general fund and $1,035,000 from other funds is added for the National Energy Center of Excellence fourth floor project. The House provided funding of $4,335,000 for the project from

unspent 2009-11 general fund appropriations relating to the Great Plains Applied Energy Research Center project. The Senate provided funding of $3 million from the general fund and $1,335,000 from other funds for the project.

- **Lake Region State College roof replacement projects** - Funding of $866,000 from the general fund is added for roof replacement projects at Lake Region State College.
- **Williston State College workforce training building** - Funding of $500,000 from the general fund and $1,725,000 from other funds is provided for the Williston State College workforce training building project. The House provided funding of $225,000 from the general fund and $2 million of other funds for the project which was not changed by the Senate. A section is also added to allow Williston State College to borrow up to $1,725,000 from the Bank of North Dakota for the project in addition to revenue bonding authorization for the project which was added by the House.
- **North Dakota University System/University of North Dakota joint information technology building project** - General fund support for the project is reduced by $1.8 million and special fund authority of $8 million is added to provide total funding of $20.5 million, of which $12.5 million is from the general fund. The executive recommendation included $11.2 million of funding from the general fund for the project, and the House increased the general fund amount to $14.3 million. The Senate added special fund authority of $7.7 million for the project and provided authorization for the State Board of Higher Education to transfer $1.8 million of funding from the general fund for the project to the School of Medicine and Health Sciences to increase the enrollment of the school. A section is also added to authorize an additional $5 million for the project from information technology savings.
- **University of North Dakota flight operations center** - Special fund authority of $750,000 is provided for the University of North Dakota flight operations center renovation project. The Senate provided special fund authority of $1.5 million for the project.
- **State College of Science Old Main project** - Funding from the general fund of $8,180,000 for the State College of Science Old Main project is removed. The Senate also removed this funding.
- **State College of Science Bisek Hall project** - Funding from the general fund for the project is reduced by $200,000 to provide total general fund support of $10,300,000. Special fund authority of $200,000 is also added for the project. The House and Senate provided $10,500,000 from the general fund for the project.
- **Minot State University geothermal project** - Funding of $4,850,000 from the general fund and $8,884,555 from other funds including federal funds, private funds, and energy performance contracts is added for the geothermal energy project. The Senate also added this funding.
- **Minot State University food service project** - Special fund authority is added for a food service remodeling project. The Senate also provided the special fund authority for this project.
- **Minot State University Physical Plant Building** - Special fund authorization is added for the physical plant building project from Bank of North Dakota loan proceeds ($600,000). The physical plant building project is also estimated to use $650,000 of unspent 2009-11 biennium general fund appropriations. The Senate also authorized this funding.
- **Valley City State University Rhoades Science Center** - Funding of $10.3 million from the general fund and $200,000 of special funds is provided for the Rhoades Science Center project. The executive recommendation provided funding of $7,971,000 from the general fund which was removed by the House. The Senate provided $10.5 million from the general fund for the project.
- **Dakota College at Bottineau campus improvements** - Funding of $700,000 from the general fund is added for campus improvements. The Senate also added this funding.
- **Forest Service Towner State Nursery greenhouse project** - Additional special fund authorization of $6,000 is added for the Towner State Nursery greenhouse project that was originally authorized by the 2009 Legislative Assembly. The additional spending authorization is related to funding received from an insurance claim that resulted from wind damage to the project.

House Bill No. 1003 - Other Changes - Conference Committee Action

This amendment also:

- Provides North Dakota State University with authority to use 2007-09 and 2009-11 biennium funding for the Minard Hall project in the 2011-13 biennium and requires Budget Section reports on the status of the project. The Senate also added this section.
- Adjusts Section 15 regarding the revenue bonding authorization of the Williston State College workforce training building project.
- Adds a section to amend Section 15-10-08 to increase the daily compensation of members of the State Board of Higher Education from $100 per day to $148 per day. The Senate also added this section.
- Adds two sections to amend Sections 43-12.2-03 and 43-17.2-03 relating to the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program. The Senate also added these sections.
- Adds a section to amend Section 15-70-04 relating to grants to tribally controlled community colleges for nonbeneficiary students. The Senate also added this section.
- Adds a section of legislative intent regarding the future budget requests of the University System.
- Adds a section of legislative intent regarding the North Dakota University System fall enrollment report.
- Provides for a Legislative Management study of the use of graduated tuition rates for programs that address workforce needs. The Senate also added this study section.
- Provides for a Legislative Management study of the University of North Dakota School of Medicine and Health Sciences. The Senate also added the study and provided a $100,000 appropriation from the general fund to the Legislative Council for expenses related to the study. The conference committee did not provide the funding for the Legislative Management study.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Roll Call Vote 5

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☒ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1606 -- 1620

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB 1003 was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Holmberg

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X			X	
Rep. Martinson	X			X			Senator Krebsbach	X			X	
Rep. Williams	X			X			Senator O'Connell	X			X	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Chairman Skarphol Senate Carrier Senator Holmberg

LC Number 11.8155 . 02032 of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment:

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Appropriations – Education and Environment

Bill/Resolution No. HB 1003 as (re) engrossed

Date: 4/27/11

Roll Call Vote 6

Action Taken

- ☐ HOUSE accede to Senate amendments
- ☐ HOUSE accede to Senate amendments and further amend
- ☒ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1606 -- 1620

☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Martinson Seconded by: Senator Krebsbach

Representatives				Yes	No		Senators				Yes	No
Chairman Skarphol	X			X			Senator Holmberg	X				X
Rep. Martinson	X			X			Senator Krebsbach	X				X
Rep. Williams	X			X			Senator O'Connell	X				X

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier Chairman Skarphol Senate Carrier Senator Holmberg

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: **$263,000 for new piping on the Bottineau Campus.**

REPORT OF CONFERENCE COMMITTEE

HB 1003, as engrossed: Your conference committee (Sens. Holmberg, Krebsbach, O'Connell and Reps. Skarphol, Martinson, Williams) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1606-1620, adopt amendments as follows, and place HB 1003 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after "system" insert "; to provide borrowing authority"

Page 1, line 3, after "projects" insert "; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, and subsection 3 of section 43-17.2-03 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies"

Page 1, remove lines 13 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$190,721	$12,204,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	(308,340)	6,877,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0

Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	300,000	1,000,000
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Equity and student affordability	0	15,240,565	15,240,565
Grants	100,000	(100,000)	0
Total all funds	$93,507,640	$15,726,888	$109,234,528
Less estimated income	4,748,958	(1,994,240)	2,754,718
Total general fund	$88,758,682	$17,721,128	$106,479,810
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$2,256,082	$26,460,087
Capital assets	243,481	13,767,125	14,010,606
Total all funds	$24,447,486	$16,023,207	$40,470,693
Less estimated income	0	8,535,000	8,535,000
Total general fund	$24,447,486	$7,488,207	$31,935,693
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$663,033	$8,619,243
Capital assets	43,662	977,705	1,021,367
Total all funds	$7,999,872	$1,640,738	$9,640,610

Less estimated income	0	0	0
Total general fund	$7,999,872	$1,640,738	$9,640,610
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$803,898	$8,500,897
Capital assets	86,475	5,156,326	5,242,801
Total all funds	$7,783,474	$5,960,224	$13,743,698
Less estimated income	0	2,225,000	2,225,000
Total general fund	$7,783,474	$3,735,224	$11,518,698
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$11,557,009	$136,593,792
Capital assets	2,300,545	45,158,167	47,458,712
Total all funds	$127,337,328	$56,715,176	$183,052,504
Less estimated income	0	30,450,000	30,450,000
Total general fund	$127,337,328	$26,265,176	$153,602,504
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$10,567,076	$118,934,698
Capital assets	1,692,225	37,412,702	39,104,927
Total all funds	$110,059,847	$47,979,778	$158,039,625
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$11,879,778	$121,939,625
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,006,991	$33,614,146
Capital assets	753,332	21,317,713	22,071,045
Total all funds	$32,360,487	$23,324,704	$55,685,191
Less estimated income	0	10,700,000	10,700,000
Total general fund	$32,360,487	$12,624,704	$44,985,191
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$2,682,639	$22,806,376
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$2,708,027	$23,215,454
Less estimated income	0	0	0
Total general fund	$20,507,427	$2,708,027	$23,215,454
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$1,010,207	$12,639,823
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,244,721	$13,083,328
Less estimated income	0	0	0
Total general fund	$11,838,607	$1,244,721	$13,083,328
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$2,647,646	$37,271,353
Capital assets	596,870	21,187,305	21,784,175

Total all funds	$35,220,577	$23,834,951	$59,055,528
Less estimated income	0	16,034,555	16,034,555
Total general fund	$35,220,577	$7,800,396	$43,020,973
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$1,037,737	$17,405,738
Capital assets	258,416	11,513,319	11,771,735
Total all funds	$16,626,417	$12,551,056	$29,177,473
Less estimated income	0	1,015,000	1,015,000
Total general fund	$16,626,417	$11,536,056	$28,162,473
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$378,063	$6,240,435
Capital assets	109,725	705,782	815,507
Total all funds	$5,972,097	$1,083,845	$7,055,942
Less estimated income	0	0	0
Total general fund	$5,972,097	$1,083,845	$7,055,942
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$5,892,620	$46,783,021
Total all funds	$40,890,401	$5,892,620	$46,783,021
Less estimated income	0	0	0
Total general fund	$40,890,401	$5,892,620	$46,783,021
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	67,153	103,791
Total all funds	$4,507,678	$708,280	$5,215,958
Less estimated income	997,486	6,000	1,003,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$215,394,215	$754,453,553
Grand total special funds	5,746,444	103,071,315	108,817,759
Grand total general fund	$533,312,894	$112,322,900	$645,635,794"

Page 7, replace line 12 with:

"Dickinson state university operating funds	350,000	900,000
Mayville state university drainage study	0	55,000
UND school of medicine space utilization study	0	100,000"

Page 7, replace lines 17 through 21 with:

"Capital projects - General fund	39,008,248	47,136,000
Capital projects - Other funds	166,958,000	105,065,555
Capital projects - Permanent oil tax trust fund	10,400,000	0
Special assessments payments	0	819,357"

Page 7, replace lines 23 through 25 with:

"Total all funds	$257,001,168	$154,325,912
Total other funds	197,017,920	105,065,555
Total general fund	$59,983,248	$49,260,357"

Page 7, remove lines 30 and 31

Page 8, replace lines 1 through 4 with:

"SECTION 3. TRANSFER - PERMANENT OIL TAX TRUST FUND - 2009-11 BIENNIUM. The office of management and budget shall transfer any unexpended funds appropriated from the permanent oil tax trust fund in chapter 31 of the 2009 Session Laws to the appropriate higher education institution's special fund at the end of the biennium beginning July 1, 2009, and ending June 30, 2011. For the purposes of this section, "end of the biennium" means thirty days after the close of the biennial period but prior to the cancellation of unexpended appropriations under section 54-44.1-11.

SECTION 4. BORROWING AUTHORITY - WILLISTON STATE COLLEGE - WORKFORCE TRAINING BUILDING PROJECT. Williston state college may borrow the sum of $1,725,000, or so much of the sum as may be necessary, from the Bank of North Dakota for the workforce training building project for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 8, remove lines 5 through 9

Page 8, line 10, replace "$12,254,769" with "$12,204,769"

Page 8, after line 12, insert:

"SECTION 6. EQUITY AND STUDENT AFFORDABILITY FUNDING POOL TRANSFERS. The equity and student affordability line item in subdivision 1 of section 1 of this Act includes the sum of $15,240,565 which must be transferred by the state board of higher education to institutions under its control based on existing formulas for equity and student affordability distributions.

SECTION 7. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING PROJECT - BUDGET SECTION REPORT. The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $20,500,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from the university of North Dakota, North Dakota state university, and North Dakota university system 2011-13 biennium information technology services funding resulting from one-time savings or efficiencies. The North Dakota university system shall provide a report to the budget section of the legislative management regarding any funds expended pursuant to this section.

SECTION 8. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET SECTION REPORT. North Dakota state university may use unspent funding from the $5,000,000 appropriation received during the biennium beginning July 1, 2007, and ending June 30, 2009, and unspent funding from the $13,000,000 appropriation received during the biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the biennium beginning July 1, 2011, and ending June 30, 2013. North Dakota state university shall report to the budget section regarding the status of the Minard hall project and may request increased spending authorization from the budget section for the project."

Page 10, replace line 4 with:

"Williston state college workforce training center 1,725,000"

Page 10, replace line 10 with:

"Total special funds $40,225,000

SECTION 16. AMENDMENT. Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations.

Each member of the state board of higher education, except the student member, is entitled to receive as compensation one hundred forty-eight dollars per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 17. AMENDMENT. Section 15-70-04 of the North Dakota Century Code is amended and reenacted as follows:

15-70-04. Submission of grant application - Distribution of grants.

1. In order to qualify for a grant under this chapter, ~~an institution~~a tribally controlled community college shall submit an application at the time and in the manner required by the state board of higher education. The application must~~document~~:

   a. Include the name and address of each student who qualifies for financial assistance under this chapter; and

   b. Document the enrollment status of each student ~~on whose account~~who qualifies for financial assistance under this chapter ~~is sought~~.

2. If an application is approved, the state board of higher education shall distribute to ~~each~~the tribally controlled community college, during each year of the biennium, ~~five thousand three hundred four dollars per full-time equivalent nonbeneficiary student~~an amount equivalent to the most recent per student payment provided in accordance with the Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If the amount appropriated is insufficient to meet the requirements of this section, the board shall ~~distribute a prorated amount per full-time equivalent nonbeneficiary student~~prorate the amount to be distributed.

3. If after meeting the requirements of this section any amount remains available for distribution at the conclusion of each year of the biennium, the state board of higher education shall provide prorated distribution based on criteria set forth in this section.

4. At the time and in the manner determined by the state board of higher education, each tribally controlled community college receiving assistance under this section shall file a report indicating:

   a. The graduation rate of nonbeneficiary students; and

   b. The ratio between the amount of funding received by the tribally controlled community college under this section and the college's annual budget.

SECTION 18. AMENDMENT. Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full-time as a nurse practitioner, physician assistant, or certified nurse midwife in this state for more than one year before the date of the application;~~

~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 19. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 20. LEGISLATIVE INTENT - NORTH DAKOTA UNIVERSITY SYSTEM BUDGET REQUEST. It is the intent of the sixty-second legislative assembly that the state board of higher education develop a budget request for the North Dakota university system for the 2013-15 biennium that does not include a funding component for student affordability to limit student tuition increases or a funding component for equity distributions to institutions based on a peer institution comparison. The budget request may be based on a funding method that incorporates a tiered system of funding distributions based on institution type or other funding method that addresses the needs of the North Dakota university system.

SECTION 21. LEGISLATIVE INTENT - ENROLLMENT REPORTING. It is the intent of the sixty-second legislative assembly that North Dakota university

system enrollment reports detailing fall semester enrollment information only include data for full-time students that are physically present on campus.

SECTION 22. LEGISLATIVE MANAGEMENT STUDY - PROGRAM TUITION RATES - WORKFORCE NEEDS. During the 2011-12 interim, the legislative management shall consider studying programs offered by North Dakota university system institutions that address the workforce needs of the state, including a review of the use of graduated tuition rates to increase enrollment in programs that address workforce needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. During the 2011-12 interim, the legislative management chairman shall consider appointing a separate committee to study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study, if conducted, must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 10, line 12, remove "3,"

Page 10, line 12, remove the second comma

Page 10, line 12, replace "12" with "15"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council						
Total all funds	$0	$0	$0	$0	$100,000	($100,000)
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$0	$0	$100,000	($100,000)
University System Office						
Total all funds	$103,926,168	$94,711,963	$14,522,565	$109,234,528	$95,511,963	$13,722,565
Less estimated income	3,754,718	2,754,718	0	2,754,718	3,754,718	(1,000,000)
General fund	$100,171,450	$91,957,245	$14,522,565	$106,479,810	$91,757,245	$14,722,565
Bismarck State College						
Total all funds	$38,053,301	$36,102,760	$4,367,933	$40,470,693	$41,746,234	($1,275,541)
Less estimated income	7,500,000	7,500,000	1,035,000	8,535,000	8,835,000	(300,000)
General fund	$30,553,301	$28,602,760	$3,332,933	$31,935,693	$32,911,234	($975,541)
Lake Region State College						
Total all funds	$9,314,859	$8,895,180	$745,430	$9,640,610	$9,314,859	$325,751
Less estimated income	0	0	0	0	0	0
General fund	$9,314,859	$8,895,180	$745,430	$9,640,610	$9,314,859	$325,751
Williston State College						
Total all funds	$11,920,096	$13,764,268	($20,570)	$13,743,698	$14,145,096	($401,398)
Less estimated income	2,820,000	4,820,000	(2,595,000)	2,225,000	4,820,000	(2,595,000)
General fund	$9,100,096	$8,944,268	$2,574,430	$11,518,698	$9,325,096	$2,193,602
University of North Dakota						
Total all funds	$178,573,093	$177,102,504	$6,950,000	$184,052,504	$191,189,226	($7,136,722)
Less estimated income	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
General fund	$156,873,093	$155,402,504	($1,800,000)	$153,602,504	$159,539,226	($5,936,722)

UND Medical Center						
Total all funds	$46,653,406	$45,490,630	$1,292,391	$46,783,021	$46,045,797	$737,224
Less estimated income	0	0	0	0	0	0
General fund	$46,653,406	$45,490,630	$1,292,391	$46,783,021	$46,045,797	$737,224
North Dakota State University						
Total all funds	$166,286,316	$157,432,016	$607,609	$158,039,625	$164,596,908	($6,557,283)
Less estimated income	36,100,000	36,100,000	0	36,100,000	36,100,000	0
General fund	$130,186,316	$121,332,016	$607,609	$121,939,625	$128,496,908	($6,557,283)
State College of Science						
Total all funds	$54,203,080	$63,865,998	($8,180,807)	$55,685,191	$56,455,895	($770,704)
Less estimated income	10,500,000	10,500,000	200,000	10,700,000	10,500,000	200,000
General fund	$43,703,080	$53,365,998	($8,380,807)	$44,985,191	$45,955,895	($970,704)
Dickinson State University						
Total all funds	$31,757,019	$22,186,024	$1,029,430	$23,215,454	$23,657,019	($441,565)
Less estimated income	0	0	0	0	0	0
General fund	$31,757,019	$22,186,024	$1,029,430	$23,215,454	$23,657,019	($441,565)
Mayville State University						
Total all funds	$13,685,384	$12,918,898	$164,430	$13,083,328	$13,377,404	($294,076)
Less estimated income	0	0	0	0	0	0
General fund	$13,685,384	$12,918,898	$164,430	$13,083,328	$13,377,404	($294,076)
Minot State University						
Total all funds	$43,860,736	$42,990,973	$16,064,555	$59,055,528	$59,695,291	($639,763)
Less estimated income	5,050,000	5,050,000	10,984,555	16,034,555	15,884,555	150,000
General fund	$38,810,736	$37,940,973	$5,080,000	$43,020,973	$43,810,736	($789,763)
Valley City State University						
Total all funds	$27,259,465	$18,487,763	$10,689,710	$29,177,473	$29,553,314	($375,841)
Less estimated income	815,000	815,000	200,000	1,015,000	815,000	200,000
General fund	$26,444,465	$17,672,763	$10,489,710	$28,162,473	$28,738,314	($575,841)
Dakota College at Bottineau						
Total all funds	$6,748,729	$6,476,512	$579,430	$7,055,942	$7,448,729	($392,787)
Less estimated income	0	0	0	0	0	0
General fund	$6,748,729	$6,476,512	$579,430	$7,055,942	$7,448,729	($392,787)
Forest Service						
Total all funds	$5,209,958	$5,209,958	$6,000	$5,215,958	$5,209,958	$6,000
Less estimated income	997,486	997,486	6,000	1,003,486	997,486	6,000
General fund	$4,212,472	$4,212,472	$0	$4,212,472	$4,212,472	$0
Bill total						
Total all funds	$737,451,610	$705,635,447	$48,818,106	$754,453,553	$758,047,693	($3,594,140)
Less estimated income	89,237,204	90,237,204	18,580,555	108,817,759	113,356,759	(4,539,000)
General fund	$648,214,406	$615,398,243	$30,237,551	$645,635,794	$644,690,934	$944,860

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council					$100,000	($100,000)
University System Office	100,171,450	91,957,245	14,522,565	106,479,810	91,757,245	14,722,565
Bismarck State College	30,553,301	28,602,760	3,332,933	31,935,693	32,911,234	(975,541)
Lake Region State College	9,314,859	8,895,180	745,430	9,640,610	9,314,859	325,751
Williston State College	9,100,096	8,944,268	2,574,430	11,518,698	9,325,096	2,193,602
University of North Dakota	156,873,093	155,402,504	(1,800,000)	153,602,504	159,539,226	(5,936,722)
UND Medical Center	46,653,406	45,490,630	1,292,391	46,783,021	46,045,797	737,224
North Dakota State University	130,186,316	121,332,016	607,609	121,939,625	128,496,908	(6,557,283)
State College of Science	43,703,080	53,365,998	(8,380,807)	44,985,191	45,955,895	(970,704)
Dickinson State University	31,757,019	22,186,024	1,029,430	23,215,454	23,657,019	(441,565)
Mayville State University	13,685,384	12,918,898	164,430	13,083,328	13,377,404	(294,076)
Minot State University	38,810,736	37,940,973	5,080,000	43,020,973	43,810,736	(789,763)
Valley City State University	26,444,465	17,672,763	10,489,710	28,162,473	28,738,314	(575,841)
Dakota College at Bottineau	6,748,729	6,476,512	579,430	7,055,942	7,448,729	(392,787)
Forest Service	4,212,472	4,212,472		4,212,472	4,212,472	
Total general fund	$648,214,406	$615,398,243	$30,237,551	$645,635,794	$644,690,934	$944,860

Detail of Conference Committee changes to the General Fund

	Adds Funding	Reduces	Removes	Reduces	Restores	Removes

	for Equity and Student Affordability Funding Pool[1]	Funding for University System Office Operations[2]	Funding for Expanding Program Fund[3]	Funding for Capital Bond Payments[4]	Funding for Tribal College Assistance Grants[5]	Funding for Student Mental Health Services[6]
Legislative Council						
University System Office	15,240,565	(500,000)	(1,000,000)	(50,000)	1,000,000	(168,000)
Bismarck State College						
Lake Region State College						(120,570)
Williston State College						(120,570)
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						(120,570)
Mayville State University						(140,570)
Minot State University						(20,000)
Valley City State University						(60,290)
Dakota College at Bottineau						(120,570)
Forest Service						
Total general fund	$15,240,565	($500,000)	($1,000,000)	($50,000)	$1,000,000	($871,140)

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College		32,933				
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center			(607,609)	1,800,000	100,000	
North Dakota State University			607,609			
State College of Science		(807)				
Dickinson State University	250,000					900,000
Mayville State University	250,000					
Minot State University	250,000					
Valley City State University	250,000					
Dakota College at Bottineau						
Forest Service						
Total general fund	$1,000,000	$32,126	$0	$1,800,000	$100,000	$900,000

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total General Fund Changes
Legislative Council					
University System Office					14,522,565
Bismarck State College				3,300,000	3,332,933
Lake Region State College				866,000	745,430
Williston State College	100,000	2,320,000		275,000	2,574,430
University of North Dakota				(1,800,000)	(1,800,000)
UND Medical Center					1,292,391
North Dakota State University					607,609
State College of Science				(8,380,000)	(8,380,807)
Dickinson State University					1,029,430
Mayville State University			55,000		164,430
Minot State University				4,850,000	5,080,000
Valley City State University				10,300,000	10,489,710
Dakota College at Bottineau				700,000	579,430
Forest Service					
Total general fund	$100,000	$2,320,000	$55,000	$10,111,000	$30,237,551

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council						
University System Office	3,754,718	2,754,718		2,754,718	3,754,718	(1,000,000)
Bismarck State College	7,500,000	7,500,000	1,035,000	8,535,000	8,835,000	(300,000)

Lake Region State College						
Williston State College	2,820,000	4,820,000	(2,595,000)	2,225,000	4,820,000	(2,595,000)
University of North Dakota	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
UND Medical Center						
North Dakota State University	36,100,000	36,100,000		36,100,000	36,100,000	
State College of Science	10,500,000	10,500,000	200,000	10,700,000	10,500,000	200,000
Dickinson State University						
Mayville State University						
Minot State University	5,050,000	5,050,000	10,984,555	16,034,555	15,884,555	150,000
Valley City State University	815,000	815,000	200,000	1,015,000	815,000	200,000
Dakota College at Bottineau						
Forest Service	997,486	997,486	6,000	1,003,486	997,486	6,000
Total other funds	$89,237,204	$90,237,204	$18,580,555	$108,817,759	$113,356,759	($4,539,000)

Detail of Conference Committee changes to Other Funds

	Adds Funding for Equity and Student Affordability Funding Pool[1]	Reduces Funding for University System Office Operations[2]	Removes Funding for Expanding Program Fund[3]	Reduces Funding for Capital Bond Payments[4]	Restores Funding for Tribal College Assistance Grants[5]	Removes Funding for Student Mental Health Services[6]
Legislative Council						
University System Office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$0	$0

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$0	$0

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total Other Funds Changes
Legislative Council					
University System Office					
Bismarck State College				1,035,000	1,035,000
Lake Region State College					
Williston State College		(2,320,000)		(275,000)	(2,595,000)
University of North Dakota				8,750,000	8,750,000
UND Medical Center					
North Dakota State University					
State College of Science				200,000	200,000
Dickinson State University					

Mayville State University					
Minot State University				10,984,555	10,984,555
Valley City State University				200,000	200,000
Dakota College at Bottineau					
Forest Service				6,000	6,000
		($2,320,000)	$0	$20,900,555	$18,580,555
Total other funds	$0				

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council					$100,000	($100,000)
University System Office	103,926,168	94,711,963	14,522,565	109,234,528	95,511,963	13,722,565
Bismarck State College	38,053,301	36,102,760	4,367,933	40,470,693	41,746,234	(1,275,541)
Lake Region State College	9,314,859	8,895,180	745,430	9,640,610	9,314,859	325,751
Williston State College	11,920,096	13,764,268	(20,570)	13,743,698	14,145,096	(401,398)
University of North Dakota	178,573,093	177,102,504	6,950,000	184,052,504	191,189,226	(7,136,722)
UND Medical Center	46,653,406	45,490,630	1,292,391	46,783,021	46,045,797	737,224
North Dakota State University	166,286,316	157,432,016	607,609	158,039,625	164,596,908	(6,557,283)
State College of Science	54,203,080	63,865,998	(8,180,807)	55,685,191	56,455,895	(770,704)
Dickinson State University	31,757,019	22,186,024	1,029,430	23,215,454	23,657,019	(441,565)
Mayville State University	13,685,384	12,918,898	164,430	13,083,328	13,377,404	(294,076)
Minot State University	43,860,736	42,990,973	16,064,555	59,055,528	59,695,291	(639,763)
Valley City State University	27,259,465	18,487,763	10,689,710	29,177,473	29,553,314	(375,841)
Dakota College at Bottineau	6,748,729	6,476,512	579,430	7,055,942	7,448,729	(392,787)
Forest Service	5,209,958	5,209,958	6,000	5,215,958	5,209,958	6,000
Total all funds	$737,451,610	$705,635,447	$48,818,106	$754,453,553	$758,047,693	($3,594,140)
FTE	2245.51	2245.51	0.00	2245.51	2245.51	0.00

Detail of Conference Committee changes to All Funds

	Adds Funding for Equity and Student Affordability Funding Pool[1]	Reduces Funding for University System Office Operations[2]	Removes Funding for Expanding Program Fund[3]	Reduces Funding for Capital Bond Payments[4]	Restores Funding for Tribal College Assistance Grants[5]	Removes Funding for Student Mental Health Services[6]
Legislative Council						
University System Office	15,240,565	(500,000)	(1,000,000)	(50,000)	1,000,000	(168,000)
Bismarck State College						
Lake Region State College						(120,570)
Williston State College						(120,570)
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						(120,570)
Mayville State University						(140,570)
Minot State University						(20,000)
Valley City State University						(60,290)
Dakota College at Bottineau						(120,570)
Forest Service						
Total all funds	$15,240,565	($500,000)	($1,000,000)	($50,000)	$1,000,000	($871,140)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Restores STEM Teacher Education Enhancement Funding[7]	Adjusts Funding for Special Assessment Payments[8]	Adjusts Funding for Master's Degree in Public Health Program[9]	Adds Funding to Increase Medical School Enrollment[10]	Adds Funding for Space Utilization Study of School of Medicine[11]	Adds One-Time Funding for Dickinson State University Operations[12]
Legislative Council						
University System Office						
Bismarck State College		32,933				
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center			(607,609)	1,800,000	100,000	
North Dakota State University			607,609			
State College of Science		(807)				
Dickinson State University	250,000					900,000
Mayville State University	250,000					
Minot State University	250,000					

Valley City State University	250,000					
Dakota College at Bottineau						
Forest Service						
Total all funds	$1,000,000	$32,126	$0	$1,800,000	$100,000	$900,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Campus Security[13]	Adjusts Funding Source for Williston State College Capital Projects[14]	Adds Funding for Campus Drainage Study[15]	Adjusts Funding for Capital Projects[16]	Total All Funds Changes
Legislative Council					
University System Office					14,522,565
Bismarck State College				4,335,000	4,367,933
Lake Region State College				866,000	745,430
Williston State College	100,000				(20,570)
University of North Dakota				6,950,000	6,950,000
UND Medical Center					1,292,391
North Dakota State University					607,609
State College of Science				(8,180,000)	(8,180,807)
Dickinson State University					1,029,430
Mayville State University			55,000		164,430
Minot State University				15,834,555	16,064,555
Valley City State University				10,500,000	10,689,710
Dakota College at Bottineau				700,000	579,430
Forest Service				6,000	6,000
Total all funds	$100,000	$0	$55,000	$31,011,555	$48,818,106
FTE	0.00	0.00	0.00	0.00	0.00

[1] Funding of $15,240,565 from the general fund is added for an equity and student affordability funding pool. A section is also added to provide that the funding be distributed to campuses based on existing funding distribution formulas.

[2] Operations funding from the general fund for the University System office is reduced by $500,000. The Senate reduced operations funding for the University System office by $200,000.

[3] A pool of funding for expanding academic and technical programs is removed.

[4] Funding for capital bond payments is reduced by $50,000.

[5] Funding removed by the House for grants to tribally controlled community colleges is restored. The executive recommendation and Senate versions provided funding from the permanent oil tax trust fund and this amendment provides funding from the general fund.

[6] Ongoing funding of $715,140 and one-time funding of $156,000 included in the executive recommendation for student mental health services is removed.

[7] Funding removed by the House for STEM teacher education enhancement is restored for nonresearch institutions. The Senate also restored this funding.

[8] Funding for 2011-13 special assessment payments is adjusted to reflect updated calculations for Bismarck State College and the State College of Science. The Senate version also included the special assessment payment adjustments.

[9] Funding is transferred from the University of North Dakota School of Medicine and Health Sciences to North Dakota State University for the new joint master's degree in public health program to be administered by both institutions. The executive recommendation provided all funding for the program to the University of North Dakota School of Medicine and Health Sciences. The Senate also provided for the transfer of funding for the program.

[10] Funding is added to allow the University of North Dakota School of Medicine and Health Sciences to increase program enrollment and to increase the number of available student medical residency positions available. The Senate had authorized the State Board of Higher Education to transfer $1.8 million from the joint North Dakota University System/University of North Dakota information technology building project to the School of Medicine and Health Sciences to increase program enrollment.

[11] One-time funding of $100,000 is added for a space utilization study of the University of North Dakota School of Medicine and Health Sciences.

[12] One-time funding from the general fund of $750,000 is added for Dickinson State University for the digitization of documents related to the Theodore Roosevelt Center and $150,000 is added for programs that have experienced a loss of funding due to decreased revenues from oil royalties. The Senate provided $700,000 from the general fund for programs at Dickinson State University that have been affected by decreased revenue from oil royalties.

[13] Funding of $100,000 is added for campus security at Williston State College.

[14] The funding source for campus improvements ($1,000,000) and additional funding for the science center project ($1,320,000) at Williston State College is changed from the permanent oil tax trust fund to the general fund as a result of the provisions of House Bill No. 1451. The executive recommendation, House version, and Senate version provided funding for these projects from the permanent oil tax trust fund.

[15] One-time funding of $55,000 from the general fund is added for a campus drainage study at Mayville State University.

[16] Funding is adjusted for the following capital projects:

- **Bismarck State College National Energy Center of Excellence** - Funding of $3,300,000 from the general fund and $1,035,000 from other funds is added for the National Energy Center of Excellence fourth floor project. The House provided funding of $4,335,000 for the project from unspent 2009-11 general fund appropriations relating to the Great Plains Applied Energy Research Center project. The Senate provided funding of $3 million from the general fund and $1,335,000 from other funds for the project.
- **Lake Region State College roof replacement projects** - Funding of $866,000 from the general fund is added for roof replacement projects at Lake Region State College.
- **Williston State College workforce training building** - Funding of $500,000 from the general fund and $1,725,000 from other funds is provided for the Williston State College workforce training building project. The House provided funding of $225,000 from the general fund and $2 million of other funds for the project which was not changed by the Senate. A section is also added to allow Williston State College to borrow up to $1,725,000 from the Bank of North Dakota for the project in addition to revenue bonding authorization for the project which was added by the House.
- **North Dakota University System/University of North Dakota joint information technology building project** - General fund support for the project is reduced by $1.8 million and special fund authority of $8 million is added to provide total funding of $20.5 million, of which $12.5 million is from the general fund. The executive

recommendation included $11.2 million of funding from the general fund for the project, and the House increased the general fund amount to $14.3 million. The Senate added special fund authority of $7.7 million for the project and provided authorization for the State Board of Higher Education to transfer $1.8 million of funding from the general fund for the project to the School of Medicine and Health Sciences to increase the enrollment of the school. A section is also added to authorize an additional $5 million for the project from information technology savings.

- **University of North Dakota flight operations center** - Special fund authority of $750,000 is provided for the University of North Dakota flight operations center renovation project. The Senate provided special fund authority of $1.5 million for the project.
- **State College of Science Old Main project** - Funding from the general fund of $8,180,000 for the State College of Science Old Main project is removed. The Senate also removed this funding.
- **State College of Science Bisek Hall project** - Funding from the general fund for the project is reduced by $200,000 to provide total general fund support of $10,300,000. Special fund authority of $200,000 is also added for the project. The House and Senate provided $10,500,000 from the general fund for the project.
- **Minot State University geothermal project** - Funding of $4,850,000 from the general fund and $8,884,555 from other funds including federal funds, private funds, and energy performance contracts is added for the geothermal energy project. The Senate also added this funding.
- **Minot State University food service project** - Special fund authority is added for a food service remodeling project. The Senate also provided the special fund authority for this project.
- **Minot State University Physical Plant Building** - Special fund authorization is added for the physical plant building project from Bank of North Dakota loan proceeds ($600,000). The physical plant building project is also estimated to use $650,000 of unspent 2009-11 biennium general fund appropriations. The Senate also authorized this funding.
- **Valley City State University Rhoades Science Center** - Funding of $10.3 million from the general fund and $200,000 of special funds is provided for the Rhoades Science Center project. The executive recommendation provided funding of $7,971,000 from the general fund which was removed by the House. The Senate provided $10.5 million from the general fund for the project.
- **Dakota College at Bottineau campus improvements** - Funding of $700,000 from the general fund is added for campus improvements. The Senate also added this funding.
- **Forest Service Towner State Nursery greenhouse project** - Additional special fund authorization of $6,000 is added for the Towner State Nursery greenhouse project that was originally authorized by the 2009 Legislative Assembly. The additional spending authorization is related to funding received from an insurance claim that resulted from wind damage to the project.

House Bill No. 1003 - Other Changes - Conference Committee Action

This amendment also:

- Provides North Dakota State University with authority to use 2007-09 and 2009-11 biennium funding for the Minard Hall project in the 2011-13 biennium and requires Budget Section reports on the status of the project. The Senate also added this

section.

- Adjusts Section 15 regarding the revenue bonding authorization of the Williston State College workforce training building project.
- Adds a section to amend Section 15-10-08 to increase the daily compensation of members of the State Board of Higher Education from $100 per day to $148 per day. The Senate also added this section.
- Adds two sections to amend Sections 43-12.2-03 and 43-17.2-03 relating to the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program. The Senate also added these sections.
- Adds a section to amend Section 15-70-04 relating to grants to tribally controlled community colleges for nonbeneficiary students. The Senate also added this section.
- Adds a section of legislative intent regarding the future budget requests of the University System.
- Adds a section of legislative intent regarding the North Dakota University System fall enrollment report.
- Provides for a Legislative Management study of the use of graduated tuition rates for programs that address workforce needs. The Senate also added this study section.
- Provides for a Legislative Management study of the University of North Dakota School of Medicine and Health Sciences. The Senate also added the study and provided a $100,000 appropriation from the general fund to the Legislative Council for expenses related to the study. The conference committee did not provide the funding for the Legislative Management study.

Engrossed HB 1003 was placed on the Seventh order of business on the calendar.

2011 TESTIMONY

HB 1003

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 14, 2011

Department 240 - Mayville State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	58.72	$13,685,384	$0	$13,685,384
2009-11 Legislative Appropriations	58.72[1]	19,018,467	3,668,500	22,686,967[2]
Increase (Decrease)	0.00	($5,333,083)	($3,668,500)	($9,001,583)

[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 3.33, from 55.39 to 58.72, pursuant to Section 20 of Senate Bill No. 2003 (2009) 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.

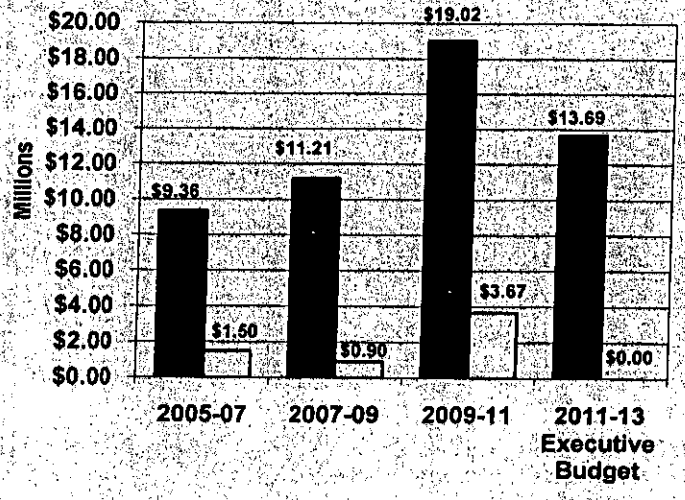
[2]The 2009-11 legislative appropriation amounts include:

$61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

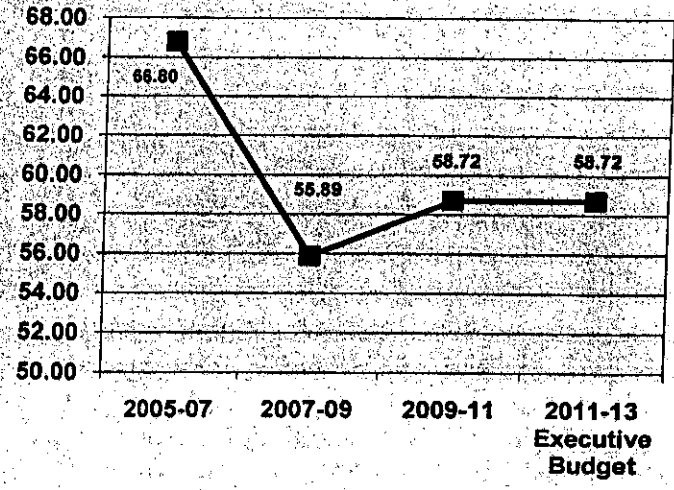
$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

The 2009-11 appropriation amounts do not include $180,003 of additional special funds authority resulting from Budget Section action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$13,292,891	$392,493	$13,685,384
2009-11 Legislative Appropriations	12,150,022	6,868,445	19,018,467
Increase (Decrease)	$1,142,869	($6,475,952)	($5,333,083)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $599,972 for the following:			
Costs to continue fiscal year 2011 salary increases	$159,763		$159,763
3 percent per year salary increases	304,973		304,973
Health insurance premium increases	90,402		90,402
Utility inflation costs	44,834		44,834
Total	$599,972		$599,972
2. Provides equity funding of $166,677 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$166,677		$166,677

3. Provides funding of $41,839 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$41,839		$41,839
4. Increases funding for employee retirement contributions	$43,824		$43,824
5. Provides funding for student mental health services	$140,570		$140,570
6. Increases ongoing funding for extraordinary repairs from $208,991 to $358,992	$150,001		$150,001
7. Provides **one-time funding** of $392,493 to pay off outstanding special assessments	$392,493		$392,493
8. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($6,868,445)	($3,668,500)	($10,536,945)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 14, 2011

Department 241 - Minot State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	187.83	$38,810,736	$5,050,000	$43,860,736
2009-11 Legislative Appropriations	187.83[1]	39,877,100	27,250,000	67,127,100[2]
Increase (Decrease)	0.00	($1,066,364)	($22,200,000)	($23,266,364)

[1]The 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 Senate Bill No. 2003 (2009) 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.

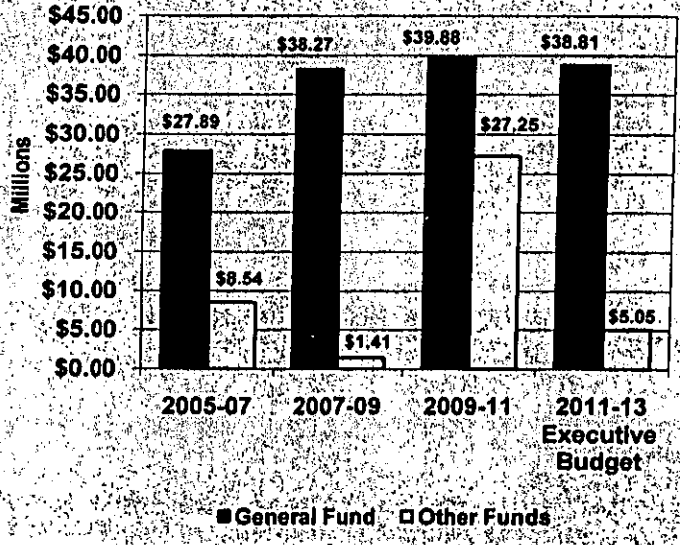
[2]The 2009-11 legislative appropriation amounts include:

$61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

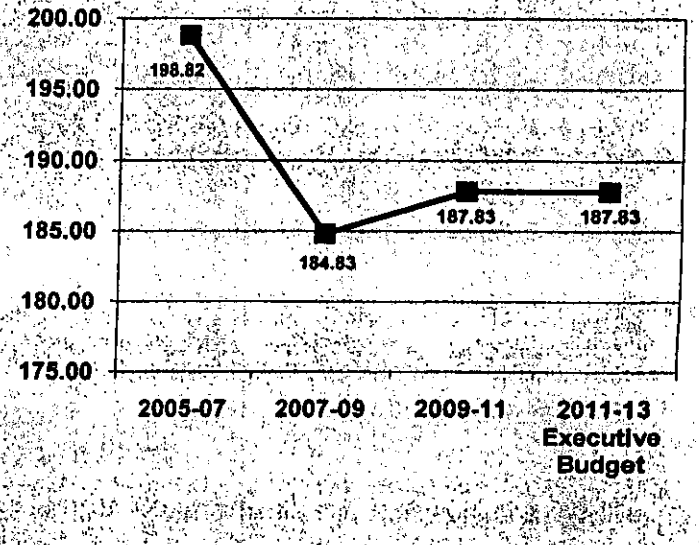
$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

The 2009-11 appropriation amounts do not include $924,000 of additional special funds authority resulting from Budget Section action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$38,810,736	$0	$38,810,736
2009-11 Legislative Appropriations	35,531,989	4,345,111	39,877,100
Increase (Decrease)	$3,278,747	($4,345,111)	($1,066,364)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $2,178,892 for the following:			
Costs to continue fiscal year 2011 salary increases	$566,279		$566,279
3 percent per year salary increases	1,080,970		1,080,970
Health insurance premium increases	282,792		282,792
Utility inflation costs	248,851		248,851
Total	$2,178,892		$2,178,892
2. Provides equity funding of $180,142 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$180,142		$180,142

3. Provides funding of $439,621 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$439,621		$439,621
4. Increases funding for employee retirement contributions	$157,342		$157,342
5. Provides funding for student mental health services	$20,000		$20,000
6. Increases ongoing funding for extraordinary repairs from $596,870 to $899,620	$302,750		$302,750
7. Provides **one-time funding** for the following capital projects:			
Campus landscaping		$800,000	$800,000
Old Main classroom remodeling project		750,000	750,000
Student residence apartment building project		3,500,000	3,500,000
Total		$5,050,000	$5,050,000
8. Removes American Recovery and Reinvestment Act of 2009 funding provided in the 2009-11 biennium for the Swain Hall project		($5,000,000)	($5,000,000)
9. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($4,345,111)	($22,250,000)	($26,595,111)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Bonding authorization - Section 12 authorizes the State Board of Higher Education to issue revenue bonds for the student residence apartment building project ($3.5 million).

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 14, 2011

Department 242 - Valley City State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	90.37	$26,444,465	$815,000	$27,259,465
2009-11 Legislative Appropriations	90.37[1]	19,245,122	18,500,000	37,745,122[2]
Increase (Decrease)	0.00	$7,199,343	($17,685,000)	($10,485,657)

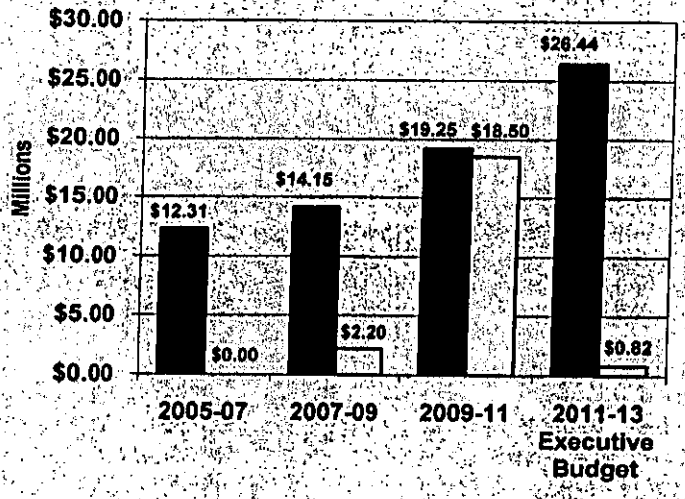
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 3.51, from 86.86 to 90.37, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include:

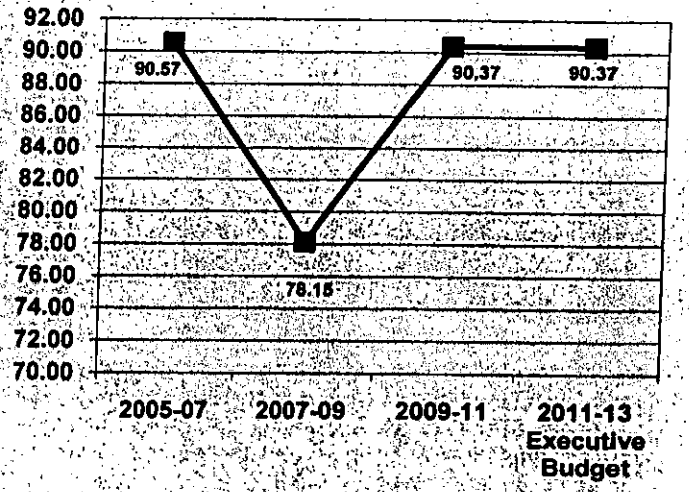
$63,784 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$18,189,898	$8,254,567	$26,444,465
2009-11 Legislative Appropriations	16,940,201	2,304,921	19,245,122
Increase (Decrease)	$1,249,697	$5,949,646	$7,199,343

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $973,284 for the following:			
Costs to continue fiscal year 2011 salary increases	$249,622		$249,622
3 percent per year salary increases	476,503		476,503
Health insurance premium increases	135,692		135,692
Utility inflation costs	84,278		84,278
Utilities for new facilities becoming operational during the 2011-13 biennium	27,189		27,189
Total	$973,284		$973,284
2. Provides equity funding of $166,667 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$166,667		$166,667

3. Provides funding of $148,884 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$148,884		$148,884
4. Increases funding for employee retirement contributions	$70,041		$70,041
5. Increases ongoing funding for extraordinary repairs from $258,416 to $408,319	$149,903		$149,903
6. Provides funding for student mental health services	$60,290		$60,290
7. Provides **one-time funding** of $283,567 to pay off outstanding special assessments	$283,567		$283,567
8. Provides **one-time funding** for the following capital projects:			
Rhoades Science Center renovation and addition	$7,971,000		$7,971,000
Lokken Field playing surface project		$815,000	815,000
Total	$7,971,000	$815,000	$8,786,000
9. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance, the development of a campus master plan, and locally funded capital projects	($2,304,921)	($18,500,000)	($20,804,921)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 14, 2011

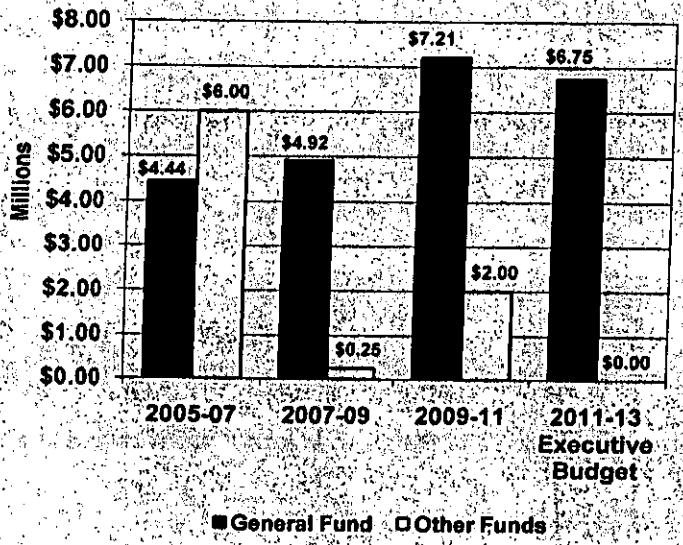
Department 243 - Dakota College at Bottineau
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	34.81	$6,748,729	$0	$6,748,729
2009-11 Legislative Appropriations	34.81[1]	7,210,530	2,000,000	9,210,530[2]
Increase (Decrease)	0.00	($461,801)	($2,000,000)	($2,461,801)

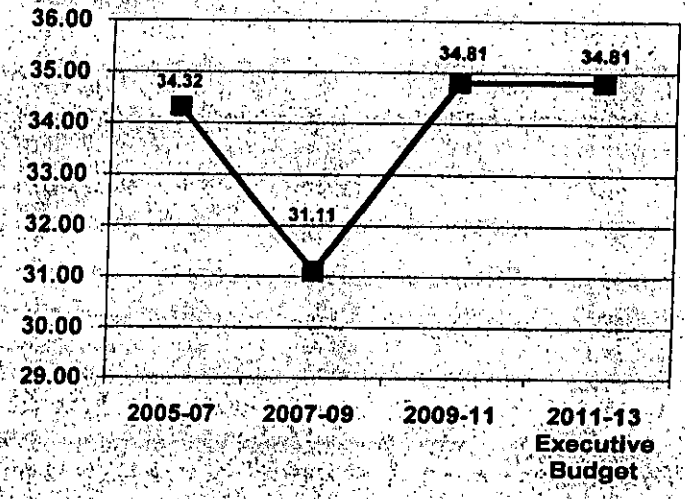
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 3.06, from 31.75 to 34.81, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include $61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$6,748,729	$0	$6,748,729
2009-11 Legislative Appropriations	6,033,509	1,177,021	7,210,530
Increase (Decrease)	$715,220	($1,177,021)	($461,801)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $293,159 for the following:			
Costs to continue fiscal year 2011 salary increases	$82,546		$82,546
3 percent per year salary increases	157,572		157,572
Health insurance premium increases	53,041		53,041
Total	$293,159		$293,159
2. Provides equity funding of $166,667 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$166,667		$166,667
3. Provides funding of $105,550 to provide for no student tuition rate increases during the 2011-13 biennium	$105,550		$105,550
4. Increases funding for employee retirement contributions	$23,493		$23,493
5. Provides funding for student mental health services	$120,570		$120,570
6. Increases ongoing funding for extraordinary repairs from $109,725 to $115,507	$5,782		$5,782

7. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($1,177,021)	($2,000,000)	($3,177,021)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Department 239 - Dickinson State University
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	92.96	$31,757,019	$0	$31,757,019
2009-11 Legislative Appropriations	92.96[1]	25,231,011	350,000	25,581,011[2]
Increase (Decrease)	0.00	$6,526,008	($350,000)	$6,176,008

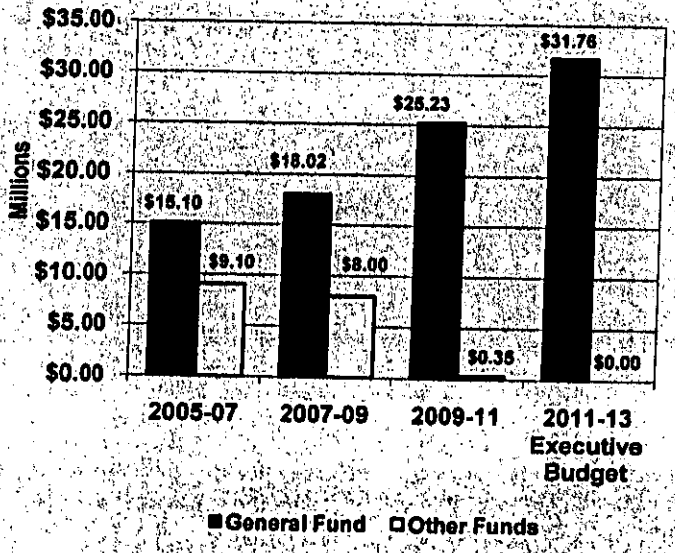
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 1.86, from 91.10 to 92.96, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include:

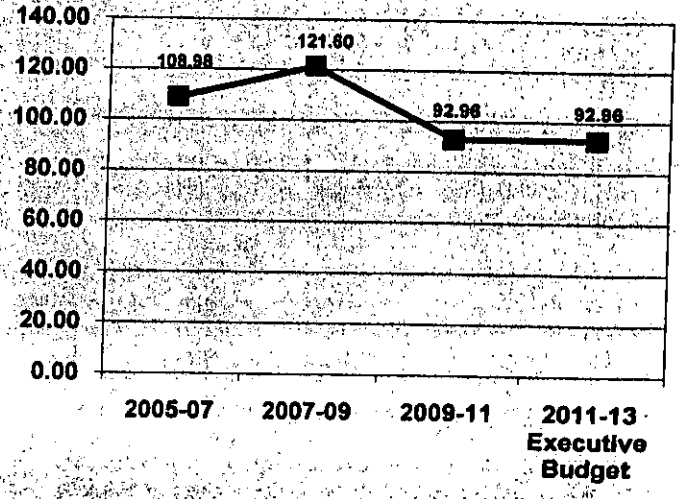
$61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$22,957,019	$8,800,000	$31,757,019
2009-11 Legislative Appropriations	21,568,839	3,662,172	25,231,011
Increase (Decrease)	$1,388,180	$5,137,828	$6,526,008

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $1,358,928 for the following:			
Costs to continue fiscal year 2011 salary increases	$390,772		$390,772
3 percent per year salary increases	745,946		745,946
Health insurance premium increases	204,744		204,744
Utility inflation costs	17,466		17,466
Total	$1,358,928		$1,358,928
2. Provides equity funding of $472,867 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$472,867		$472,867
3. Provides funding of $48,128 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$48,128		$48,128

4. Increases funding for employee retirement contributions	$112,299		$112,299
5. Provides funding for student mental health services	$120,570		$120,570
6. Increases ongoing funding for extraordinary repairs from $383,690 to $409,078	$25,388		$25,388
7. Provides **one-time funding** for the Stoxen Library capital project	$8,800,000		$8,800,000
8. Removes funding provided in the 2009-11 biennium for the development of the Theodore Roosevelt Center at Dickinson State University	($750,000)		($750,000)
9. Removes funding provided in the 2009-11 biennium from the permanent oil tax trust fund for campus operations		($350,000)	($350,000)
10. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and the development of a campus master plan	($2,662,172)		($2,662,172)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 17, 2011

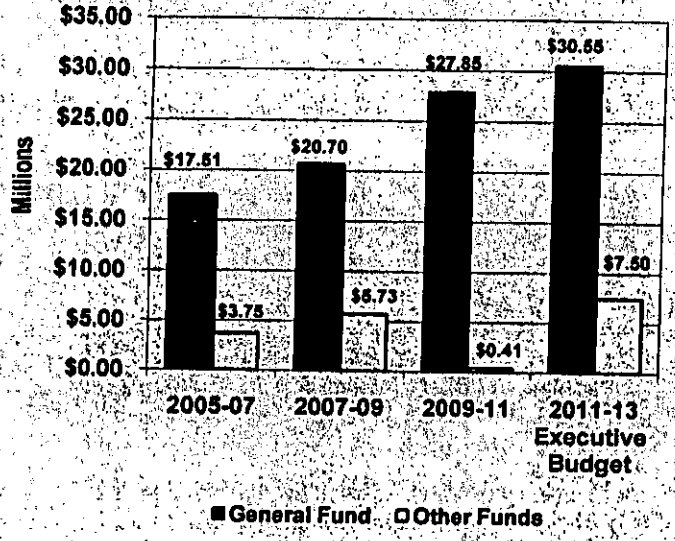
Department 227 - Bismarck State College
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	111.51	$30,553,301	$7,500,000	$38,053,301
2009-11 Legislative Appropriations	111.51[1]	27,849,535	409,500	28,259,035[2]
Increase (Decrease)	0.00	$2,703,766	$7,090,500	$9,794,266

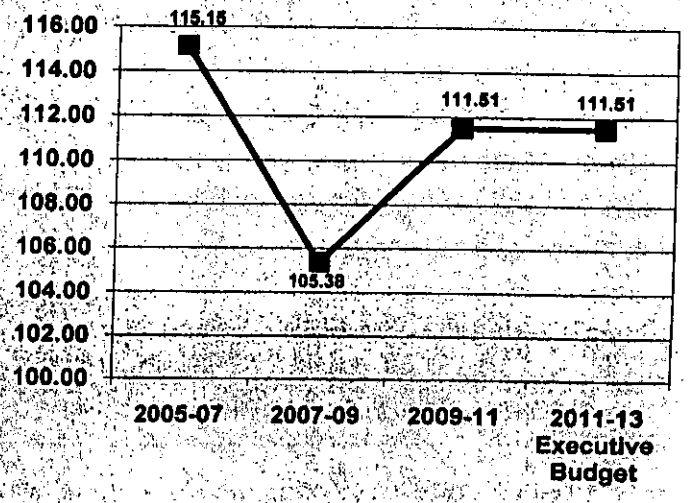
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 0.58, from 110.93 to 111.51, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include $61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$28,153,301	$2,400,000	$30,553,301
2009-11 Legislative Appropriations	24,508,898	3,340,637	27,849,535
Increase (Decrease)	$3,644,403	($940,637)	$2,703,766

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $2,056,567 for the following:			
Costs to continue 2011 salary increases	$489,164		$489,164
3 percent per year salary increases	933,765		933,765
Health insurance premium increases	252,132		252,132
Utility inflation costs	381,506		381,506
Total	$2,056,567		$2,056,567
2. Provides equity funding of $543,985 (The executive recommendation includes a $10 million increase for equity distributed among the 11 higher education institutions.)	$543,985		$543,985
3. Provides funding of $731,556 to address college affordability by not increasing tuition rates for the 2011-13 biennium	$731,556		$731,556
4. Increases funding for employee retirement contributions	$138,103		$138,103
5. Increases ongoing funding for extraordinary repairs from $243,481 to $417,673	$174,192		$174,192

6. Removes one-time extraordinary repair funding provided in the 2009-11 biennium	($340,637)		($340,637)
7. Removes one-time funding for a major capital project--Technical Center renovation--provided in the 2009-11 biennium	($3,000,000)	($409,500)	($3,409,500)
8. Provides **one-time funding** for a major capital project--Plant Services building--for the 2011-13 biennium	$1,500,000		$1,500,000
9. Provides **one-time funding** (revenue bonding) for a major capital project--Student Union renovation and addition--for the 2011-13 biennium		$7,500,000	$7,500,000
10. Provides **one-time funding** to pay off outstanding special assessments	$900,000		$900,000

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 17, 2011

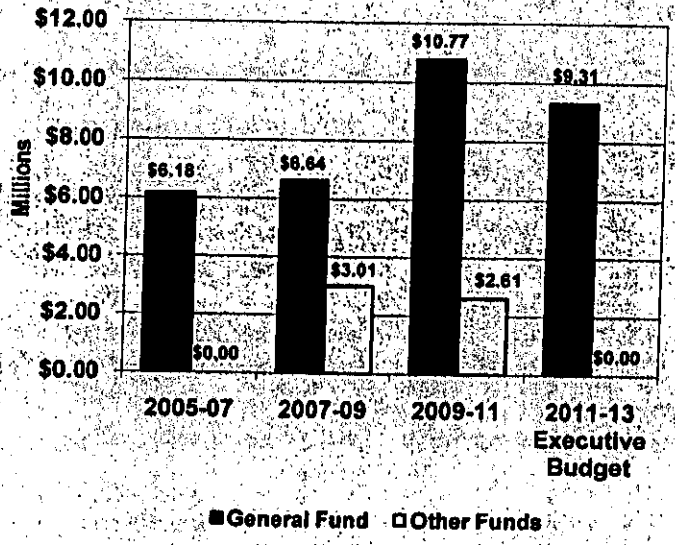
Department 228 - Lake Region State College
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	37.50	$9,314,859	$0	$9,314,859
2009-11 Legislative Appropriations	37.50[1]	10,765,011	2,609,920	13,374,931[2]
Increase (Decrease)	0.00	($1,450,152)	($2,609,920)	($4,060,072)

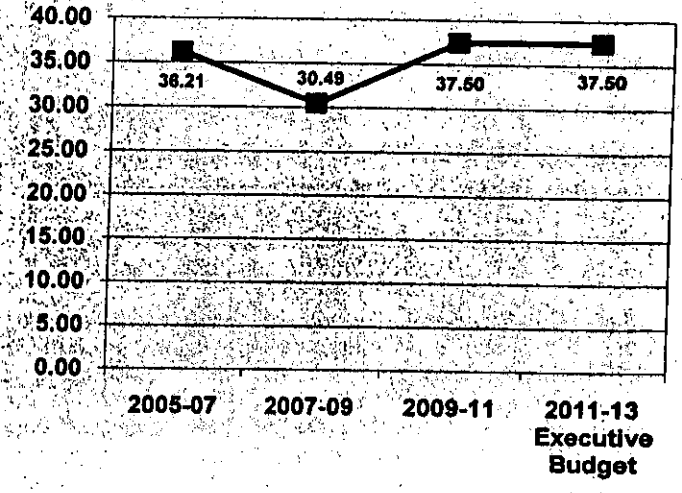
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 4.53, from 32.97 to 37.50, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include $61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$9,314,859	$0	$9,314,859
2009-11 Legislative Appropriations	8,061,284	2,703,727	10,765,011
Increase (Decrease)	$1,253,575	($2,703,727)	($1,450,152)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $558,454 for the following:			
Costs to continue 2011 salary increases	$150,005		$150,005
3 percent per year salary increases	286,343		286,343
Health insurance premium increases	79,029		79,029
Utility inflation costs	43,077		43,077
Total	$558,454		$558,454
2. Provides equity funding of $219,139 (The executive recommendation includes a $10 million increase for equity distributed among the 11 higher education institutions.)	$219,139		$219,139
3. Provides funding of $200,540 to address college affordability by not increasing tuition rates for the 2011-13 biennium	$200,540		$200,540
4. Increases funding for employee retirement contributions	$43,167		$43,167
5. Provides funding for student mental health services	$120,570		$120,570

6. Increases ongoing funding for extraordinary repairs from $43,662 to $155,367	$111,705		$111,705
7. Removes one-time extraordinary repair funding provided in the 2009-11 biennium	($93,807)		($93,807)
8. Removes one-time major capital project funding--wind energy project--provided in the 2009-11 biennium	($2,609,920)	($2,609,920)	($5,219,840)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

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House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 17, 2011

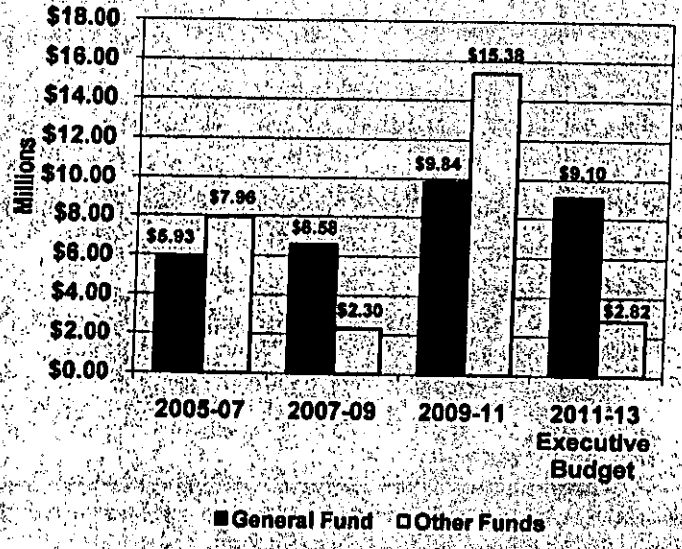
Department 229 - Williston State College
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	43.42	$9,100,096	$2,820,000	$11,920,096
2009-11 Legislative Appropriations	43.42[1]	9,836,888	15,375,000	25,211,888[2]
Increase (Decrease)	0.00	($736,792)	($12,555,000)	($13,291,792)

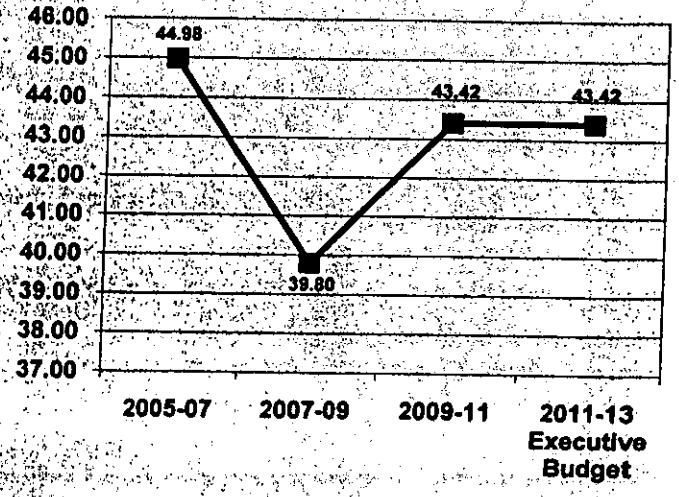
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 2.32, from 41.10 to 43.42, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include $61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office. The 2009-11 appropriation amounts do not include $77,844 of capital project carryover from the 2007-09 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$9,100,096	$0	$9,100,096
2009-11 Legislative Appropriations	7,844,886	1,992,002	9,836,888
Increase (Decrease)	$1,255,210	($1,992,002)	($736,792)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $610,992 for the following:			
Costs to continue 2011 salary increases	$134,630		$134,630
3 percent per year salary increases	256,994		256,994
Health insurance premium increases	68,572		68,572
Utility inflation	54,336		54,336
Utilities for new facilities becoming operational in the 2011-13 biennium	96,460		96,460
Total	$610,992		$610,992
2. Provides equity funding of $166,667 (The executive recommendation includes a $10 million increase for equity distributed among the 11 higher education institutions.)	$166,667		$166,667
3. Provides funding of $214,161 to address college affordability by not increasing tuition rates for the 2011-13 biennium	$214,161		$214,161
4. Increases funding for employee retirement contributions	$31,494		$31,494

5. Provides funding for student mental health services	$120,570		$120,570
6. Increases ongoing funding for extraordinary repairs from $86,475 to $197,801	$111,326		$111,326
7. Removes one-time extraordinary repair funding provided in the 2009-11 biennium	($382,002)		($382,002)
8. Removes one-time major capital project funding--science laboratory renovation--provided in the 2009-11 biennium	($1,610,000)		($1,610,000)
9. Removes one-time major capital project funding--residence hall--provided in the 2009-11 biennium		($9,375,000)	($9,375,000)
10. Removes one-time major capital project funding--career and technical education center--provided in the 2009-11 biennium		($6,000,000)	($6,000,000)
11. Provides one-time funding from the permanent oil tax trust fund for completion of the science laboratory renovation		$1,320,000	$1,320,000
12. Provides one-time funding, of which $1,000,000 is from the permanent oil tax trust fund, for campus branding (capital projects to develop a more collegiate and professional atmosphere on campus)		$1,500,000	$1,500,000

Other Sections in Bill

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HB 1003
1/17/11
Mayville State
Attachment #1

House Appropriations
Education and Environment Division Hearing
January 17, 2011



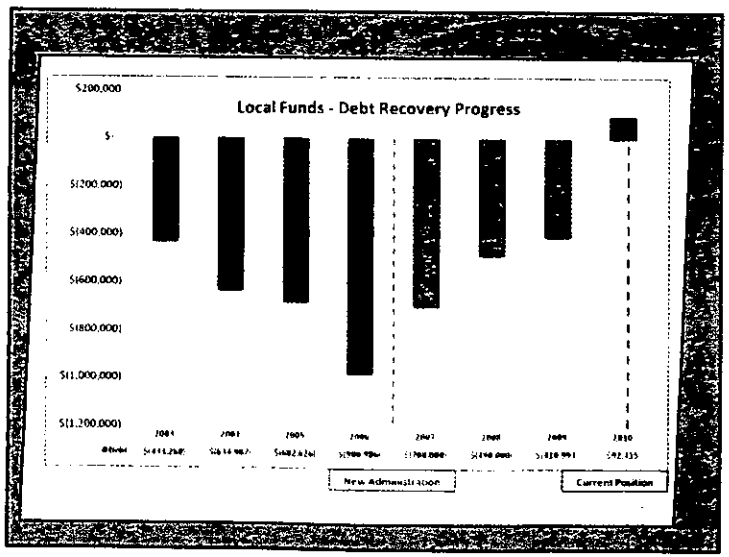
Dr. Gary Hagen, President
Mr. Steven Bensen, VP for Business Affairs

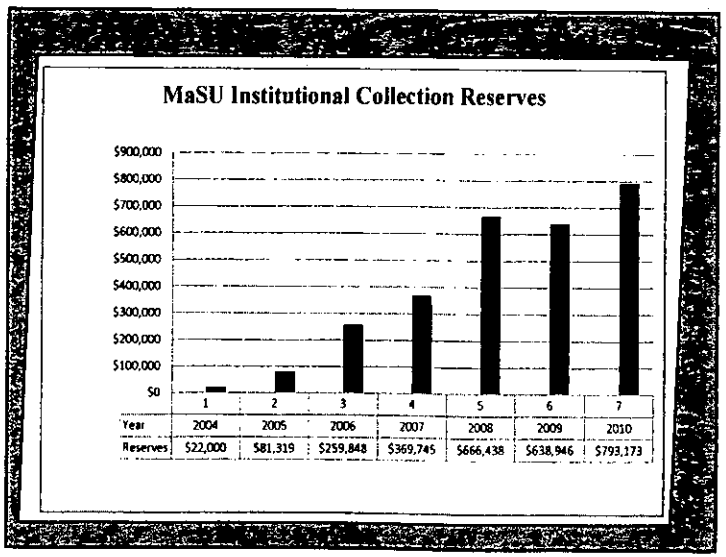
An Extraordinary Year at Mayville State

Thanks to the support of the North Dakota legislature and the SBHE significant progress has been made in key budgetary areas and in areas of urgent need:

1. Debt Recovery
2. Energy Costs
3. Physical Facilities / Capital Projects
4. Student Retention and Program Delivery
5. Faculty and Staff Salaries
6. Campus operating efficiencies
7. New collaborations

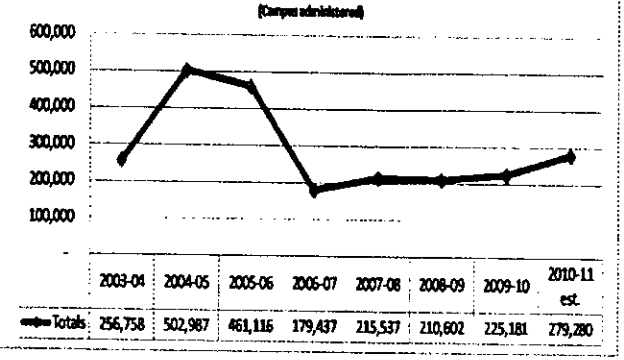






Total Waivers

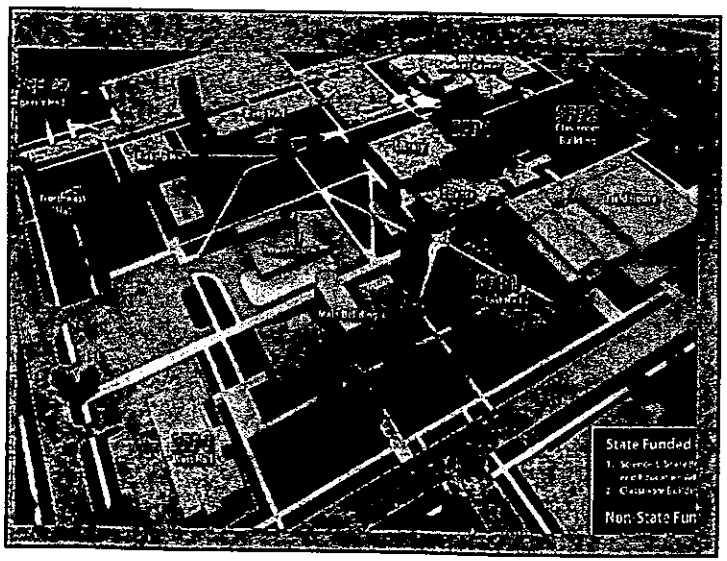
(Campus administered)



	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 est.
Totals	256,758	502,987	461,116	179,437	215,537	210,602	225,181	279,280

Physical Plant Improvements

- A process of campus "right sizing" has begun
- Worked with OMB, SBHE, and engineers
- 60,000 square feet of outdated space is being replaced with 14,000 square feet of new, highly efficient space
- Deferred maintenance reduced by 62%
- Buildings have been upgraded for efficiency, functionality and safety
- A new coal heating plant will utilize savings to pay for itself over 15 years without new state dollars."

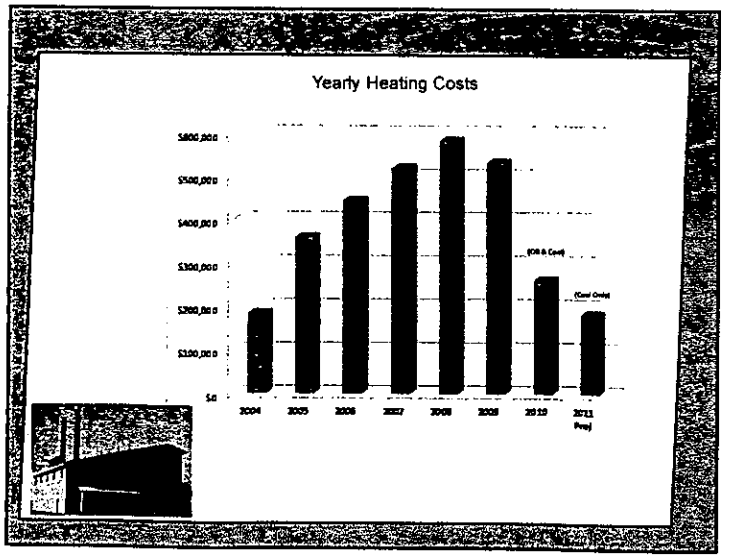


Mayville State University Deferred Maintenance

State-funded buildings	$11 million
Locally funded buildings	$10 million
Total deferred maintenance	$21 million
Building projects reduced deferred maintenance by:	
Science/Library/Education project – Raze West Hall	$5.7 million
Agassiz Hall Renovation	$3.5 million
Raze East Hall	$4.0 million
Total deferred maintenance eliminated	$13.2 million or 62%

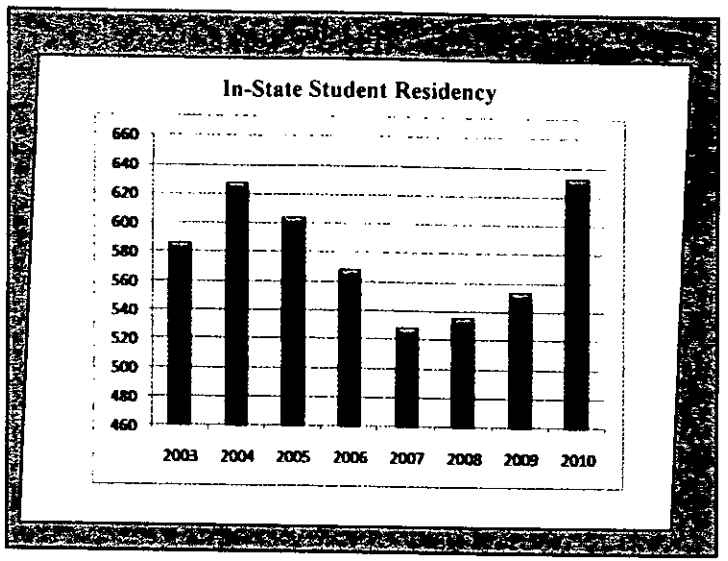
Deferred Maintenance as a Percentage of Plant Value				
Institution	**2010**	**2008**	**2006**	**2004**
LRSC	2%	3%	3%	1%
DCB	3%	5%	5%	15%
BSC	3%	5%	5%	5%
MiSU	3%	3%	11%	10%
NDSCS	4%	5%	5%	6%
UND	7%	9%	9%	7%
NDSU	8%	10%	10%	11%
WSC	8%	1%	1%	7%
TOTAL NDUS	**8%**	**10%**	**10%**	**10%**
VCSU	15%	15%	15%	25%
DSU	16%	17%	17%	24%
MaSU	**22%**	**29%**	**29%**	**39%**

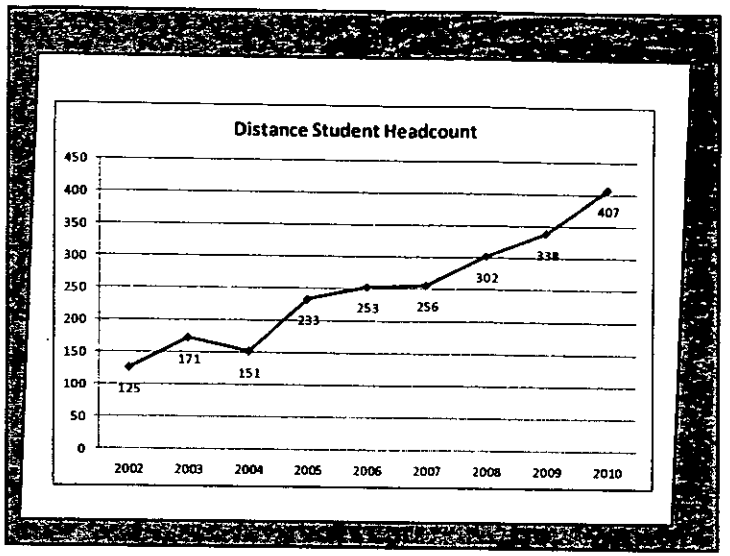
Deferred Maintenance as a Percentage of Plant Value				
Institution	**2010**	**2008**	**2006**	**2004**
LRSC	na	3%	3%	1%
DCB	na	5%	5%	15%
BSC	na	5%	5%	5%
MiSU	na	3%	11%	10%
NDSCS	n	5%	5%	6%
MaSU	6%	29%	29%	39%
UND	na	9%	9%	7%
NDSU	na	10%	10%	11%
WSC	na	1%	1%	7%
TOTAL NDUS	**8%**	**10%**	**10%**	**10%**
VCSU	na	15%	15%	25%
DSU	na	17%	17%	24%



Current Enrollment Comparisons

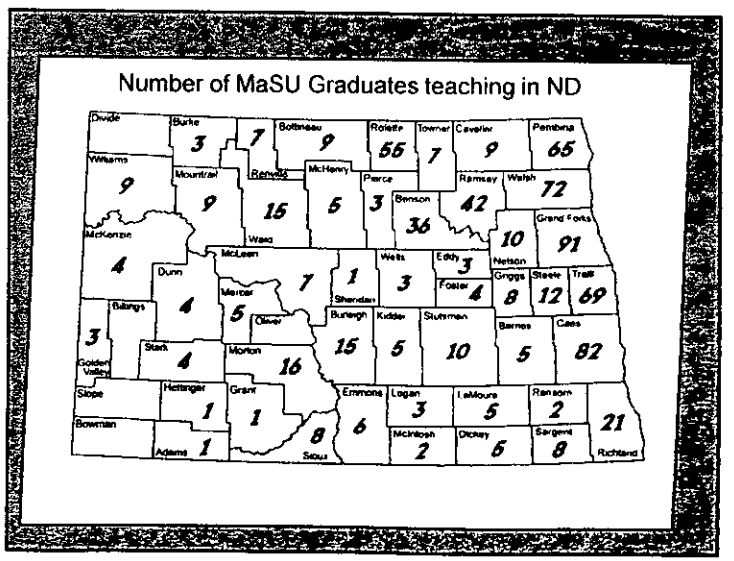
	Fall 2008	Fall 2009	Fall 2010	% increase since 2008
Headcount (Highest Ever-2010)	789	887	982	24%
Full-Time	449	544	552	23%
FTE	562	661	703	25%
Freshmen	90	147	130	44%
Transfer Students	71	113	94	32%
Distance Degree Seekers	99	133	136	37%

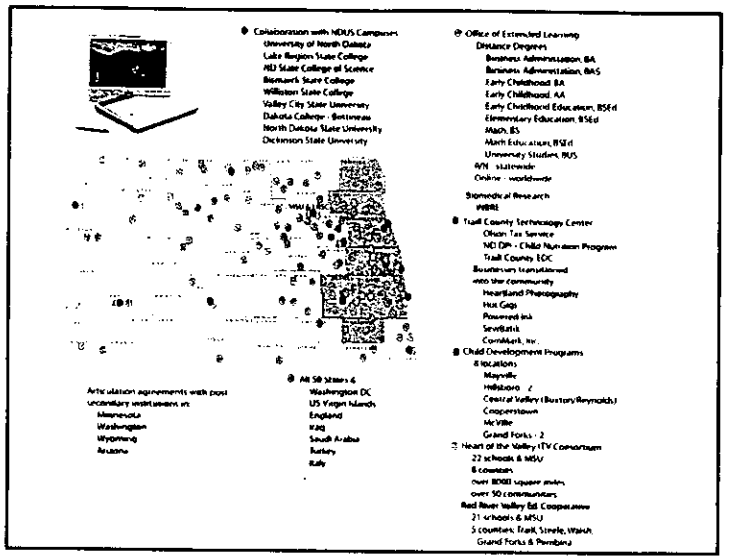




Contributing to North Dakota's Workforce

- Based on a 10 year average, 99% of Mayville State graduates found satisfactory placement (the remainder chose to further their education)
- Based on a 5 year average, 70% of teacher education graduates found teaching jobs in ND
- 87% of non-teaching graduates, based on a 5 year average, find jobs in ND
- Over 80% of our off-campus student internships take place in North Dakota
- Over $1.5 million have been earned by MaSU interns in the last 10 years
- Student spending impacts the local community by $11 million
- Total economic impact is $41.5 million (enough to support 400 secondary jobs)
- Heart of the Valley ITV Consortium (22 schools, over 50 communities, 8 counties)
- Red River Valley Educational Cooperative (21 schools, 5 counties)
- Approximately 800 MaSU graduates teach in North Dakota





Quick List of Selected Collaborations Related to Workforce Development

- LPN & ADN nursing programs in cooperation with LRSC, AHEC, Traill County EDC, and area health providers
- Collaborating with the UND School of Medicine & Health Sciences to provide a Clinical Laboratory Science, B.S. degree
- INBRE collaboration between MaSU, UND, and NDSU for research opportunities - many support the STEM initiatives
- Cooperative Head Start programs in Williston, Minot, Devils Lake, Jamestown, Mandan, Dickinson, and 2 + 2 programs with LRSC and Dakota College-Bottineau
- MaSU and UND College of Business & Public Administration "Bridges" program to transition more students into MBA programs

Quick List of Selected Collaborations Related to Workforce Development (continued)

- Heart of the Valley ITV Consortium (22 schools, over 50 communities, 8 counties)
- Red River Valley Educational Cooperative (21 schools, 5 counties)
- Collaborations and/or students in 43 of the 53 counties in N.D.
- Students from all 50 states
- Formal articulation agreements with 4 other states
- Active collaboration with all the NDUS campuses
- Formal articulation agreements with 12 Minnesota campuses

U.S. Department of Education - Title III Grant $1.9 million over 5 Years

- Purpose: to assist in developing and delivering academic programs and improve student retention.
  - Increase student headcount, FTE, and number of new freshman
  - Increase freshman to sophomore retention 10% by 2012
  - Increase freshman to graduation by 15% by 2012
  - Increase retention of transfer students by 10% the first year and retention to graduation by 20% by 2012
  - Increase the enrollment of online/distance degree seeking students by 20% each year
  - Offer 7 degree programs totally online/distance by 2012

STEM Teacher Enhancement Grant
$250,000 / biennium

- MaSU's teacher education program is partnering with the HOV-ITV Consortium, RRVEC, MaSU Child Development Programs, and AHEC
  - enhance the existing teacher education program in science, technology, engineering and mathematics
  - be collaborative with P-12 educational institutions,
  - be creative, excite and engage youth grades P-12, and
  - address key national STEM disparity populations including rural students, those in lower socioeconomic status, and females

Bringing STEM Education and Engineering Concepts Into the Classroom Mathematics and Science Partnership Grant
$190,000/year, renewable

- A collaboration between MaSU's Division of Education and Psychology, Division of Science and Mathematics, University of North Dakota School of Engineering and Mines, West Fargo School District's STEM Center, and the Red River Valley Education Cooperative
  - Teachers in K-12 schools that had 50% or less of their students achieving proficiency in science and mathematics standards will be served
  - Training in STEM concepts will be delivered through one-day training sessions and summer institutes
  - Teachers will share results through a year-long lesson plan sharing experience facilitated over the Internet

Early Head Start Expansion Grant
$764,400 continuation funding

- A competitive AARA Early Head Start Program grant
- Provides early education programming to Grand Forks
- Serves 56 low-income infants, toddlers, and pregnant women
- Facility located on the UND campus
- Creates 15 jobs
- Collaborative partners include: UND, Grand Forks County Social Services, Housing Authority, Healthy Families, Public Health, WIC, Rape and Abuse Crisis Center, Grand Forks Public Schools, and the Grand Forks Head Start Program.

2011-13 Budget Information



Mr. Steve Bensen
VP Business Affairs

2011-13 Biennial Budget Request

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	19,018,467	19,018,467	0
Base Adjustments	(6,868,447)	(6,868,447)	0
2009-11 Adjusted General Fund Appropriation	12,150,020	12,150,020	0
Prioritized SBHE Needs Based Request:			
Parity	827,845	599,971	(227,874)
Equity	250,000	166,667	(83,333)
College Affordability	19,087	41,839	22,752
Facility and Infrastructure Regular Repair and Maintenance	149,998	150,000	2
Student Mental Health Services	140,570	140,570	0
Employee Retirement Contributions	44,536	43,824	(712)
Total Requested Increase in GF Base Funding	1,432,036	1,142,871	(289,165)
Total Base General Fund Request & Recommendation	**13,582,056**	**13,292,891**	**(289,165)**

2011-13 Biennial Budget Request (continued)

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
Total Base General Fund Request & Recommendation	**13,582,056**	**13,292,891**	**(289,165)**
One-time Funding Request:			
Pay-off Special Assessments	392,493	392,493	0
2011-13 Small-Medium Projects:	1,230,000	0	(1,230,000)
2011-13 State-funded Projects	0	0	0
Total 2011-13 General Fund Request & Recommendation	**15,204,549**	**13,685,384**	**(1,519,165)**

Campus Parity

Estimated operating inflation, excluding utilities (Based on 2.1% for FY12 and 2.0% for FY13 - Not Funded)	0
Estimated actual utility increases (Reflects a 4.1% increase over the 2009-11 biennium)	64,048
Cost to continue FY11 salary increases	228,233
Health insurance base increase (Based on premium of $886.62 per month)	129,145
Cost of compensation package (Based on 3.0% salary increases each year of biennium)	435,675
Total estimated increase in parity	**857,101**
General Fund Request (Targeted state portion per funding model - 70% of estimated increase)	- 599,971
Student portion of parity (Funded with tuition - 30% of estimated increase) (An annual tuition increase of 2.75% is needed to fund the student portion.)	257,130

College Affordability

State funding increase needed to limit 2011-13 tuition to 2.5% per year	22,752
Plus student share of Retirement Increase Request	19,087
College Affordability General Fund request to keep tuition increase to no more than 2.5% per year	**41,839**

Budget Request Item Explanations

Equity (Base) $166,667

- Improve retention of students by funding Retention Coordinator (1.0 FTE) position
- Increase and expand enrollment of students of diverse backgrounds and provide support for students' success by employing a Student Diversity Program Coordinator (.5 FTE)

College Affordability (Base) $41,839

- $22,752 to limit tuition increases to 2.5% per year for 2011-13
- $19,087 to fund the student share of retirement contribution increases in the Employee Retirement Contributions change request.

Facility and Infrastructure Regular Repair and Maintenance (Base) $150,000

- Increase base funding for facilities and infrastructure repairs and maintenance, equivalent to 15% of OMB building and infrastructure formulas. The base funding is currently $208,992.

Student Mental Health Services (Base) $140,570

- Begin to address student mental health needs by funding one licensed mental health counselor(1.0 FTE); and provide licensure supervision.

Budget Request Item Explanations (continued)

Employee Retirement Contributions (Base) $43,824

- State portion of funding to increase retirement plan contributions by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% paid by employee. The college affordability request includes the student portion which will limit tuition increases to 2.5%.

Special Assessments Pay-off (One-time) $392,493

- Pay off outstanding special assessments and realize $73,918 estimated savings in interest costs. Special assessment payments continue until 2022, and currently consume approximately 43% of base funding for extraordinary repairs.

Small-to-Medium Sized Projects (One-time) $0

- The SBHE approved the inclusion of seven small-to-medium size capital projects for each campus. Mayville State's seven projects totaled $1,230,000 and were $250,000 or less per project.

- Respectfully request legislative consideration for funding the number one campus priority.

Proposed Adjustment to the Executive Budget Recommendation

Mayville State University supports the North Dakota University System proposed adjustments to the 2011-13 Executive Budget Recommendations as set forth in the NDUS System Overview:

A. Base Funding Request: School of Medicine and Health Science $1,779,050
B. One-time Request: Technology Infrastructure $510,000
C. One-time Request: Small-to-Medium Sized Projects
$4,009,900, State funding - $500,000, Other funding

Mayville State University's Small-to-Medium Sized project Priority #1.

A. Campus Center Elevator - $175,000
The project provides ADA access to 2nd floor art gallery, meeting room and office areas. Deferred maintenance addressed $140,000

Mayville State University Legislative Reporting Requirements

	FY2010 Operating Budget				
FY2010 Legislative Appropriation & 2011 Lib. Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,412,623	584,785			3,997,408
Institutional Support	842,049	317,075			1,159,124
Student Services	783,994	154,168			938,162
Academic Support	374,521	212,600			587,121
Physical Plant	736,607	1,391,860	8,000		2,136,241
Total Appropriation (Budget) for FY10	6,149,794	2,660,488	8,000	-	8,818,282
Actual Expenditures to Date, thru 6/30/2010	6,127,119	2,635,343	1,301		8,763,763

	FY2011 Operating Budget				
FY2011 Legislative Appropriation & Current Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,722,883	592,309			4,315,172
Institutional Support	875,633	391,425			1,267,058
Student Services	785,786	171,813			957,279
Academic Support	387,526	216,750			604,276
Physical Plant	750,716	1,428,160	8,000		2,186,876
Total Appropriation (Budget) for FY11	6,522,544	2,800,457	8,000	-	9,331,001
Actual Expenditures to Date, thru 11/30/2010	2,403,244	612,526			3,015,770
Remaining Budget	4,119,300	2,187,931	8,000	-	6,315,231

	Capital Assets Appropriation				
Deferred Maintenance 09-11 (Line 54)				1,730,120	1,730,120
Capital Improv., Of System (Line 52)				4,481,032	4,481,032
Capital Assets (Line 50)				5,408,731	5,408,731
Capital Assets Carryover				486,676	486,676
Budget Total				12,106,559	12,106,559
Actual Expenditures, 7/1/2009-6/30/2010				4,486,366	4,486,366
Remaining Budget				7,620,193	7,620,193
Actual Expenditures 7/1/2010-11/30/2010				3,104,660	3,104,660
Remaining Budget				4,515,533	4,515,533

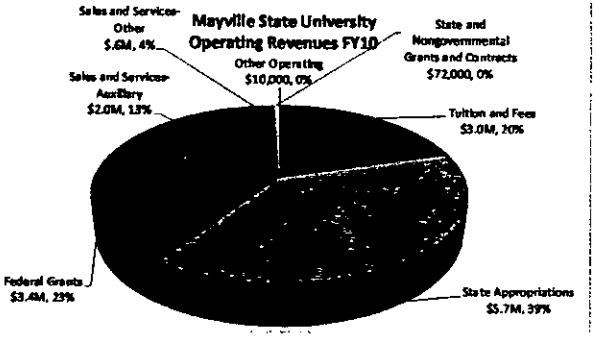
Mayville State University Legislative Reporting Requirements

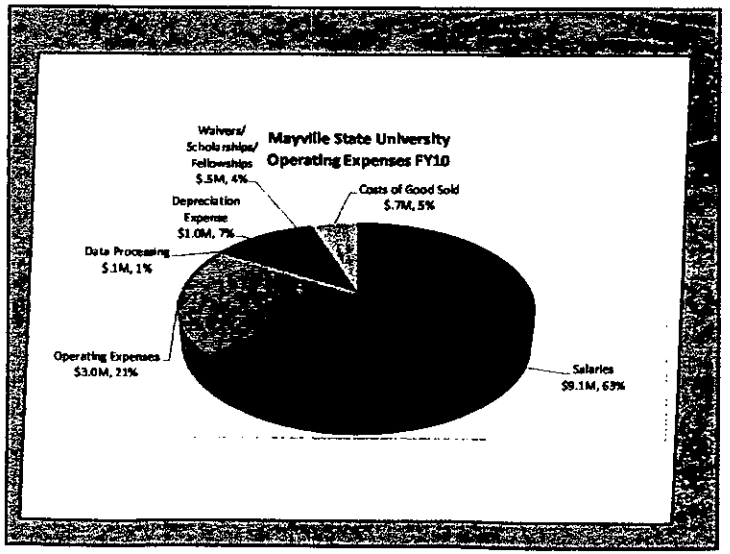
Comparison of FY2010 Budget to Actual Expenditures through 6/30/2010	FY2010 Operating Budget				
FY2010 Non-Appropriated Budget	Sales and Services	Auxiliary	Other Operating	Capital Assets	Total Budget
Grants and Contracts	1,596,979	2,153,500	24,000		3,778,479
Auxiliary Sales and Services	780,480	1,149,245			1,929,725
Other Nonappropriated Funds*	813,632	1,108,402	6,000		1,929,034
Total Nonappropriated Budget by 6/30/2010	3,191,091	4,411,147	30,000		7,637,238
Actual Expenditures thru 6/30/2010	3,080,301	4,247,041	23,746		7,351,087
Remaining FY10 Budget 6/30/2010	110,790	164,106	6,254		286,151

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers; etc

Comparison of FY2011 Budget to Actual Expenditures through 3/30/2011	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Sales and Services	Auxiliary	Other Operating	Capital Assets	Total Budget
Grants and Contracts	2,196,332	2,170,668	10,000		4,376,000
Auxiliary Sales and Services	796,145	1,513,500			2,279,645
Other Nonappropriated Funds	880,566	1,125,402			1,980,000
Total Nonappropriated Budget by 6/30/2011	3,873,043	4,809,570	10,000		8,692,613
Actual Expenditures thru 11/30/2010	1,483,580	2,375,904			3,859,484
Remaining FY11 Budget 11/30/2010	2,389,463	2,433,666	10,000		4,833,129

	Non-Appropriated Capital Assets				
Deferred Maintenance 09-11					-
Capital Assets				175,000	175,000
Capital Assets Carryover					-
Total Capital Assets Budget				175,000	175,000
Actual Expenditures, 7/1/2009-6/30/2010				131,428	131,428
Remaining Budget				43,572	43,572
Actual Expenditures 7/1/2010-11/30/2010				15,439	15,439
Remaining Budget				28,133	28,133





Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by O Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants O Core campus mission O Specific courses or programs O Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contract terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants X Working capital O Emergency reserves O Major repairs O Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc)	• Marketing/recruitment • Seed money for new grants • Continuing education institution/programs • Workforce training delivery • Other campus priorities	X Working capital O Emergency reserves O Major repairs O Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies O Students

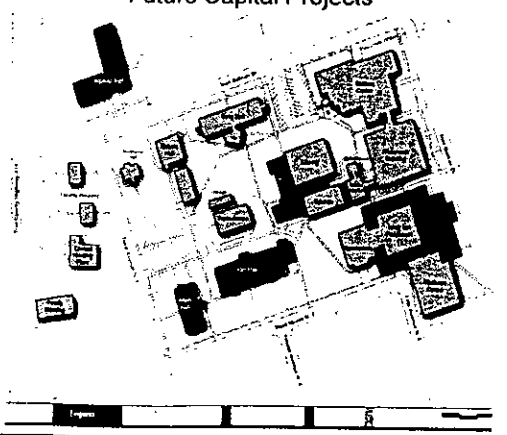
What efficiencies or other operational changes have been made in the last two years to reduce or minimize expenses?

- Capital projects have significantly improved operating efficiency:
  - Coal powered heating plant eliminated dependency on fuel oil, lowered emissions, and self-funds through utility savings in 15 years.
  - Agassiz Hall renovation replaces mechanical and electrical systems and windows, and insulate outside walls.
  - Science/Library renovation and Education addition project replaces mechanical and electrical systems, windows, and insulates outside walls. The 14,000 sq. ft. addition will be very energy efficient. East Hall, 30,000 sq. ft. of very inefficient space, was razed.
  - Deferred maintenance projects throughout campus improved efficiency and safety.
- Direct deposit for paychecks and state credit card utilization were implemented and provide added convenience. State credit card purchases are approximately $50,000 a month.
- All-time record enrollments both fall and spring have helped with efficiencies.
- Collaboration with UND to provide telephone system.
- Collaboration with NDUS to provide a multi-campus learning management system (Moodle) and 24/7 help desk support.
- Collaboration with HECN to provide MaSU with a university system Microsoft Campus agreement for faculty, staff and students.

What cost efficiencies can/will be implemented in the budgeting process for the 2011-13 biennium?

- Elimination of West Hall, 30,000 sq. ft. of very inefficient space, will result in utility and repair budget savings, and allow for reassignment of custodial personnel. The building will be razed in the fall of 2011.
- The Strategic Planning Committee is implementing goals and strategies that continue to move the campus forward. Goal 2: Significantly improve the comfort, functionality, efficiency, aesthetics, and safety of the physical facilities provides strategies and action steps that will continue to improve operating cost efficiencies.
- Cost efficiencies currently being reviewed include: utilization of group purchasing cooperatives; recycling options; and NDUS administrative processes involving collaborative students, payroll and consistent telecommunication strategy.
- The IBARS budgeting system improved the functionality and completion of the 2011-13 budget documents. Increased familiarity with the IBARS system will allow for additional improvement in future budget processes.

Future Capital Projects



Concluding Remarks

President Gary Hagen

Unique Aspects of Mayville State University

1. Historic teacher education institution
2. Majority of students are local, and continue to live in ND after graduation
3. New fields, such as early education are becoming strong
4. Technology-enriched mission
5. Every student has a state-of-the-art notebook computer, computers are refreshed every two years
6. Information Technology Certificate earned by all four-year majors
7. Exciting STEM initiatives
8. Rapidly growing distance education component
9. Strong and numerous collaborations and consortia

Unique aspects of MaSU (continued)

1. 99% of students satisfactorily placed the past 10 years
2. Heavy student involvement in extra-curricular activities (leadership, soft skills development)
3. Open admission
4. Largely first generation students
5. Moving from regional to state-wide service
6. Our students require smaller class size and favorable teacher to student ratio

MaSU Student are Rated High by Employers

Noel Levitz employer satisfaction survey 2010 rated MaSU students very high (4.0 on a 5.0 scale), and higher than the NDUS average satisfaction level for the following:

1. Knowledge in their major field of study
2. Understanding of job related information
3. Flexibility
4. Empathy
5. Positive attitude toward work
6. Willingness to learn
7. Qualities that would be expected from a college graduate
8. Both basic and advanced computer skills
9. Teamwork

Student and Employee Satisfaction

- The satisfaction of MaSU employees, as measured by the Campus Quality Survey, increased to 87% in 2010, the highest level ever recorded.
  - This level is also higher than the NDUS overall average and is also the highest of any of the four year institutions.
- The Student Satisfaction Survey measures overall satisfaction and how expectations of the college experience were met.
  - MSU students' satisfaction in 2010 was significantly higher than either the national or NDUS samples for each of the following items.
    - Has your college experience met your expectations
    - Overall satisfaction with your experience
    - Would enroll at this campus again

Uniqueness of efforts to focus on mission.

- Greater two-year campus collaboration for local needs
- Creating more access through distance delivery, particularly for rural, place bound, and adult learners
- Permission for limited graduate credit
- Early education, HeadStart, and related education, training, and professional development
- Greater assistance with health related programming
- Creative involvement with STEM initiatives
- Increased work with student retention, graduation rates
- Continued development of creative alternative delivery methods

Potential of student attendance in the absence of your institution

- 100 year history of providing regional and state-wide leadership in early childhood education, elementary education, and secondary education
- Flexible delivery for education programs
- Access to nearly 1000 students, most are ND students who need a little more personal help and many who take advantage of our creative delivery methods.
- The local community provides $350,000 each year to scholarships so our local students can go to college
- When 2-year programs were eliminated, students went to Minnesota, not a single student stayed in state.
- Loss of student impact on the region

Does the size or location of your institution play a large role in the success of your institution?

- Yes, without a doubt.
- These items were covered by the previous slide and the slide entitled "Unique aspects of MaSU Students"

Future mission change and needed flexibility or resources to make it happen.

- The flexibility needed for system collaboration is largely intact. Great progress has been made.
- Two-year programming is needed in northeastern ND and new collaborations have started. Creative new ways of working with the two-year campuses may be needed.
- New degree options and delivery methods may be needed to serve adult learners, the place bound, tribal students, and near completers.
- MaSU is considering more dynamic flexible scheduling, accelerated programs, and other options such as certificate programs.
- More medical related collaborations – LRSC nursing, UND Clinical Laboratory Science

Thank you for your time and support!



Mayville State HB1003
1/17/11 attachment #2

Mayville State University
A Little More

Overview of Mayville State University

Established by constitutional charter in 1889, Mayville State University continues to pursue its original mission of training teachers for the State of North Dakota and has expanded its mission to meet the needs of society, adding programs in business and computing, and most recently, clinical laboratory science and early childhood education/early elementary education.

The University has carved out a unique niche as a technology-enriched campus. By issuing computers to all on-campus students, MaSU became one of the first laptop computer campuses in the nation in 1997, and later became the nation's first tablet PC university. This ubiquitous computer concept puts state-of-the-art technology in the hands of students 24 hours a day/seven days a week. This exposure ensures very high levels of technology competency, regardless of major. Each student who earns a four-year degree from Mayville State also earns an information technology certificate.

Mayville State contributes to the regional workforce development and training efforts by providing extremely technologically savvy students. Employers of Mayville State graduates indicate very high levels of satisfaction with the information technology knowledge of the MaSU graduates they employ. The technological edge has also been beneficial in Mayville State's housing of a technology center and business incubator on campus. A variety of businesses have been started in the center, many of them technology-related.

Distance learning has prospered for Mayville State and currently 407 students are taking MaSU classes from a distance. This means that they can live in their own homes, keep their current jobs and child care arrangements, and complete their degrees at the same time. Students from every area of North Dakota and all 50 states have enrolled in distance classes from Mayville State University.

Historically, Mayville State graduates feel that they are satisfactorily employed following graduation. This means they find jobs in the careers for which they were prepared, rather than just employment. Based on a ten-year average, 99% of Mayville State graduates found satisfactory placement in their careers. Half of all of Mayville State's teacher education graduates work in North Dakota, and 70% of non-teaching graduates find employment in North Dakota. Nearly 775 of North Dakota's teachers graduated from Mayville State University, and schools in nearly every county in the state have Mayville State-educated teachers.

Leadership is also a major focus at Mayville State University. Students can participate in everything from drama to music to varsity athletics. Opportunities exist for involvement in student government, stage band, band, choir, drama, speech, intramural sports, professional clubs, internships, on-campus jobs, and more. The Wellness Center allows students even more opportunities to be active. Nearly every student who wants to participate in extra-curricular activities can do so.

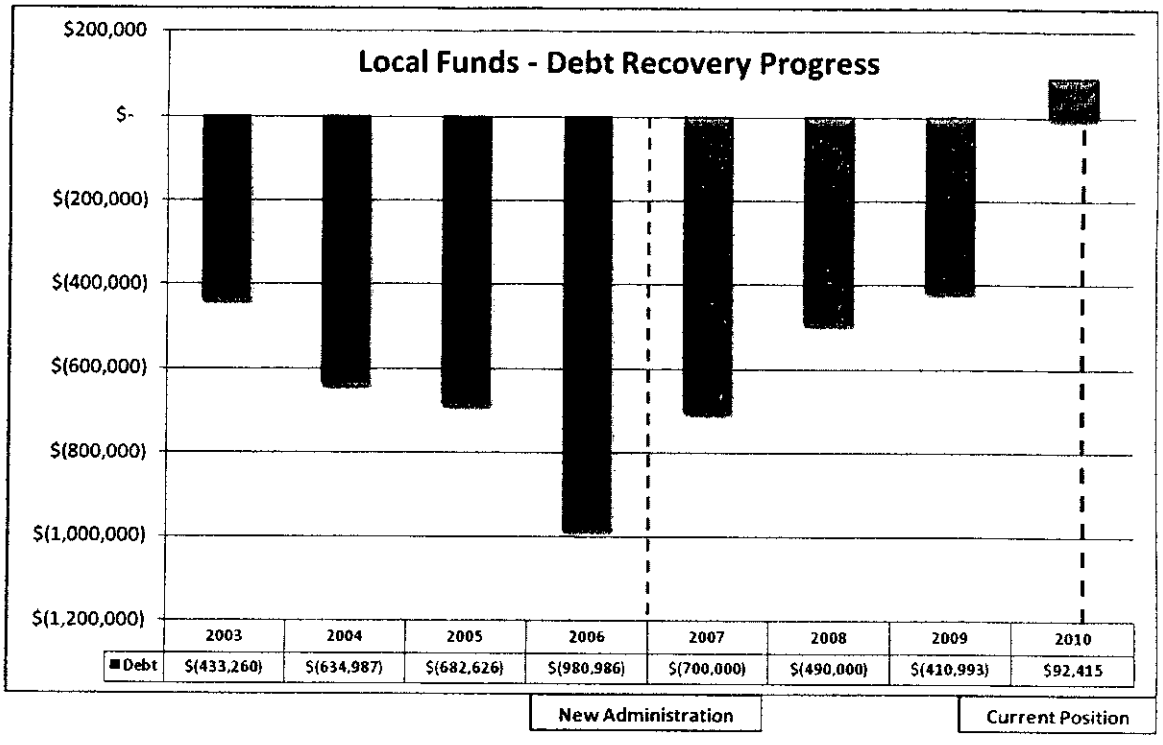
Mayville State's motto, "The School of Personal Service," is a source of great pride. This philosophy is a testament to the faculty and staff who work tirelessly to help young men and women complete their educational goals and find their way into successful careers. The favorable student to teacher ratio and small class sizes mean that students get more than educational assistance. Students who need a little extra support can find it at Mayville State University. It is not uncommon for faculty to offer alternate class options, often for no compensation, to help students graduate on time and avoid extra time and expense.

Overview (continued)

Mayville State University is providing "a little more" to the state of North Dakota when planning for the future.

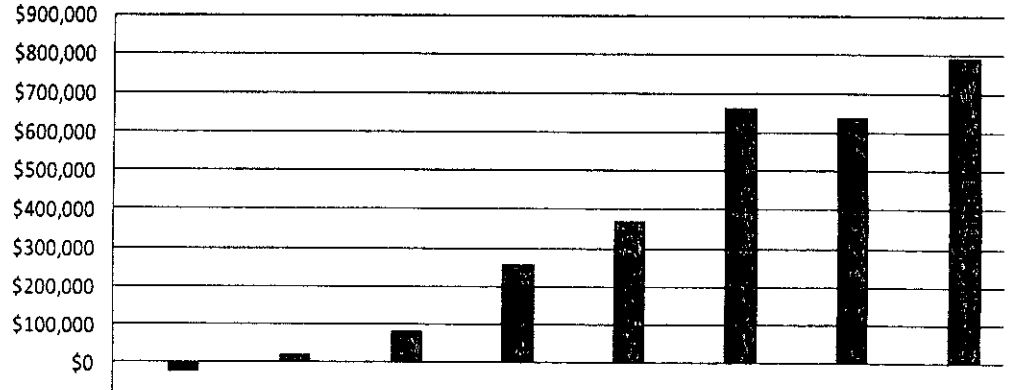
- The satisfaction of employees at MaSU increased to 87% in 2010 and is the highest level locally since the Campus Quality Survey has been administered. The level of satisfaction in 2010 is higher than the NDUS overall average and is also the highest of any of the four-year institutions.
- Increasing degree programs available to North Dakota place-bound adults throughout the state: Over the last four years, MaSU has 21% more North Dakota residents enrolled. These students are located at MaSU and in communities throughout North Dakota.
- Collaboration with other colleges and universities to meet the needs of North Dakota: In 2010, MaSU began a collaboration with LRSC which brings a nursing program to the Mayville area. Additional collaborations which would bring health care educational opportunities to rural North Dakota.
- Provide additional educational opportunities for Native American students: In the fall 2010, MaSU began offering courses for a four-year Business degree at Cankdeska Cikana Community College.
- Mayville State currently provides educational excellence in early childhood education throughout the state of North Dakota and we continue to build relationships with NDUS two-year campuses. A critical component of economic development to build the North Dakota workforce is to keep young parents in the state. To retain young parents, who are both in the workforce, the state of ND must have high quality childcare and early education programs.
- Continuous improvement opportunities for current educators in North Dakota: MaSU has over a hundred year history of providing educational opportunities to educators in North Dakota. With limited graduate credit authority (pending approval by the State by of Higher Education) and the MaSU STEM (Science, Technology Engineering and Mathematics) initiative, North Dakota's teachers have additional opportunities for improvement which will translate into better prepared high school graduates for entrance into college or to the workforce.
- MaSU has two STEM grants that are providing professional development opportunities for high school teachers in the STEM fields to build a future workforce of engineers, scientists and teachers in North Dakota.
- MaSU is in the final stages of securing approval to provide limited graduate credit for educators (pending approval by the State Board of Higher Education). This is a critical component for teachers who wish to gain graduate credit which may transfer to a graduate degree granting institution.
- MaSU is proceeding with plans to offer accelerated undergraduate programs to meet the demands of North Dakota adults who have prior college credits to provide degree opportunities.
- Increase research opportunities for undergraduate students: Mayville State's traditional strengths in mathematics and science, combined with INBRE and EPSCoR and other research grants, provide opportunities for undergraduate students to grain research experiences. Upon graduation, these students apply for graduate programs in STEM fields of study, making an excellent 'feeder system' for our research universities and meeting a national priority workforce need.

Financial Progress



	2003	2004	2005	2006	2007	2008	2009	2010
Debt	$(433,260)	$(634,987)	$(682,626)	$(980,986)	$(700,000)	$(490,000)	$(410,993)	$92,415

MaSU Institutional Collection Reserves



	1	2	3	4	5	6	7	8
Year	2003	2004	2005	2006	2007	2008	2009	2010
Reserves	$(26,016)	$22,000	$81,319	$259,848	$369,745	$666,438	$638,946	$793,173

Mayville State University
A Little More

Deferred Maintenance - Substantial Progress

MaSU will reduce its $21 million campus total deferred maintenance to only $7.8 million, a decrease of 62% during the 2009-11 biennium. State funding for the Science Library Renovation and Education Addition ($5 million) and deferred maintenance funding ($1.9 million) in conjunction with the demolition of East Hall and West Hall; and the Agassiz Hall Renovation ($3.7 million) funding from revenue bond proceeds to be paid from housing revenue have made this reduction possible.

The Old Main building remains as the most significant state-funded building with outstanding deferred maintenance on campus.

Mayville State University Deferred Maintenance

State-funded buildings	$11 million
Locally funded buildings	$10 million
Total deferred maintenance	$21 million
Building projects:	**Deferred maintenance reduced by:**
Science/Library/Education Project – Raze West Hall	$5.7 million
Agassiz Hall Renovation	$3.5 million
Raze East Hall	$4.0 million
Total deferred maintenance eliminated (62%)	$13.2 million

The System-wide deferred maintenance totaled $109.3 million dollars. Three institutions have a deferred maintenance ratio above the system average, with MaSU at the highest percentage. **Capital funding from the state, current and future students, and demolition of East Hall and West Hall are projected to bring Mayville State's percentage to 6%, below the total NDUS average.**

Deferred Maintenance as a Percentage of Plant Value					
Institution	**Projected**	**2010**	**2008**	**2006**	**2004**
LRSC	N/A	2%	3%	3%	1%
DCB	N/A	3%	5%	5%	15%
BSC	N/A	3%	5%	5%	5%
MiSU	N/A	3%	3%	11%	10%
NDSCS	N/A	4%	5%	5%	6%
MaSU	**6%**	**22%**	**29%**	**29%**	**39%**
UND	N/A	7%	9%	9%	7%
NDSU	N/A	8%	10%	10%	11%
WSC	N/A	8%	1%	1%	7%
TOTAL NDUS		**8%**	**10%**	**10%**	**10%**
VCSU	N/A	15%	15%	15%	25%
DSU	N/A	16%	17%	17%	24%

Mayville State University
A Little More

Overview of the Budget Request
2011-13
Biennial Budget Request

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
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Total Base General Fund Request & Recommendation	**13,582,056**	**13,292,891**	**(289,165)**
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2011-13 State-funded Projects	0	0	0
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Mayville State University
A Little More

Campus Parity

Estimated operating inflation, excluding utilities (Based on 2.1% for FY12 and 2.0% for FY13 - Not Funded)	0
Estimated actual utility increases (Reflects a 4.1% increase over the 2009-11 biennium)	64,048
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Total estimated increase in parity	**857,101**
General Fund Request (Targeted state portion per funding model - 70% of estimated increase)	- 599,971
Student portion of parity (Funded with tuition - 30% of estimated increase) (An annual tuition increase of 2.75% is needed to fund the student portion.)	**257,130**

College Affordability

State funding increase needed to limit 2011-13 tuition to 2.5% per year	22,752
Plus student share of Retirement Increase Request	19,087
College Affordability General Fund request to keep tuition increase to no more than 2.5% per year	**41,839**

Budget Request Item Explanations

Equity (Base) $166,667
Mayville State will use equity dollars to improve retention of new freshmen and transfer students by continuing the Title III funded retention coordinator (1.0 FTE) position which includes coordination for the First Year Experience Program, Second Year Experience Program, Transition Programs, etc. The campus will also increase and expand enrollment of students of diverse backgrounds and provide adequate support for students' success by employing an student diversity program coordinator (.5 FTE).

College Affordability (Base) $41,839
At Mayville State University, $22,752 additional state funding will be needed to limit tuition increases to 2.5% per year for the 2011-13 biennium. In addition, $19,087 will be needed to fund the student share of retirement contribution increases included in the employee retirement contributions budget change request.

Facility and Infrastructure Regular Repair and Maintenance (Base) $150,000
The budget request includes increased base funding for facilities and infrastructure repairs and maintenance, equivalent to 15% of OMB building and infrastructure formulas. Mayville State University's portion of the request is $208,992 for base funding currently received in 2009-11, and $150,000 for the increase in base funding for extraordinary repairs for 2011-13. Total = $358,992.

Student Mental Health Services (Base) $140,570
This request would fund a plan to begin to address student mental health needs, based on the recommendation of the Student Mental Health Services Task Force. The #1 recommendation was that each campus should have a minimum of one full-time, licensed mental health counselor on staff. Based on the responses to a survey to determine current staffing levels at the campuses, the request includes funding for the following: Addition of one full-time counselor, $120,570; and licensure supervision, $20,000. The NDUS office budget request includes $12,000 for contract services for after hours for all campuses.

Employee Retirement Contributions (Base) $43,824
Consistent with PERS proposal to increase defined benefit and contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee. Mayville State University's portion of the request is $43,824. This is the state portion only, and $19,087 is also included in the affordability request for the student portion which will limit tuition increases to 2.5% at the four-year campuses.

Special Assessments Pay-off (One-time) $392,493
Funding to pay off outstanding special assessments at Mayville State University, resulting in $73,918 estimated savings in interest costs. Special assessment payments will continue until 2022, and currently consume approximately 43% of the base funding ($208,992) for extraordinary repairs.

Small-to-Medium Sized Projects (One-time) $1,230,000 – Executive Recommendation $0
In addition to the major capital projects that were prioritized by the SBHE for inclusion in the biennial budget requests which typically include projects with individual costs of several million dollars, the Board also approved the inclusion of seven small-to-medium sized capital projects for each campus. The cost range for Mayville State is $250,000 or less per project.

Respectively request legislative consideration for funding the number one campus priority, the Campus Center Elevator project.

Mayville State University
A Little More

Budget Request Item Explanations

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Mayville State will use equity dollars to improve retention of new freshmen and transfer students by continuing the Title III funded retention coordinator (1.0 FTE) position which includes coordination for the First Year Experience Program, Second Year Experience Program, Transition Programs, etc. The campus will also increase and expand enrollment of students of diverse backgrounds and provide adequate support for students' success by employing an student diversity program coordinator (.5 FTE).

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Mayville State University
A Little More

Proposed Adjustment to the Executive Budget Recommendation

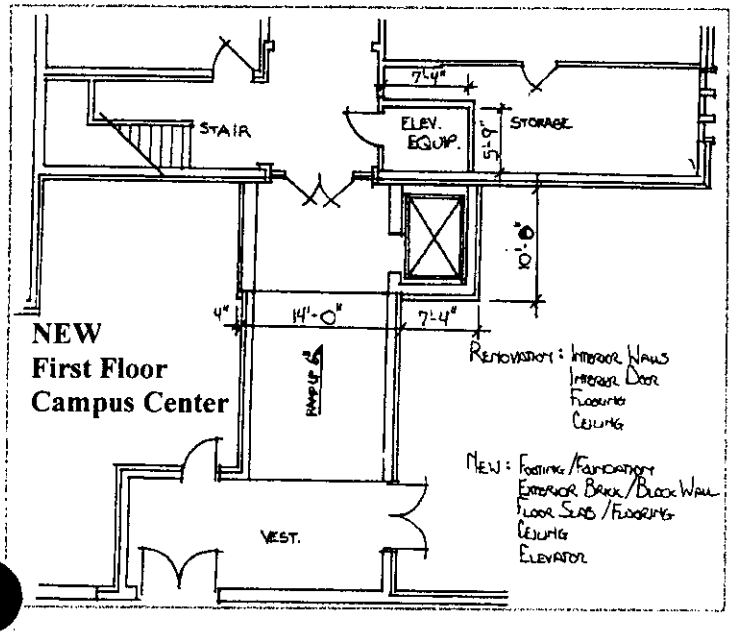
Mayville State University supports the North Dakota University System proposed adjustments to the 2011-13 Executive Budget Recommendations as set forth in the NDUS System Overview:

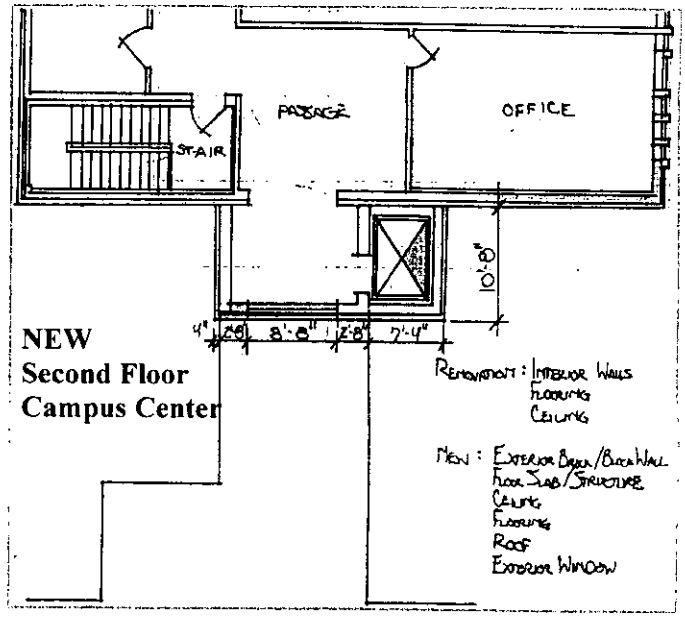
A. Base Funding Request: School of Medicine and Health Science $1,779,050
B. One-time Request: Technology Infrastructure $510,000
C. One-time Request: Small-to-Medium Sized Projects $4,009,900, State; $500,000, Other

Mayville State University's Small-to-Medium Sized project Priority #1.

A. Campus Center Elevator - $175,000
   The project provides ADA access to 2nd floor art gallery, meeting room and office areas. Deferred maintenance addressed $140,000.

Proposed Campus Center Elevator





Mayville State University Legislative Reporting Requirements

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,412,623	584,785			3,997,408
Institutional Support	842,049	317,075			1,159,124
Student Services	783,994	154,188			938,182
Academic Support	374,521	212,600			587,121
Physical Plant	736,607	1,391,690	8,000		2,136,297
Total Appropriation (GF and tuition) for FY10	6,149,794	2,660,338	8,000		8,818,132
Actual Expenditures to Date, thru 6/30/2010	6,127,119	2,635,343	1,301		8,763,763
Remaining FY10 Balance	22,675	24,995	6,699		54,369

Comparison of FY2011 Budget to Actual through 11/30/10	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,722,663	592,509			4,315,172
Institutional Support	875,633	391,425			1,267,058
Student Services	785,766	171,513			957,279
Academic Support	387,528	216,750			604,278
Physical Plant	750,716	1,428,160	8,000		2,186,876
Total Appropriation (GF and tuition) for FY11	6,522,306	2,800,357	8,000		9,330,663
Actual Expenditures to Date, thru 11/30/2010	2,403,244	612,526	-		3,015,770
Remaining FY11 Balance	4,119,062	2,187,831	8,000		6,314,893

	Capital Assets Appropriation				
2009-11 Capital Assets Appropriation	Personnel	Operating	Equipment	Capital Assets	Total Budget
Deferred Maintenance 09-11 (Line 54)				1,730,120	1,730,120
Capital Improv - Off System (Line 52)				4,481,032	4,481,032
Capital Assets (Line 50)				5,408,731	5,408,731
Capital Assets Carryover				486,876	486,876
Total Capital Assets (Incl Major Capital Projects)				12,106,759	12,106,759
Actual Expenditures, 7/1/2009-6/30/2010				4,496,366	4,496,366
Remaining 2009-11 Balance as of 6/30/2010				7,610,393	7,610,393
Actual Expenditures 7/1/2010-11/30/2010				3,104,660	3,104,660
Remaining 2009-11 Balance as of 11/30/2010				4,505,733	4,505,733

Mayville State University
A Little More

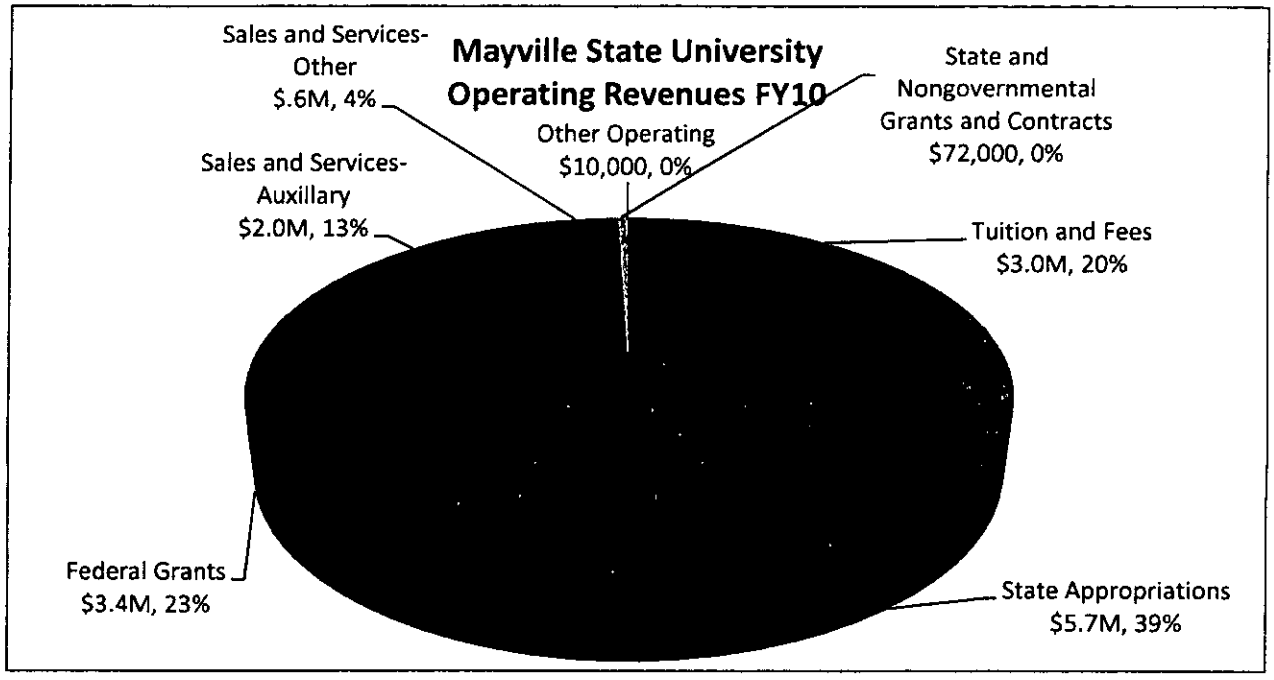
Mayville State University Legislative Reporting Requirements

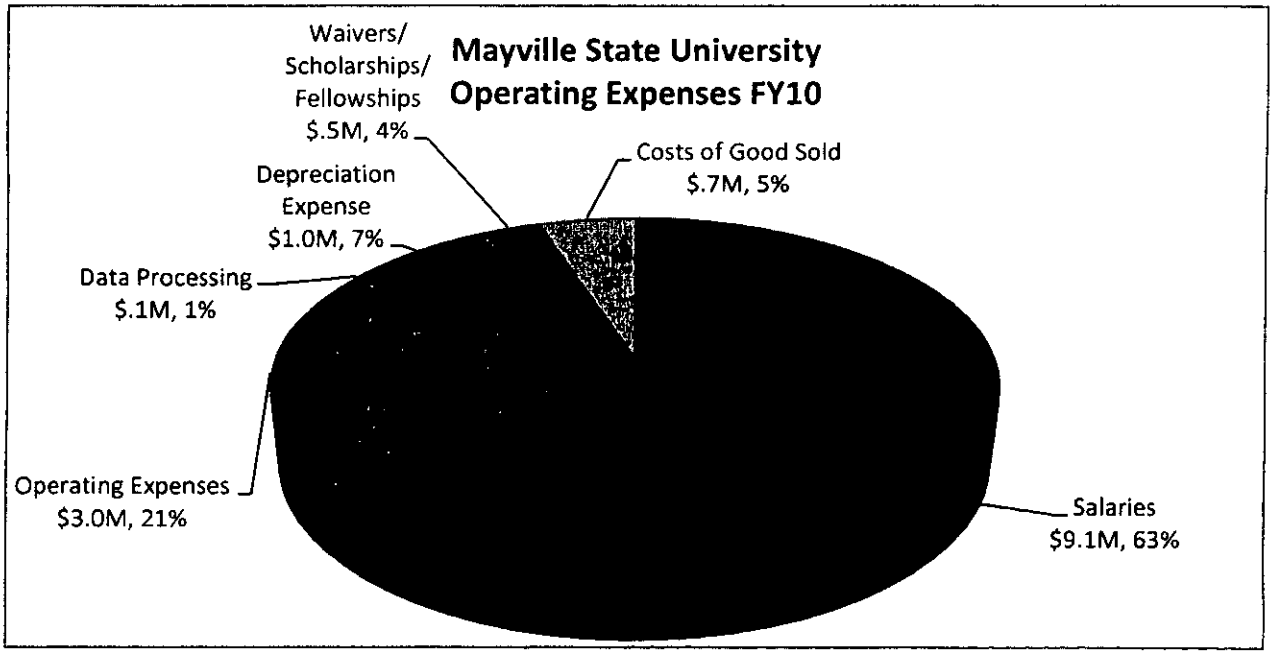
Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,598,979	2,153,500	24,000		3,776,479
Auxiliary Sales and Services	760,460	1,149,265			1,909,725
Other Nonappropriated Funds*	813,632	1,109,402	6,000		1,929,034
Total Nonappropriated Budget for FY10	3,173,071	4,412,167	30,000		7,615,238
Actual Expenditures thru 6/30/2010	3,080,301	4,247,041	23,745		7,351,087
Remaining FY10 Balance	92,770	165,126	6,255		264,151

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	2,196,332	2,129,698	10,000		4,336,030
Auxiliary Sales and Services	766,145	1,513,500			2,279,645
Other Nonappropriated Funds	860,598	1,125,402			1,986,000
Total Nonappropriated Budget for FY11	3,823,075	4,768,600	10,000		8,601,675
Actual Expenditures thru 11/30/2010	1,483,590	2,375,864	-		3,859,454
Remaining FY11 Balance	2,339,485	2,392,736	10,000		4,742,221

	Non-Appropriated Capital Assets				
2009-11 Nonappropriated Capital Assets	Personnel	Operating	Equipment	Capital Assets	Total Budget
Deferred Maintenance 09-11					-
Capital Assets				175,000	175,000
Capital Assets Carryover					-
Total Capital Assets (Incl Maig Capital Projects)				175,000	175,000
Actual Expenditures, 7/1/2009-6/30/2010				131,428	131,428
Remaining 2009-11 Balance as of 6/30/2010				43,572	43,572
Actual Expenditures 7/1/2010-11/30/2010				15,439	15,439
Remaining 2009-11 Balance as of 11/30/2010				28,133	28,133


Mayville State University
Operating Revenues FY10
Sales and Services-Other
$.6M, 4%
Other Operating
$10,000, 0%
State and Nongovernmental Grants and Contracts
$72,000, 0%
Sales and Services-Auxillary
$2.0M, 13%
Tuition and Fees
$3.0M, 20%
Federal Grants
$3.4M, 23%
State Appropriations
$5.7M, 39%


Mayville State University
Operating Expenses FY10
Waivers/ Scholarships/ Fellowships
$.5M, 4%
Costs of Good Sold
$.7M, 5%
Depreciation Expense
$1.0M, 7%
Data Processing
$.1M, 1%
Operating Expenses
$3.0M, 21%
Salaries
$9.1M, 63%

Mayville State University
A Little More

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by; ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition	• Tuition, and some fees, used to support core instructional mission	X Bond covenants
		• Student fees	• Student Government and other student activities	◊ Core campus mission
			• Revenue Bond debt service	◊ Specific courses or programs
			• Construct, repair and replace capital assets	◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal	• Research	X Grant or contact terms
		• State	• Training	
		• Private	• Program development	
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges	• Daily operations	X Bond covenants
		• Book/supply sales	• Debt service	◊ Working capital
		• Parking permits	• Facility construction, repair & replacement	◊ Emergency reserves
		• Facility rental fees		◊ Major repairs
				◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead	• Marketing/recruitment	◊ Working capital
		• Continuing ed fees	• Seed money for new grants	◊ Emergency reserves
		• Ticket sales	• Continuing education activities/programs	◊ Major repairs
		• Workforce training fees	• Workforce training delivery	◊ Self-support programs
		• Service centers (e.g. print shop, facility services, etc.)	• Other campus priorities	
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans	• Loans to students	X Federal/state policies
		• Loan late fees	• Loan center operations	◊ Students

What efficiencies or other operational changes have been made in the last two years to reduce or minimize expenses?

- Capital projects have significantly improved operating efficiency:
  - Coal powered heating plant will eliminate dependence on #2 fuel oil, operate with lower emissions, and pay for itself through utility savings in 15 years, with a return of $500,000 per year.
  - Agassiz Hall renovation replaces mechanical and electrical systems and windows, and insulate outside walls.
  - Science/library renovation and education addition project will also improve efficiency by replacing mechanical and electrical systems, windows, and also by insulating outside walls. The 14,000 sq. ft. addition will be very energy efficient. East Hall, 30,000 sq. ft. of very inefficient space, was razed in the spring of 2010.
- Direct deposit for employee paychecks and state credit card utilization for our staff and faculty were implemented in 2009. These processes provide operating efficiencies and added convenience. State credit card purchases are approximately $50,000 a month.
- Mayville State had approximately $21 million in deferred maintenance campus wide, the highest percentage within the NDUS. The renovations of Agassiz Hall, Science Building and the library; and the razing of East Hall and West Hall will eliminate $13.2 million (62%) of campus deferred maintenance.
- Record enrollment keeps cost per student down.
- Collaboration with UND to provide MaSU's telephone system.
- Collaboration with NDUS to provide MaSU with a multi-campus learning management system (Moodle) and 24/7 help desk to support the learning management system.
- Collaboration with HECN to provide MaSU with a university system Microsoft Campus agreement for faculty, staff and students.

What cost efficiencies can/will be implemented in the budgeting process for the 2011-13 biennium?

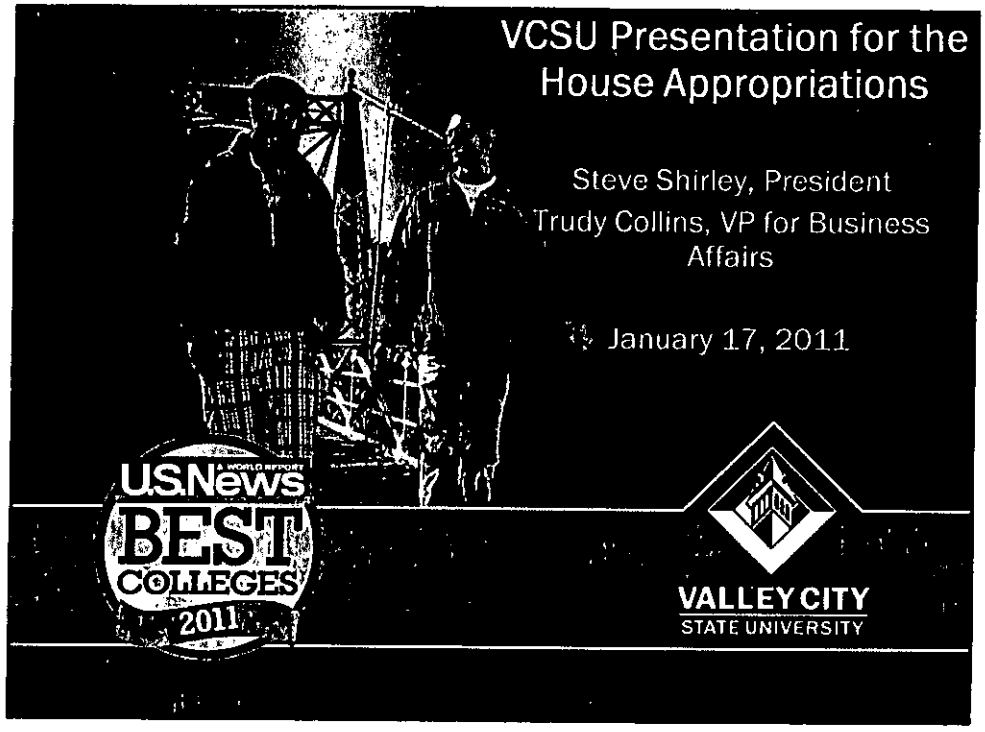
- Elimination of West Hall, 30,000 sq. ft. of very inefficient space, will result in utility and repair budget savings, and allow for reassignment of custodial personnel. The building will be razed in the fall of 2011.

- The Strategic Planning Committee is leading the campus in developing and implementing goals and strategies that continue to move the campus forward. Goal 2: Significantly improve the comfort, functionality, efficiency, aesthetics, and safety of the physical facilities on campus provides strategies and action steps that will continue to improve operating cost efficiencies.

- Cost efficiencies currently being reviewed include: utilization of group purchasing cooperatives; recycling options; and NDUS administrative processes involving collaborative students, payroll, etc.

- OMB's implementation of the IBARS budgeting system improved the functionality and completion of the 2011-13 budget documents. The timing of the preparation of the biennial budget documents is very workable because it follows the completion of the campus annual budget and is completed prior to much of the year-end financial audit documentation. Increased familiarity with the IBARS system will allow for additional improvement in completing documents for the 2013-15 budget.

Valley City State
attachment #1
Jan. 17, 2011
HB 1003



Accomplishments

U.S.News & WORLD REPORT BEST COLLEGES 2011

Regional Colleges Midwest

U.S.News "Best College" 13 consecutive years. Ranked #2 Public Regional College in the 12 State Midwest Region

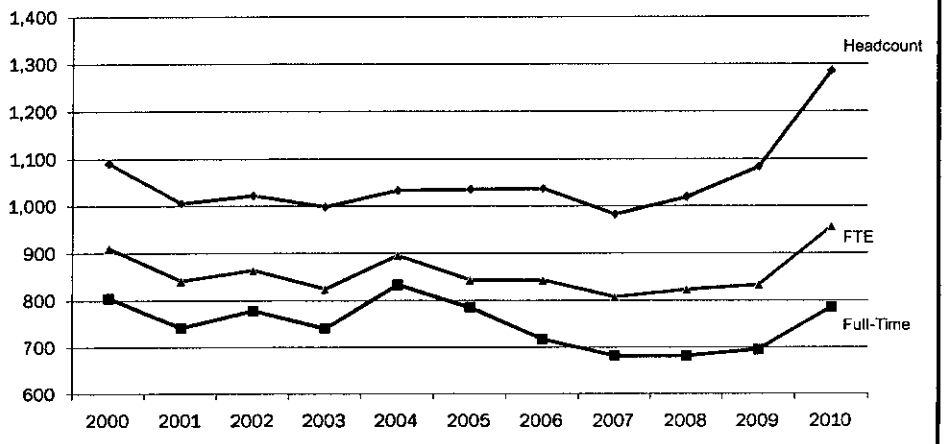
Surging Enrollment

STEM Education Initiatives

System Collaborations

VALLEY CITY STATE UNIVERSITY

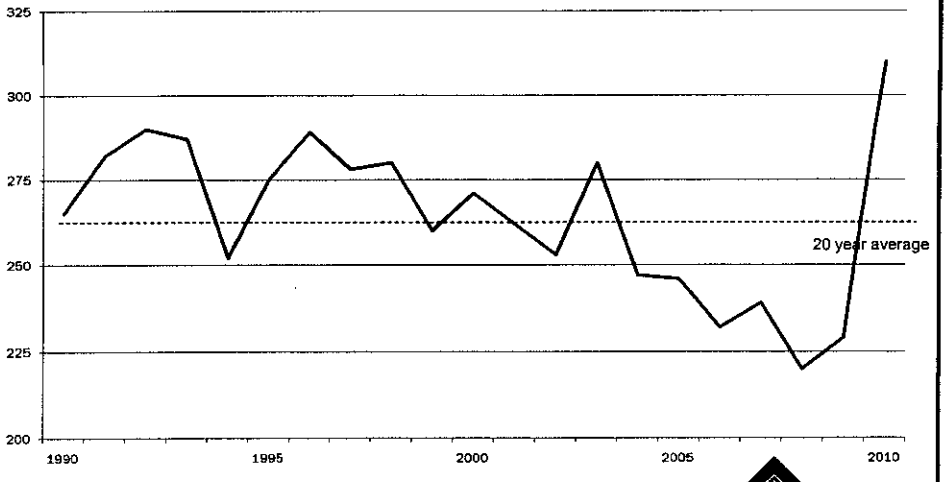
Enrollment Trends



VALLEY CITY STATE UNIVERSITY

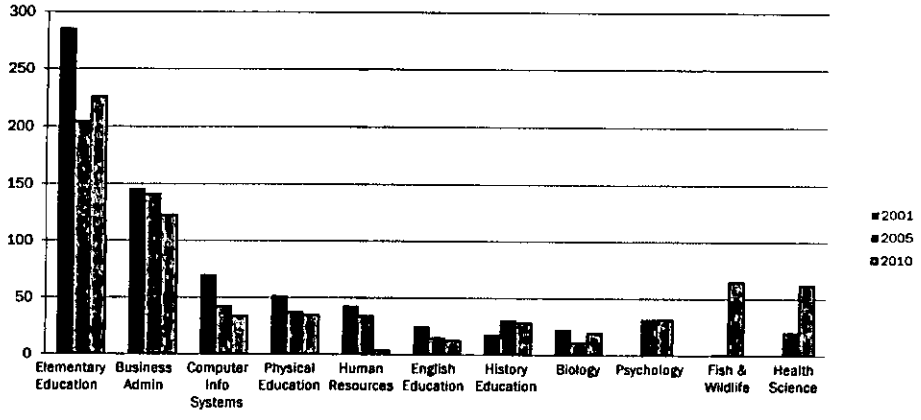
New Freshmen & Transfers

20 Year Headcount



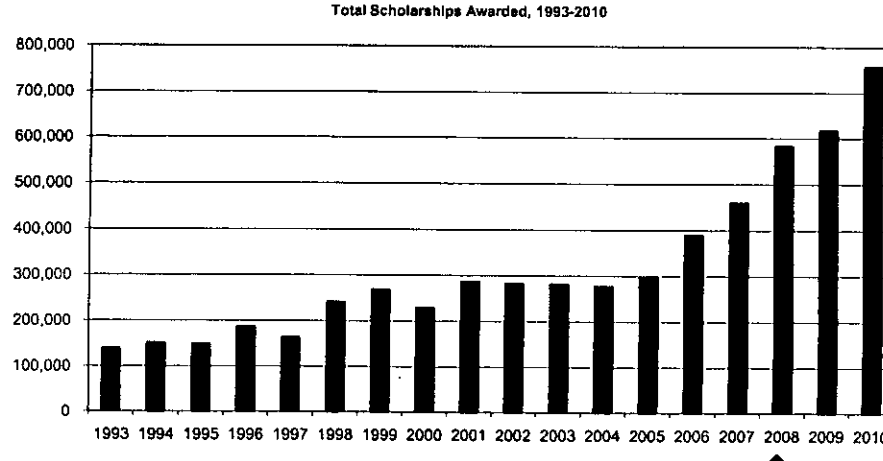
VALLEY CITY STATE UNIVERSITY

Academic Programs



VALLEY CITY STATE UNIVERSITY

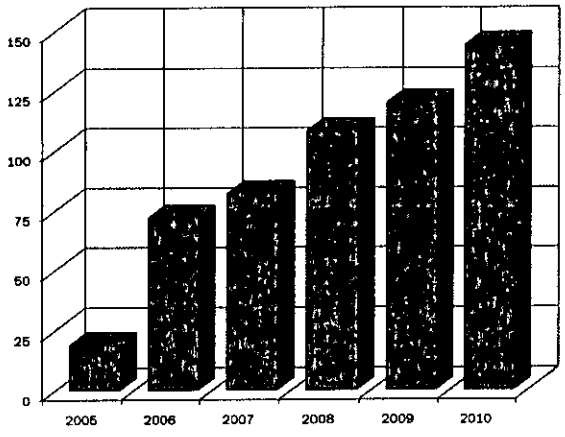
VCSU Foundation Scholarships Awarded



1993-2010

VALLEY CITY STATE UNIVERSITY

Graduate Growth: M.Ed. Enrollment





147 Graduate Students

Sixth Consecutive Record

Four Concentrations

VALLEY CITY STATE UNIVERSITY

M.Ed. Testimonial

"The chances to improve the lives of myself and my family members were limited without a master's degree but distance and lack of time effectively ended any chance I had of being part of a traditional on-campus graduate program. Valley City State's on-line masters program not only provided an excellent educational experience, but the convenience of on-line delivery made the impossible possible. My master's degree changed my life personally and professionally and was only possible because of VCSU's on-line program.

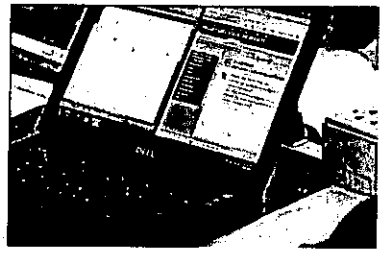
Jim Nyland
Librarian/technology coordinator
Pingree-Buchanan Public Schools

VALLEY CITY STATE UNIVERSITY

Technology Enhanced Learning

- A Laptop University since 1996
- "Smart" Classrooms with enhanced A/V capabilities
- Learning Management System
- Digital Portfolios

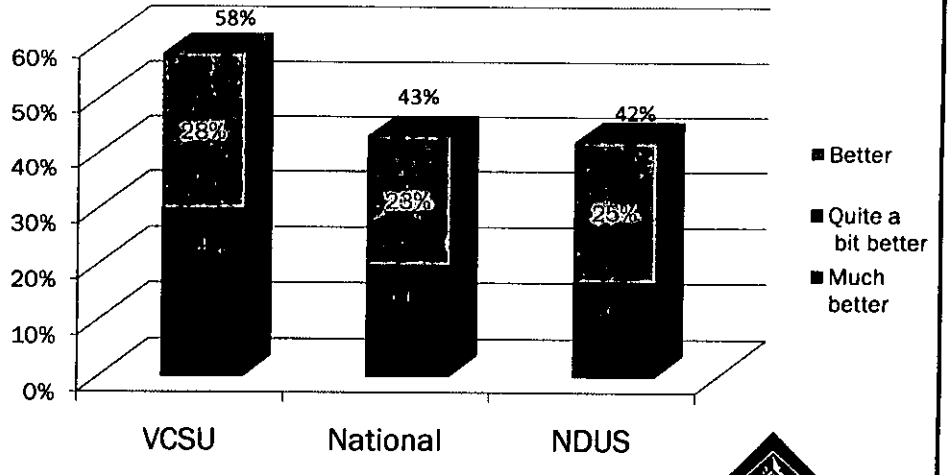




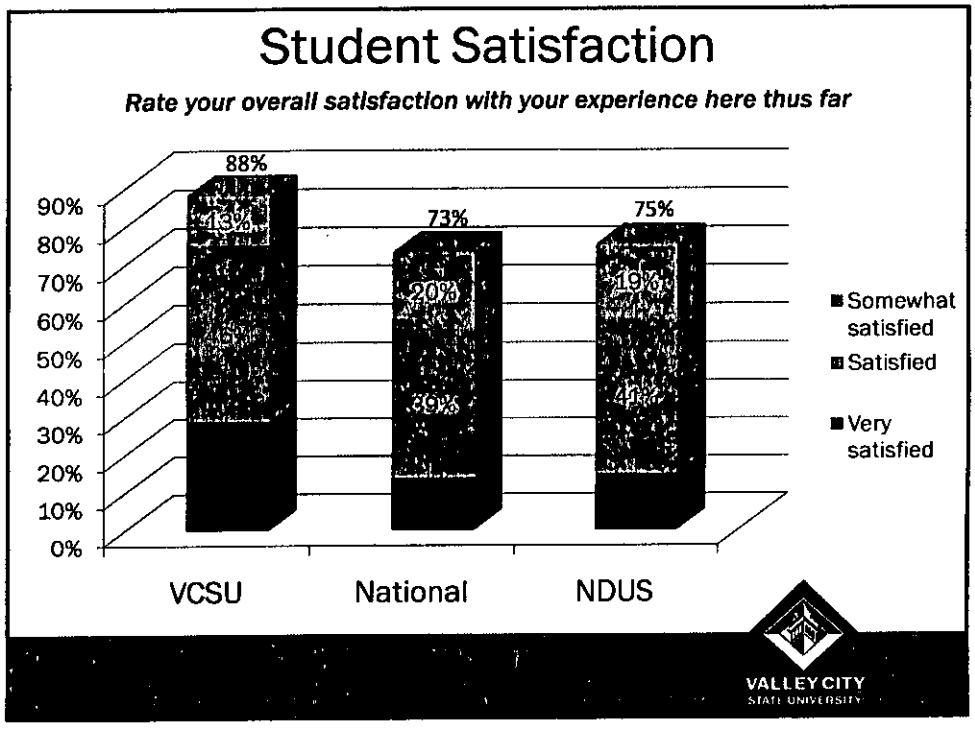
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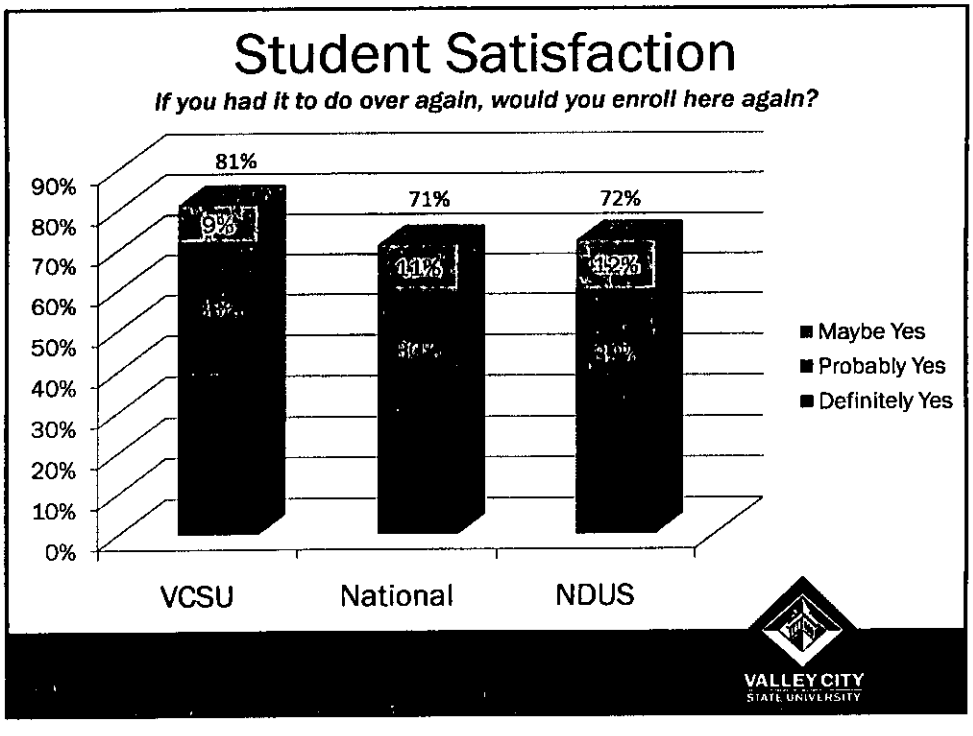
Student Satisfaction

How has your college experience met your expectation?



VALLEY CITY STATE UNIVERSITY


Student Satisfaction
Rate your overall satisfaction with your experience here thus far
88%
73%
75%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
VCSU
National
NDUS
Somewhat satisfied
Satisfied
Very satisfied
VALLEY CITY
STATE UNIVERSITY

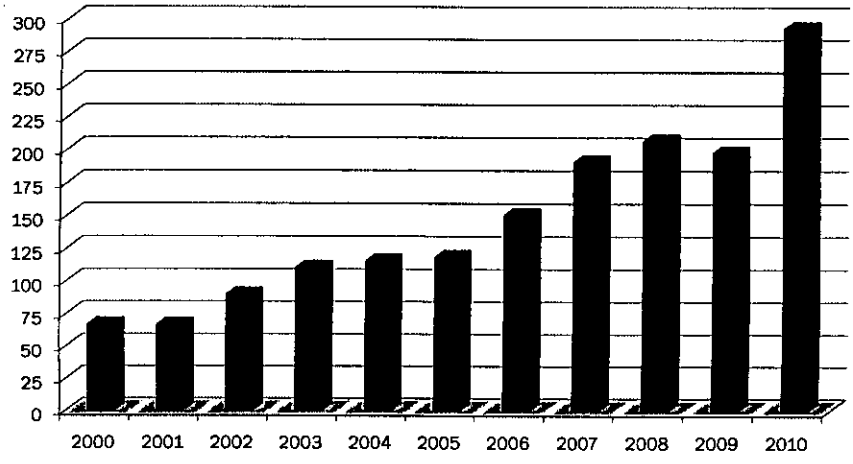

Student Satisfaction
If you had it to do over again, would you enroll here again?
81%
71%
72%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
VCSU
National
NDUS
Maybe Yes
Probably Yes
Definitely Yes
VALLEY CITY
STATE UNIVERSITY

Collaborations & Partnerships

- ***Elementary Education*** program delivery at NDSU
- ***Fisheries & Wildlife*** w/ Dakota College, Bottineau
- ***Nursing*** with Dakota Nursing Network, DCB, Local Healthcare providers & Local Econ Development
- ***Bridges*** with Dakota College at Bottineau
- ***Teacher Education Effectiveness Bush Grant*** with NDSU & MSU, Moorhead (10-year, $5.6M)
- ***Math/Science Partnership*** with Sitting Bull
- ***Journeyworker Technical Studies*** with NDSCS
- ***Statewide STEM Network*** with K-12 & Higher Ed

VALLEY CITY STATE UNIVERSITY

Enrollment Growth in STEM Fields



VALLEY CITY STATE UNIVERSITY

Great Plains STEM Education Center

- $1.13 million federal funding
- Bringing STEM Education training, curriculum to K-12 teachers and students in North Dakota

National Center for Technological Literacy
Museum of Science, Boston

NDSU
College of Engineering and Architecture

North Dakota
Department of Public Instruction

TIES
Teaching Institute for Excellence in STEM

NDSU
College of Human Development & Education

LEGO education

ITEEA
International Technology and Engineering Educators Association

UND
School of Engineering & Mines

FIRST

cte

ND STEM Learning Network involving K-12 Schools & NDUS Campuses

VALLEY CITY STATE UNIVERSITY

Leadership in STEM Education

Great Plains STEM Education Center



"STEM Education is a new field, so not many teachers have the expertise needed to bring it into the classroom. Because of this, I believe that resources like VCSU's Great Plains STEM Education Center will be vital for the successful implementation of STEM Education in North Dakota."

Tabatha Joyce
Principal
West Fargo STEM School

VALLEY CITY STATE UNIVERSITY

Prairie Waters Education & Research Center

- Five-year, $732,000 grant by ND Dept. of Health (EPA funds)
- Water education, research, and management; statewide resource for K-12 teachers, state agencies
- Field research opportunities for students

Prairie Waters
Education & Research Center
Valley City State University



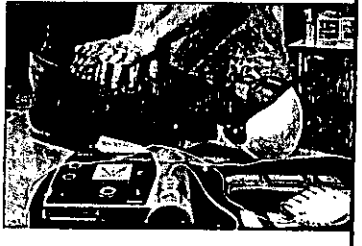


Housed in the Kathryn School, Kathryn, ND

VALLEY CITY STATE UNIVERSITY

Dakota Nursing Program

- Partner with Dakota College Bottineau, VCBC Development Corporation
- Local Healthcare providers
- Completing 3rd year
- Began with PN in '08 & '09 and Added Assoc Degree Nursing (ADN) in '10
- 12 current students,10 graduates





VALLEY CITY STATE UNIVERSITY

Health Science



"Rural North Dakota is facing a real shortage of qualified nurses, and the Dakota Nursing Program is an innovative way to increase the pool. I am glad that VCSU is working with Dakota College Bottineau to help us address this critical issue."

Keith Heuser
Chief Executive Officer
Mercy Hospital, Valley City

VALLEY CITY STATE UNIVERSITY

Health Science

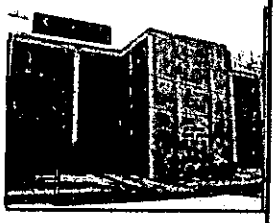


"Chemistry is a very strong program at VCSU; I think it is one of the best in North Dakota. The opportunity to conduct research as an undergraduate was a huge plus when it came time to apply to Pharmacy school, and the work I did at VCSU definitely impressed them. When I graduate with my Pharm.D., I'd like to return to North Dakota, and it is nice knowing my degree will let me live near my hometown of Turtle Lake."

Jamie Ziebarth
VCSU '06 (Chemistry)
College of Pharmacy,
University of Minnesota, Duluth '11

VALLEY CITY STATE UNIVERSITY

Rhoades Science Proposal



- Enrollment Growth at VCSU:
  - 2000-10: 337% Growth in STEM Majors
  - 2005: 22 students in Fisheries & Wildlife and Health Science; 127 students today
  - 2009-10: 48% growth in STEM majors
- IT housed in Rhoades; Laptop Campus



- Air Quality / Lab Safety Issues
- Lack of space for student research
- Would be First New Major Building Project at VCSU Since 1973
- Renovate 33,700 sf & Expand 26,600 sf; $10.8 million proposal

VALLEY CITY STATE UNIVERSITY

Justifying the Need

"The Wildlife Society strongly supports the expansion and renovation of the Rhoades Science Center... This would provide modern and needed additional lecture, lab, and research space to better educate and prepare future graduates for natural resources careers in North Dakota and beyond."



Jane Austin, Ph.D.
President
North Dakota Chapter of the Wildlife Society

VALLEY CITY STATE UNIVERSITY

Budget Overview

Trudy Collins

Vice President for Business Affairs

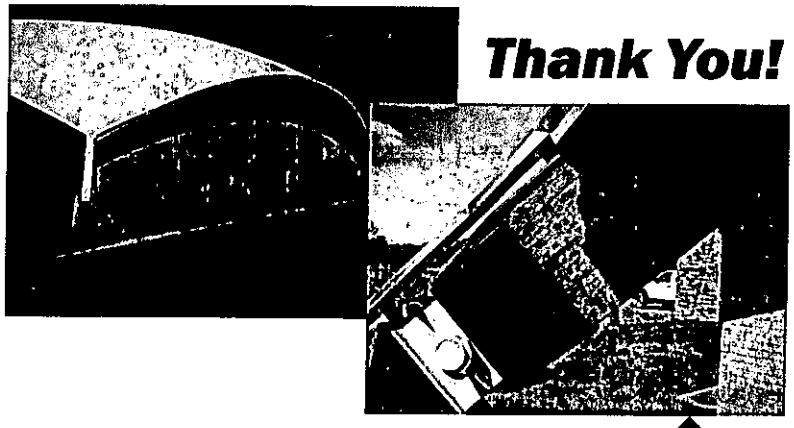


2007-09 Unexpended Appropriations

• Oil Trust funds for Steamline project	$ 94,329
– Spent $87,872	
– Balance to remain unspent $6,456	
• Extraordinary Repairs – Osmon Fieldhouse	276,569
• Extraordinary Repairs - Tuckpointing	48,670
• Extraordinary Repairs – Sidewalks/ADA	24,640
• Unexpended appropriations Total	$444,208



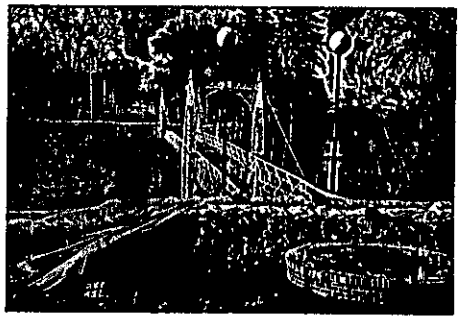
One-time Funding
2009-11 Biennium

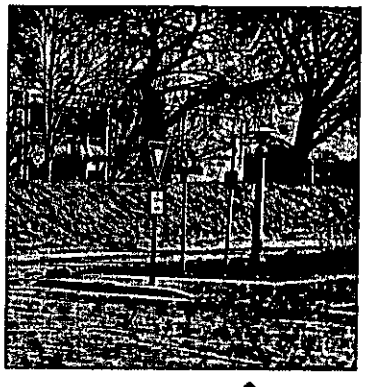


Thank You!

VALLEY CITY
STATE UNIVERSITY

One-time Funding
2009-11 Biennium





Thank You!

VALLEY CITY
STATE UNIVERSITY

One-time Funding 2009-11 Biennium General Fund

- **$1 million Capital Asset Appropriation**
  - Comprehensive master plan $216,000
  - Repairs and maintenance $784,000
    - Osmon and Vangstad Structural Deficiencies
- **$.5 million Operations**
  - Marketing (Transfer from NDUSO) $200,000
  - Operations: Flood Recovery $317,000
- **$1.3 million Deferred Maintenance**

VALLEY CITY STATE UNIVERSITY

One-time Funding 2009-11 Biennium General Fund

Deferred Maintenance	
• Building Exterior	$215,000
• Mechanical/Electrical Upgrades	169,000
• Interior Finishes	457,000
• Structural Repairs	189,000
• Paving and Area Lighting	40,000
• Utilities/Infrastructure	180,000
• Misc Small Projects <$50 K	54,921
Total	$1,304,921

VALLEY CITY STATE UNIVERSITY

One-time Funding 2009-11 Biennium Special Revenue Fund

Snoeyenbos Hall Renovation — $3.5M Revenue Bonds

Project is in progress and on track to be completed by August 1, 2011

W.E. Osmon Athletic and Wellness Center Addition — $15M Fundraising/Gifts

Project did not become feasible. Instead a $1M Artificial Turf Installation Project has been requested by the SBHE for FY 11-13.

VALLEY CITY STATE UNIVERSITY

2009-11 Equity Funding $250,000

- Increased salaries above the 5%/$100 minimum to address the March 2010 compensation study findings for 4 year campuses
  - Staff 15.5% below regional average
  - Faculty 24.1% below regional average
  - Faculty 36.1% below national average
- Enhanced Disability, Instructional, and Library Support Services
- Instructional equipment repair and replacement
- Faculty development

VALLEY CITY STATE UNIVERSITY

2009-11 Budget to Actual Report

Comparison of FY2010 Budget to Actual for FY ending 6-30-10

FY2010 General Appropriation & Tuition Operating Budget					
	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	5,414,011	558,215	19,950		5,992,176
Academic Support	458,497	219,618			678,115
Student Services	940,899	170,972			1,111,871
Institutional Support	1,400,900	1,011,894	60,000		2,472,794
Plant Operation and Maintenance	1,144,262	1,251,484	60,200		2,455,946
SUBTOTAL	9,358,569	3,212,183	140,150		12,710,902
Total Adjusted Appropriation (GF and tuition) Budget for FY10	9,358,569	3,212,183	140,150		12,710,902
Actual Expenditures to Date, thru 6/30/2010	9,354,360	3,025,507	136,786		12,516,653
Remaining FY10 Balance	4,209	186,676	3,364		194,249

VALLEY CITY STATE UNIVERSITY

2009-11 Budget to Actual Report

Comparison of FY2011 Budget to Actual through 12-31-10

FY2011 General Appropriation & Tuition Operating Budget					
	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	5,888,166	645,576	6,000		6,539,742
Academic Support	518,121	218,159			736,280
Student Services	994,429	243,866			1,238,295
Institutional Support	1,490,617	1,070,471	75,000		2,636,088
Plant Operation and Maintenance	1,190,927	1,147,899	15,200		2,354,026
SUBTOTAL	10,082,260	3,325,971	96,200		13,504,431
Total Appropriation (GF and tuition) for FY11	10,082,260	3,325,971	96,200		13,504,431
Actual Expenditures to Date, thru 12/31/2010	4,731,035	1,519,591	46,325		6,296,951
Remaining FY11 Balance	5,351,225	1,806,380	49,875		7,207,480

VALLEY CITY STATE UNIVERSITY

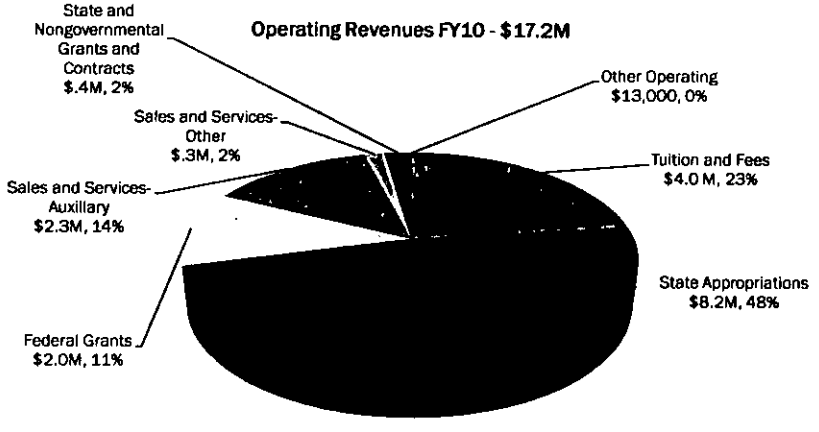
2009-11 Budget to Actual Report

Comparison of FY2009-11 Budget to Actual through 12-31-10

FY2009-11 Capital Assets Appropriation					
	Personnel	Operating	Equipment	Capital Assets	Total Budget
Deferred Maintenance 09-11 - Line 54				1,304,921	1,304,921
Capital Assets - Line 50				1,258,416	1,258,416
Capital Assets Off System - Line 52				18,500,000	18,500,000
Capital Assets Carryover - Line 51				444,208	444,208
Total Capital Assets (Incl Major Capital Projects)				21,507,545	21,507,545
Actual Expenditures, 7/1/2009-6/30/2010				1,486,746	1,486,746
Remaining 2009-11 Balance as of 6/30/2010				20,020,799	20,020,799
Actual Expenditures 7/1/2010-12/31/2010				599,429	599,429
Remaining 2009-11 Balance as of 12/31/2010				19,421,370	19,421,370

VALLEY CITY STATE UNIVERSITY

FY 2010 Operating Revenues



Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

Source: FY2010 NDUS audited financial statements

VALLEY CITY STATE UNIVERSITY

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by 0 Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants 0 Core campus mission 0 Specific courses or programs 0 Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants 0 Working capital 0 Emergency reserves 0 Major repairs 0 Building additions

VALLEY CITY STATE UNIVERSITY

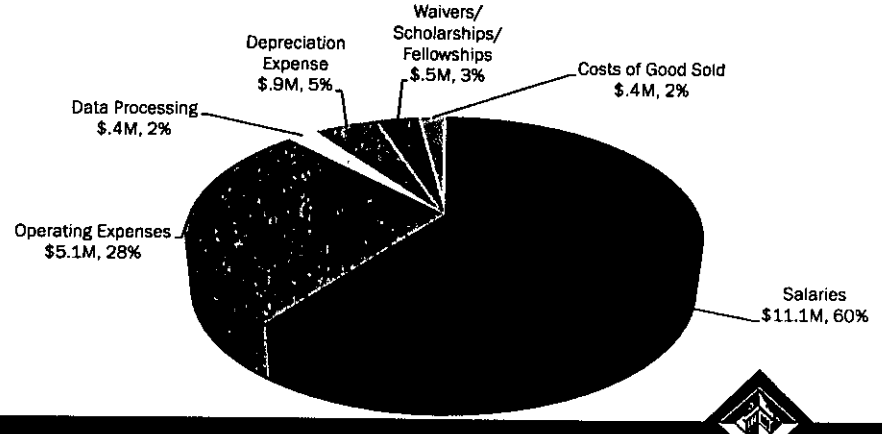
Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by 0 Designated for
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	0 Working capital 0 Emergency reserves 0 Major repairs 0 Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies 0 Students

VALLEY CITY STATE UNIVERSITY

FY 2010 Operating Expenses by Line Item

Operating Expenses FY10 - $18.4M



Source: FY2010 NDUS audited financial statements

VALLEY CITY STATE UNIVERSITY

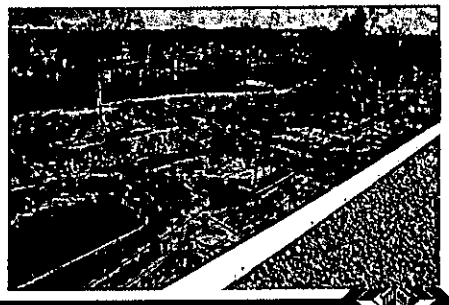
Overview of 2011-13 Budget Request

Valley City State University	SBHE 2011-13 Prioritized Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
Base Budget Requests:			
Parity	$1,349,677	$973,284	($376,393)
Equity	250,000	166,667	(83,333)
College Affordability	131,730	148,884	17,154
Student Mental Health Services	60,290	60,290	
Facilities Repair and Maintenance	149,903	149,903	-
Employer Retirement Contributions	71,179	70,041	(1,138)
One-time Budget Requests:			
Pay-off Special Assessments	283,567	283,567	
Small/Medium Sized Capital Projects	1,575,000	0	(1,575,000)
Rhoades Science Center Renovation/Addition	10,836,000	7,971,000	(2,865,000)

VALLEY CITY STATE UNIVERSITY

2011-13 Budget Request
Deficiency Appropriation $58,904
2009 Flood

- 10% State Share $41,361
- FEMA Ineligible $17,543
  - Payroll
  - Parking lots



VALLEY CITY STATE UNIVERSITY

2011-13 Budget Request
Small/Medium Size Capital Projects

1.	Fire Alarm Upgrades	$245,000
	– Addressable smoke, heat, strobe, horn, and pull stations	
	– McFarland, McCarthy, Foss, Library, Student Center, Osmon	
2.	Restroom Renovations (includes ADA)	210,000
3.	Office and Classroom Renovations	218,000
4.	Parking Lot Improvements	245,000
5.	Tuckpointing	229,000
6.	Vangstad Auditorium Life Safety/Accessibility	245,000
7.	Campus Exterior Lighting Upgrades	183,000
	Total	$1,575,000

VALLEY CITY STATE UNIVERSITY

2011-13 Capital Project Request

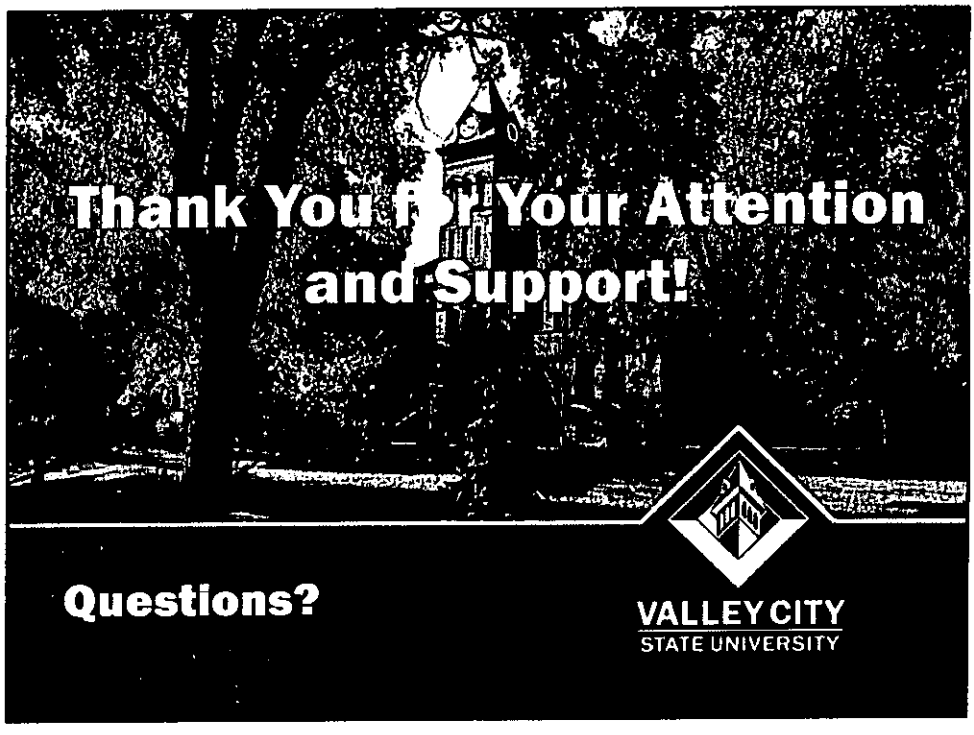
Rhoades Science Center
Renovation and Expansion $10.8 M



Future Capital Projects

- Vangstad Renovation $3.3 M
- W.E. Osmon Renovation $1.2 M
  Administrative and Academic Areas
- McCarthy Hall Renovation $3.4 M
- Coal Boiler Replacement $6.0 M




Thank You for Your Attention and Support!
Questions?
VALLEY CITY
STATE UNIVERSITY

attachment 2
HB 1003 - VCSU
Jan. 17, 2011

My name is Jacklyn Mitchell, from Erie, ND. I graduated from Hope Page High School and currently I am a senior at Valley City State University with a double major in Biology and Health Sciences. I play varsity basketball, serve as president of the Viking Ambassadors, a campus group that assists guests and prospective students, participate in theatre club and am a member of Alpha Lambda Delta Honor Society. After graduation in May, my plans are to pursue a career in dentistry. At present time, I have logged approximately 100 hours of dental observation, with Dr. Caron Berg in Valley City. After school I will return to North Dakota to practice and raise a family. My family roots are based on agriculture; my father and two brothers currently run our fourth generation farmstead, in which my mother and I also help.

Small town life meant graduating with a high school class of 24 students, which allows me to appreciate the student to faculty ratio of 13 to 1 at VCSU. Our science faculty, all hold Phd's in the academic fields they are teaching and so it has been my advantage to closely work with these highly qualified individuals who insist on academic rigor for their students.

Rhoades Science Center is currently less than adequate to meet the needs of the VCSU students and the growing demand in the marketplace for highly trained STEM workers. A prime example was apparent this Fall in a Botany class in which I was enrolled with 41 other students, the largest Botany enrollment at VCSU. Our classroom was well over maximum capacity, resulting in students without desks and at times even standing. Through numerous classroom movements and various compromises, we were able to find a temporary solution to a constantly growing problem. There are so many aspects of the Rhoades Science Center; a place to cultivate science and math teachers of North Dakota's future, a training ground for upcoming scientists and medical professionals, as well as a site for fisheries and wildlife development.

VCSU graduates have been very successful in the past, even with this 40 year old building, but if we want to continue to grow and impact North Dakota; economically, educationally and through population growth, this facility is in need of renovations and expansion. I encourage your support for this building renovation project at Valley City State University. Thank You.

attachment 3
HB 1003 - VCSU
Jan. 17, 2011

Hello, my name is Nick Faure and I am a junior at Valley City State University majoring in Health Science, Chemistry and Biology. I am from Valley City and I plan to attend Dental School after completing my undergraduate studies at VCSU. I have volunteered 200 hours on a Science based project on campus, and I am the President of the newly formed Pre-Professional Club. I am also a member of the Alpha Lambda Delta Honor Society. Last summer I spent three weeks in China participating in a new study abroad program sponsored by VCSU, and this summer I will be going to Peru for a five week Spanish language program.

Dr. Joe Stickler, a professor of chemistry, is my advisor and during my time at VCSU we have formed a friendship. He is a very challenging and demanding teacher but many students will tell you that his classes, even though the subject matter is difficult, are their favorite.

During my time at VCSU I have witnessed firsthand the overwhelming growth in STEM fields with a large growth in Health Science, Fisheries and Wildlife, and other science-based fields, and I can tell you that the growth in STEM-related fields is not without its costs. I am enrolled in Organic Chemistry and we have a class of 16, which is the exact number of stations in the organic lab. The stations are approximately 1 meter wide and many of the apparatuses that we use for our various experiments take up all the space of our station and more often than not half of our neighbor's station.

This past fall during my cell biology class we worked on a research project involving cell culture. In cell culture, cells can only grow to the edge of the dish they occupy, and when they start approaching the end, growth slows, and cells start to die, unless they are split and given more room to grow. I believe that I am receiving a quality education at VCSU but the facilities are at capacity and out of date. Much like the situation within cell culture, in order for a prosperous and successful environment, the growing numbers of students at VCSU in science-based majors need additional room and new resources in which to grow. If the legislature and state of North Dakota want to continue seeing a growth in the critically important STEM-related fields at VCSU, it is vital that the proposed expansion and renovation of the Rhoades Science Center be approved. Thank You.

attachment 4
HB 1003 - VCSU
Jan. 17, 2011

Valley City State University

General Appropriation & Tuition Budget to Actual

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
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					-
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					-
					-
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					-
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Remaining 2009-11 Balance as of 6/30/2010				20,020,799	20,020,799
Actual Expenditures 7/1/2010-12/31/2010				599,429	599,429
Remaining 2009-11 Balance as of 12/31/2010				19,421,370	19,421,370

Valley City State University

Non-appropriated Funds Budget to Actual

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	427,744	1,711,841	5,000	220,000	2,364,585
Auxiliary Sales and Services	704,578	2,039,325	22,500		2,766,403
Other Nonappropriated Funds*	825,126	1,387,985	225,000		2,438,111
Total Adjusted Nonappropriated Budget for FY10	1,957,448	5,139,151	252,500	220,000	7,569,099
Actual Expenditures thru 6/30/2010	1,799,974	4,992,411	246,610	218,633	7,257,628
Remaining FY10 Balance	157,474	146,740	5,890	1,367	311,471

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and

Comparison of FY2011 Budget to Actual through 12-31-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	720,202	2,155,059	-		2,875,261
Auxiliary Sales and Services	732,716	2,096,830	15,475		2,845,021
Other Nonappropriated Funds	849,246	1,153,436	51,000		2,053,682
Total Adjusted Nonappropriated Budget for FY11	2,302,164	5,405,325	66,475		7,773,964
Actual Expenditures thru 12/31/2010	1,050,312	2,931,561	65,952		4,047,825
Remaining FY11 Balance	1,251,852	2,473,764	523		3,726,139

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

Expenses by Function: Overview

Function	NACUBO Definition	Operations and Activities (Examples)
Instruction	The instruction classification includes expenses for all activities that are part of an institution's instruction program.	• Faculty salaries • Instructional materials and equipment • Departmental support and supplies
Research	The research classification includes all expenses for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted within the institution.	• Institutes and Research Centers • Individual and Project Research • Research Information Technology
Public Service	The public service classification includes expenses for activities established primarily to provide non-instructional services for the benefit of individuals and groups that are external to the institution.	• Community services • School of the Arts • Cooperative extension services.
Academic Support	The academic support classification includes expenses incurred to provide support services for the institution's primary programs of instruction, research, and public service.	• Academic administration • Libraries • Advising center • Information Technology
Student Services	The student services classification includes expenses incurred for offices of admissions and the registrar and activities that, as their primary purpose, contribute to students' emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program.	• Registrar • Enrollment Services • Financial Aid • Career Services • Counseling services • Multicultural and Disability support services
Institutional Support	The institutional support classification includes expenses for central, executive-level activities concerned with management and long-range planning for the entire institution.	• Executive management • Fiscal operations • Human resource management • Public relations • Administrative information technology
Operation and Maintenance of Plant	The operation and maintenance of plant category includes all expenses for the administration, supervision, operation, maintenance, preservation, and protection of the institution's physical plant.	• Custodial and grounds operations • Ordinary repairs and maintenance • Utilities • Insurance • Safety and security
Scholarships	Waivers and Scholarships from internal and external sources	• Waivers and Scholarships from internal and external sources
Auxiliary Enterprises	An auxiliary enterprise furnishes goods or services to students, faculty, staff, other departments and charges a fee directly related to, although not necessarily equal to, the cost of the goods or services.	• Residence halls • Food services • Athletics • Bookstore

2011-13 Capital Project Request

(Corrected Information)

Rhoades Science Center

Renovation and Expansion $10.8 M

Artificial Turf Installation $.995 M

Fundraising $815,000; 09-11 DM$180,000

VALLEY CITY STATE UNIVERSITY

HB 1003
Minot State
attachment #1
1/17/11

Instructions for Institutional Budget Presentations
To House Appropriations Education and Environment Committee*

While The SBHE does have a unique status in control of Higher Education, it does not give them the ability to withhold necessary information for the legislature to evaluate the needs of individual institutions. It is not incumbent upon the legislature to prove that the institutions or system does not need the financial resources, but rather for institutions and the system to prove what it is that they truly need.

Your presentation to the Committee should:

1. Not get into the NDUS overall budget proposal, we will hear that on January 24th. We want you to discuss your institutional capabilities and needs. We do not want to spend time with Glossy Brochures, but do want a complete discussion of your financial capabilities or lack thereof.
2. Provide basic budget information which will provide us with the fiscal year 2010 budget versus actual expenditure comparisons. This should include all appropriated and non-appropriated funds distinguished to the extent that is reasonably possible.
3. List institutional priorities provided to the SBHE:
   - Delineate which priorities were included
   - Delineate which priorities you would wish to see elevated.
4. Discuss unique needs of your institution:
   - Uniqueness of the student body
   - Uniqueness of efforts to focus on mission
   - Potential of student attendance in the absence of your institution
   - Does the size or location of your institution play a large role in the success of your institution?
   - Future mission change and needed flexibility or resources to make it happen.

Respectfully,
Chairman Skarphol

***From:** owner-presidents-assistants@listserv.nodak.edu
Sent: Friday, January 14, 2011 11:06 AM
To: presidents-assistants@listserv.nodak.edu

Minot State University
HB1003
Budget Presentation
To House Appropriations Education and Environment Committee
January 17, 2011
2:00-3:30 p.m.

Introduction

Good afternoon. For the record, I am David Fuller, president of Minot State University and Dakota College at Bottineau. I am accompanied by Mr. Brian Foisy, our relatively new vice president for finance and administration who just recently moved his family from Utah to Minot during a snow storm and sub-zero temperatures. He assures me that despite the weather he and his family are pleased to be here.

Presentation

A brief word about our presentation: our original presentation has been reworked to follow the instructions and address the points outlined in the attached email sent to my office assistant on Friday, January 14. If interested, too, the committee is invited to review the additional information in the appendix, which has been excerpted from earlier versions of our presentation. That information does not directly reference the points in the email but does offer additional information relevant to our university and financial status.

Thank you for the opportunity to address the House Appropriations Committee. Minot State University wishes to express its deep appreciation for the support received from the North Dakota Legislature in fulfilling our important educational mission.

A few of many examples of this generous support:

- affordability dollars to keep our tuition low and competitive
- the renovation of Swain Hall as a first-class teacher education facility
- equity funding to allow us to raise our level of competitiveness with other similar universities nationally
- funding to provide on-going support for safety and security measures on our campus
- much-needed funding to help us raise our faculty and staff salaries in order to recruit and retain high quality professors and staff to support our students
- vital support for deferred maintenance demands on campus, and much more.

1. **Complete discussion of financial capabilities or lack thereof**

Minot State University (MiSU) operates in a relatively stable fiscal climate. The institution is able to leverage the State's annual investment of $17 million into a $50 million enterprise, with a regional economic impact of approximately $150 million. In addition to state appropriations, MiSU is supported by students (tuition and fees), state and federal agencies (grants and contracts), auxiliary enterprises, alumni, donors, and other benefactors.

As shown in the attached financial statements and charts, total annual revenues and expenses (appropriated and non-appropriated funds) are $49.7 million and $48.9 million respectively. With the addition of revenue from non-appropriated sources, MiSU is able to operate at a net annual surplus. The institution has reserved balances sufficient to protect against an enrollment decrease of up to 10%.

While MiSU is in relatively strong financial condition, challenges and threats do exist. For example, the campus coal-fired boiler is no longer operable, and requires replacement. The remaining steam boilers operate on natural gas, with one heavy oil backup unit. While the institution is pursuing a geothermal system to replace the outdated steam technology, current funding is only sufficient to heat/cool the northwest section of campus. We are applying to other agencies (both federal and state) for grants to expand the geothermal system to other buildings. In the meantime, the campus is vulnerable to increases in natural gas rates.

Another significant fiscal challenge relates to risk management, safety, and security. Because auxiliary buildings are not eligible for state funding, the institution must save for remodel and replacement of these facilities. As an example, the campus stadium bleachers sit on a rapidly failing concrete foundation. The replacement of these bleachers is necessary to prevent a collapse of the seating structure. This life safety issue must be addressed outside the appropriated funds. As stated above, the institution must generate and accumulate annual operating surpluses in order to resolve these issues.

2. **Basic budget information to provide fiscal year 2010 budget versus actual expenditure comparisons** (including all appropriated and non-appropriated funds distinguished to the extent that is reasonably possible).

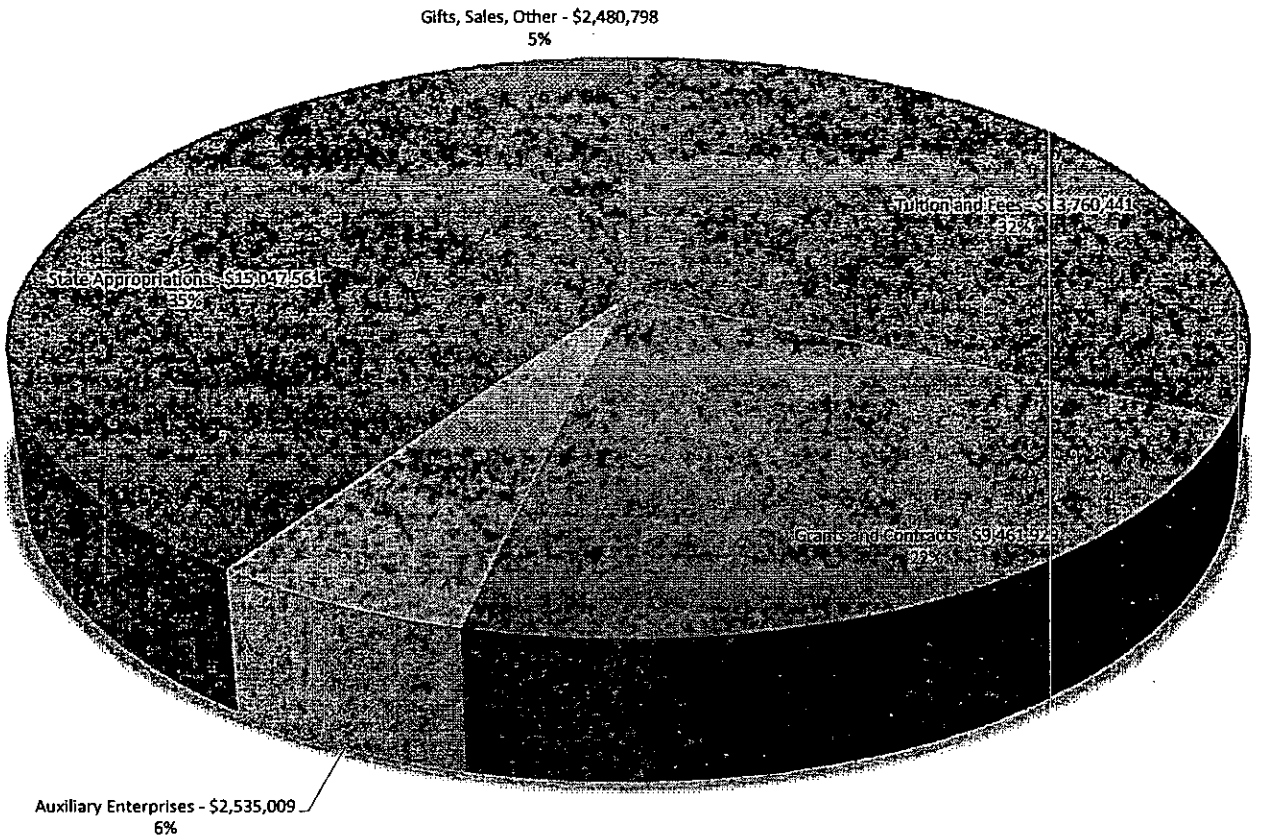
   See enclosed schedules that follow:

   Comparison of FY2010 Budget to Actual for FY ending 6-30-10 and Comparison of FY2011 Budget to Actual.

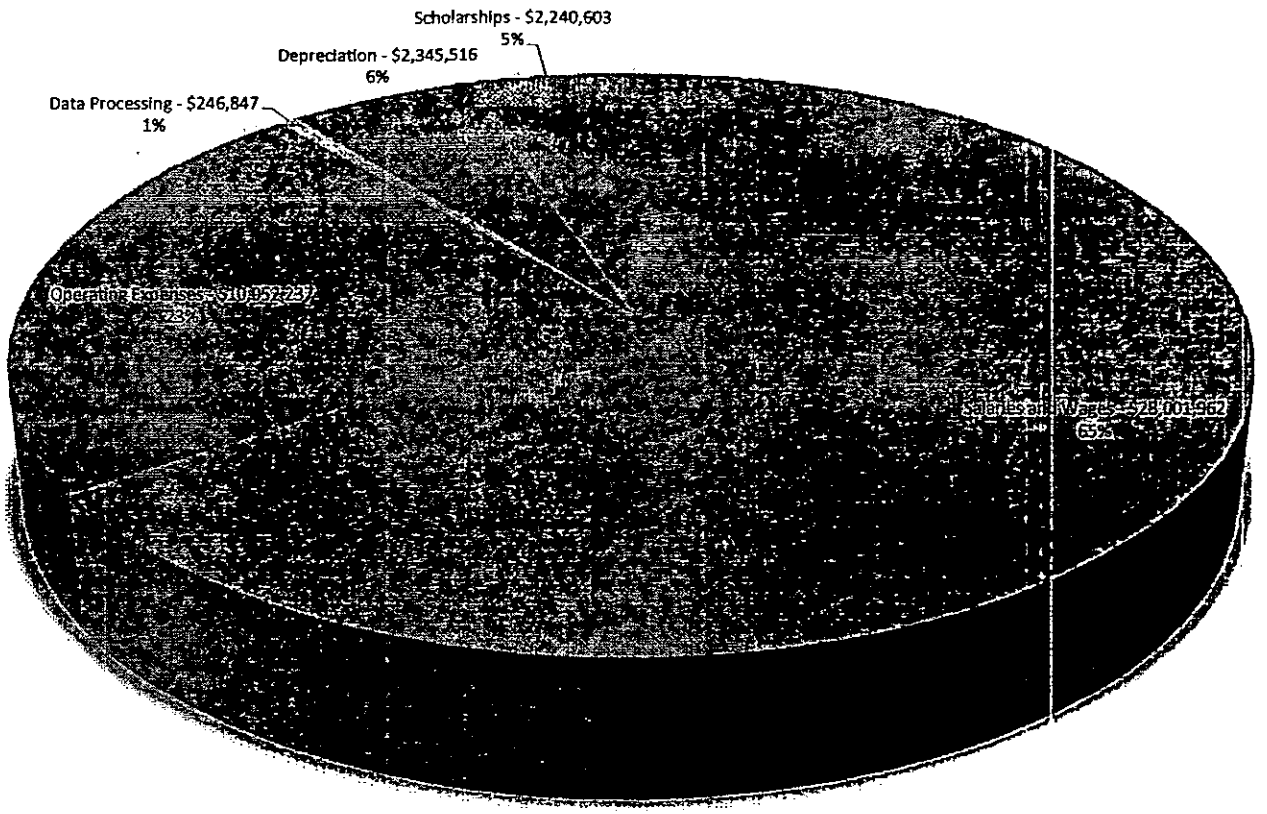
MINOT STATE UNIVERSITY - STATEMENT OF REVENUES AND EXPENSES - ALL FUNDS

	JUNE 30, 2009	JUNE 30, 2010
REVENUES		
Tuition and Fees	13,760,441	14,010,695
Grants and Contracts	9,461,929	12,788,953
Auxiliary Enterprises	2,535,009	3,147,506
State Appropriations	15,047,561	17,087,612
Gifts, Sales, Other	2,480,798	2,642,655
TOTAL REVENUES	43,285,738	49,677,421
EXPENSES		
Salaries and Wages	28,001,962	31,469,145
Operating Expenses	10,052,237	11,603,927
Data Processing	246,847	324,286
Depreciation	2,345,516	2,365,152
Scholarships	2,240,603	3,112,051
TOTAL EXPENSES	42,887,165	48,874,561
REVENUES IN EXCESS OF EXPENSES	398,573	802,860

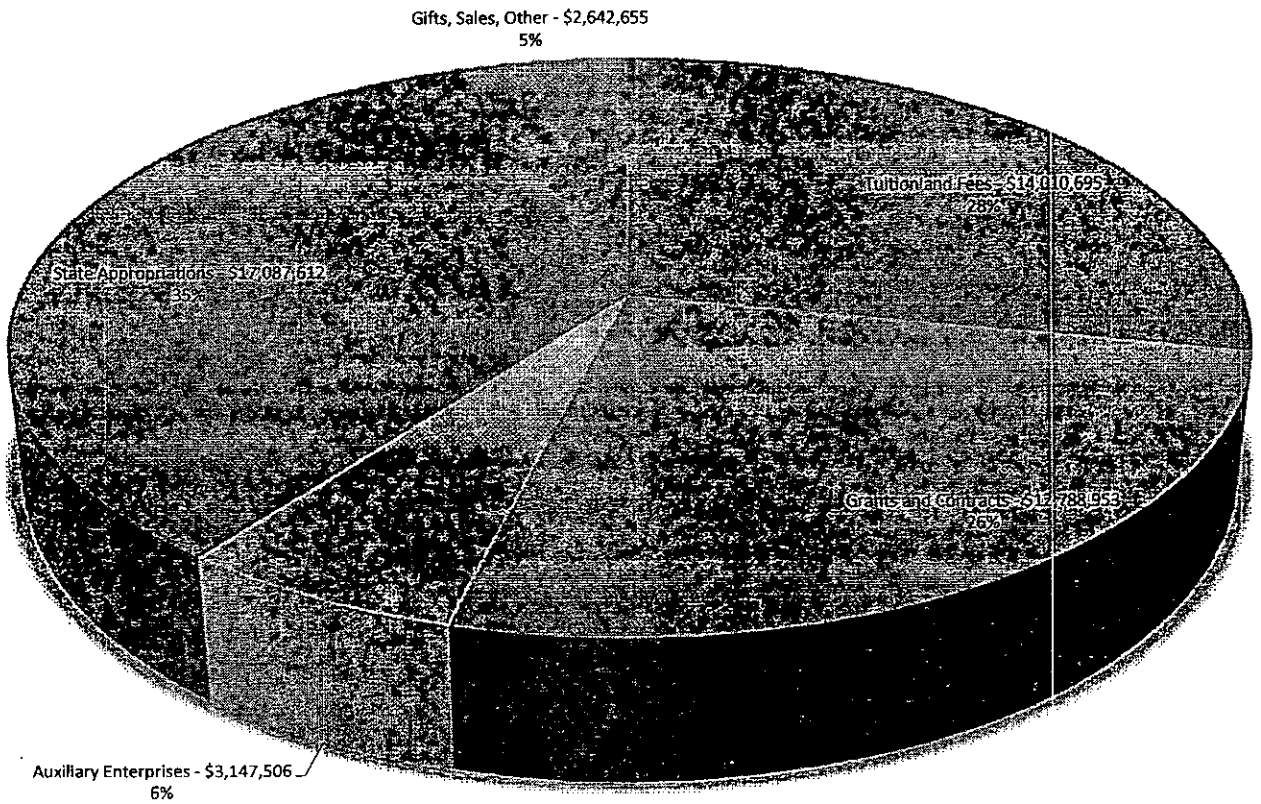
MINOT STATE UNIVERSITY - TOTAL FY09 REVENUES - $43,285,738



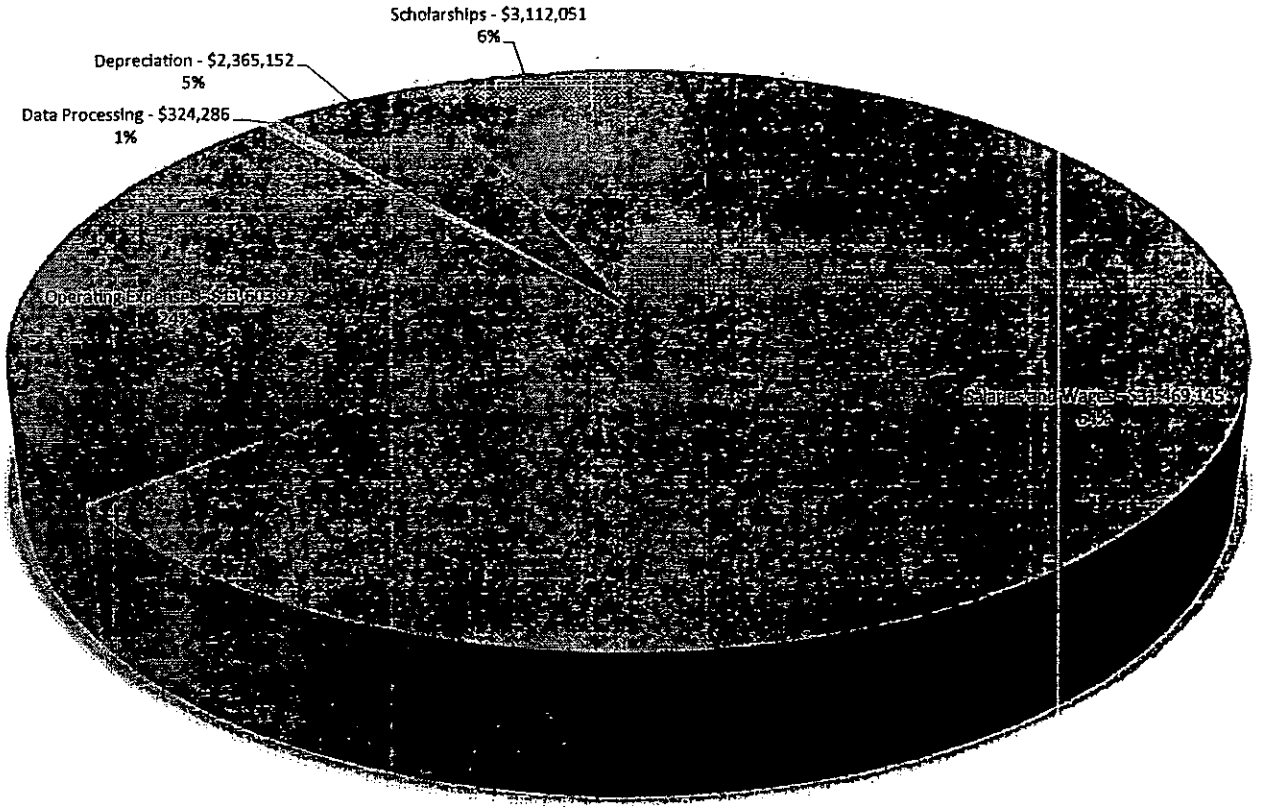
MINOT STATE UNIVERSITY - TOTAL FY09 EXPENSES - $42,887,165



MINOT STATE UNIVERSITY - TOTAL FY10 REVENUES - $49,677,421



MINOT STATE UNIVERSITY - TOTAL FY10 EXPENSES - $48,874,561



Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

Campus Name MINOT STATE UNIVERSITY

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
College of Business	2,529,539	101,419	5,000		2,635,958
College of Arts & Sciences	6,702,195	291,742	-		6,993,937
College of Education & Health Services	4,922,016	191,778	27,500		5,141,294
Graduate School	144,951	11,000	-		155,951
Athletics	817,848	57,200	-		875,048
VP Academic Affairs	2,569,399	865,785	74,677		3,509,861
					-
					-
					-
SUBTOTAL	17,685,948	1,518,924	107,177		19,312,049
Public Information	128,076	12,000	-		140,076
President's Office	320,772	31,600	-		352,372
VP Administration & Finance	3,776,065	1,682,679	57,000		5,515,744
VP Student Affairs	742,975	46,463	-		789,438
VP Advancement	137,308	58,500	-		195,808
					-
					-
Total Appropriation (GF and tuition) for FY10	22,791,144	3,350,166	164,177		26,305,487
Actual Expenditures to Date, thru 6/30/2010	21,476,602	3,945,572	108,316		
Remaining FY10 Balance	1,314,542	(595,406)	55,861		26,305,487

Comparison of FY2011 Budget to Actual through (most recent date available)	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
College of Business	2,658,907	86,201	6,000		2,751,108
College of Arts & Sciences	7,066,256	338,236	13,680		7,418,172
College of Education & Health Services	5,221,594	166,678	6,677		5,394,949
Graduate School	149,506	11,000			160,506
Athletics	1,132,271	57,200			1,189,471
VP Academic Affairs	2,346,967	812,258	74,644		3,233,869
					-
					-
					-
SUBTOTAL	18,575,501	1,471,573	101,001		20,148,075
Public Information	136,289	11,000			147,289
President's Office	332,401	31,600			364,001
VP Administration & Finance	4,442,331	2,179,345	3,912		6,625,588
VP Student Affairs	744,250	180,613			924,863
VP Advancement	168,598	58,500			227,098
					-
					-
Total Appropriation (GF and tuition) for FY11	24,399,370	3,932,631	104,913		28,436,914
Actual Expenditures to Date, thru 11/30/2010	8,366,418	1,574,581	15,532		
Remaining FY11 Balance	16,032,952	2,358,050	89,381		28,436,914

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				595,111	595,111
Capital Assets (Line 50)				4,346,870	4,346,870
Capital Assets Carryover (Line 51)				4,284,970	4,284,970
Total Capital Assets (Incl Major Capital Projects)				9,226,951	9,226,951
Actual Expenditures, 7/1/2009-6/30/2010				3,834,267	3,834,267
Remaining 2009-11 Balance as of 6/30/2010				5,392,684	5,392,684
Actual Expenditures 7/1/2010-11/30/2010				1,317,059	1,317,059
Remaining 2009-11 Balance as of 11/30/2010				4,075,625	4,075,625

G:\CATHY\EXCELFIL\BIENNIAL BUDGETS\2011-13\Budget to Actual\Budget to actual template FY10 & 11

3. **List of institutional priorities provided to the SBHE:**

Priorities included:

- Continue FY11 salary increases - $566,279
- Health insurance increases - $282,791
- New biennium salary increases at 4.5% - $1,629,482
- Operating budget inflation - $126,666
- Utility cost increases - $248,851
- Peer institution equity funding - $250,000
- Tuition affordability initiative - $313,545
- Extraordinary repairs - $302,750
- Student mental health licensing - $20,000
- State retirement plan stabilization - $159,899
- Expansion of campus geothermal system - $5,000,000
- Community health and education center - $9,850,000

Priorities recommended to be elevated if funds are available after meeting priorities defined by the SBHE and the Governor:

- Salary increases
- Fund expansion of campus geothermal system

4. **Discussion of unique needs of your institution:**

Uniqueness of the student body

- The large majority are from North Dakota
- Approximately 63% female; 37% male.
- Prominently from Northwest ND, Canada, Montana
- A growing diversity of students, including a large number of Native American students.
- Large portion of students first-generation
- Students pursuing an array of programs in the Arts and Sciences, and in education and business programs.
- Minot Air Force Base students
- Students taking online and on-campus classes
- Large percentage working over 30+ hours per week
- Traditional students and transfer students
- Full-time and part-time students

Unique efforts to focus on mission

Unique focus and Commitment to Community and State; examples include:

Nursing – currently working with Trinity Health to increase number of nursing students through partnerships with Trinity. Nursing students and faculty provide

service to the Minot elderly population through the Adult Health maintenance Clinic. As well, they provide services to the Child Disability Clinic at MSU providing care to hundreds of ND residents.

Energy Economics and Finance Major – provides service to growing energy and petroleum field; engages students with industry experts and involves them in business-related problem solving, specific to the energy industry.

North Dakota Center for Persons with Disability (NDCPD) –generates over $7 million annually in total operational funds from grants, contracts and fees for services and programs. Services include: Great Plains Autism Spectrum Disorders Treatment Program, Minot Infant Development Program, Remote Realtime Online Captioning and Senior Medicate Patrol.

Rural Crime and Justice Center (RCJC) – secured $10, 261,277 in funding since 2002. Major initiatives include: Rural Methamphetamine Education Project, The Victim Assistance Academy for North Dakota, and Grants to Encourage Arrest, in partnership with the ND Department of Health and the ND Council on Abused Women's Services.

Great Plains Community Research and Service Center – will support public and nonprofit agencies within the region through focused research assistance, program assessment and evaluation, and collaborative problem-solving activities, allowing local communities an opportunity to address self-identified issues by engaging faculty and students in research and collaboration. The center has been funded by a one-year start up grant of $950,000 from the U.S. Dept of Education.

Severson Entrepreneurship Academy – fosters entrepreneurship education and practice at MSU and the community. Currently have four students starting new businesses, eight clients served on 11 organization projects and 32 students coauthoring academic presentations nationally and internationally.

***Unique focus on North Dakota Workforce and Economic Development Needs*:**

Offered skills upgrade seminars to local and regional professions and business owners in areas of technology, financing, marketing, and business policies and strategies

Offered seminars through the Petroleum Technology and Transfer Council

Conducted housing studies for localities such as Williston, Tioga, McHenry County, Northwood and Minot; several have used the results to obtain federal grants for community economic development

Hosted NW North Dakota energy Symposium in partnership with DSU, WSC, and BSC.

Maintained the Prairie Community Development Center for outreach to local and regional business people, communities and organizations solving a range of current business people, communities and organizations

Establishment of the Severson Entrepreneurship Academy to further encourage students to develop their entrepreneurial capabilities, to assist local and regional entrepreneurs and to provide infrastructure for ongoing development of entrepreneurship in our region

Unique focus and commitment to student success

Minot State University is committed by mission to provide support for students through engaged teaching and learning, to enhance the higher education experience, and increase student success and retention. The retention rate of 57% in 2000 has increased to 71% this year, as a result of many initiatives, such as:

- New Student Success Center
- Center for Engaged Teaching and Learning
- First-year student mentoring program
- Tutoring program
- New interdisciplinary Learning Communities program for first-year students
- First-year Seminars
- Mandatory orientation
- Mandatory first-year residence hall living
- Foundations of Excellence for First-Year Students
- New Title IV TRIO Program (Student Support Services)
- Veterans' Success Center
- New academic advising coordinator
- New first-alert program implemented
- Near completion of degree audit service
- Special retention and related initiatives to reach out to students, including career services support and Internships
- Low faculty-to-student ratios.

Potential of student attendance in the absence of your institution

The vast majority of students at Minot State University come from our immediate community and region, with others coming from counties across the state, from community colleges, reservations, adjoining states, and countries. MSU serves many Canadian students, students from the Minot Air Force Base, on line students, graduate students, and a variety of other students. Unlikely as that may be, there is a potential for all of these students to attend other colleges if Minot State University did not exist. However, there is a strong possibility that for many of these students it would be difficult if not unlikely for them to attend.

Does the size or location of your institution play a large role in the success of your institution?

The size of MSU is large enough to offer a variety of undergraduate, graduate, and online options sought out by students, while at the same time providing first-rate student service support, opportunities to engage with others directly on campus, and to experience close faculty-student learning experiences. The location in Minot and in the large Northwest area of our state does not include a four-year and graduate-level institution. Minot State University plays a significant role in our region in serving students, the community, and the state and the Great Plains. Minot State accounts for more than $135 million dollars annually in economic impact to the community.

Future mission change and needed flexibility or resources to make It happen.

The university mission provides a responsible and reasonable guide for our work to serve the students and the community. Based on requests and professional needs, we have considered preliminarily a clinical doctoral degree in communications disorders, to build on our national reputation and first-rate facilities for CD. Resources will continue to be required to address the exponential growth of technology and online instruction, education for adults, new and innovative deliveries, field-based learning, support for an anticipated decline in high-school graduates, pressures on us for remedial education, anticipated changes in our student demographics and the expected increases in minority students, and continued focus on global education. Overall, the mission specifies our commitment to student success and regional service. Future support will be sought from many sources to ensure that we fulfill our essential role at providing high- quality learning and student support in this rapidly changing higher education environment.

Other

Major Challenges Facing the University

- Continued prioritizing for quality learning and education
- Demographics and enrollment challenges
- Budget allocations and reallocations to respond to current regional and national demands for career training and workforce training
- Competitive faculty and staff compensation for retention and recruitment
- Student preparation for college and coordination with K-!2
- Provide adequate support for increased Veterans' enrollment and services
- Support for adult students
- Student retention and concerted effort to focus on student success and persistence
- Continued efforts to collaborate with community, region, and others.
- Heating and cooling system for campus to replace failed coal boiler
- Adequate amount of housing and options for students
- Explaining and documenting the high value and importance of higher education to those who question the role of higher education

Governor's Special Funding Initiative

- Minot State University intends to submit a proposal to the Governor's Special Funding initiative described in his presentation to the Legislature. The Governor indicated that his budget request includes $5 million for new approaches that will result in educational "outcomes desired by education leaders and the citizens of North Dakota." In response to the solicitation for proposals, Minot State University intends to request support for an high-order computer and software engineering program to enhance economic development and workforce training of computer experts needed by local and prospective computer engineering firms in Minot and the region.

Carry-Over

- As required by state law, the appendix includes a report on the use of carry-over funds.

Concluding Remarks

Minot State University's budget and operations are guided well by the State Board of Higher Education and the North Dakota University System. We believe that the NDUS institutions work exceptionally well within our system, which directs all of us to focus not so much on our own specific institutional needs but on the needs of the state. The premise of the Roundtable—partnership between the legislature, higher education, and the private sector to strengthen the economy of North Dakota—is a sound one based on collaboration, planning, and focus. While we devote ourselves assiduously to the work to strengthen the vitality of Minot State and Dakota College at Bottineau, we are nevertheless keenly aware and supportive of the need to work together and not separately.

Minot State University is doing very well meeting the educational needs of our students, state, and our community and region.

As I stated in my opening remarks, we are extremely appreciative of the support of North Dakota Legislature, as well as the support we receive from our local communities, our Washington Delegation, from the array of grants and contract agencies that provide us with nearly 1/3 of our funding, and of course our students who support us with their tuition and commitment to education.

Thank you for your time to allow us to respond to your questions and instructions.

Questions

Brian and I would be happy to respond to questions.

Appendices

1. Authority, Mission, and Institutional Vision, and Basic Data

Statutory Authority

North Dakota Constitution, Article VIII, Section 6; North Dakota Century Code Chapters 15-10 and 15-13.

Agency Description

Minot State University (MiSU) is a comprehensive public university whose purpose is to foster the intellectual, personal and social development of its students, and to promote the public good through excellence in teaching, research, scholarly activity and public service. The university offers a wide array of undergraduate programs in the liberal arts and the professions. Graduate education includes masters programs in communication disorders, criminal justice, education, management, mathematics, music, science and special education. One education specialist degree is offered in school psychology.

Abbreviated Institutional Mission

Minot State University is first and foremost dedicated to the success of all students: their growth and development as educated citizens, their confidence, and their life-long devotion to the common good and the welfare of others.

Strategic Planning Vision

The University will achieve a national reputation as an institution of place and engagement dedicated to high-quality student learning within an inclusive community, to student growth, character, and success, to diversity and multiculturalism, to valuing and supporting faculty and staff, and to a life-long commitment to the common good.

Overview: Minot State University

- Founded in 1913
- Fall 2010 Enrollment: 3866 (second highest in history); Fall 2000: 3081
- Freshman retention rate: Fall 2010: 71% (highest in recorded history for the university); Fall 2000: 57%
- Full time undergraduates: 63% female; 38% male
- ACT composite: 21.2; national composite: 21.0
- Faculty: 279 (176 full time, 103 tenured, 76 part-time; 27 special)
- Staff: 240
- Number of degrees: 64 undergraduate majors; 11 graduate programs

2. Efficiencies and Cost Savings Initiatives

Efficiencies and other operational changes that have been made in the last two years reduce or minimize expenses:

- Academic program prioritization system process started.
- Budget reallocation and "streamlining"; reduction of $1.5 million Technological changes, including the move away from analogue phone system to a voice override system and to a unified messaging system resulted in savings of $235,000.
- Conversion to geothermal plan and decommissioning of existing coal boiler allowed us to realiocate two FTEs to another program on campus
- Instituted a minimum class size requirements and directive to cancel low-enrolled courses not meeting those enrollment thresholds, which allows us to support other classes and programs needing additional support

Cost efficiencies to be implemented in 2011-13 biennium

- Geothermal initiative has been undertaken two years ago to save eventually more than $500,000 per year in utility costs when fully implemented. The first quadrant of the geothermal upgrade will realize approximately $150,000 in utility savings.
- Academic program prioritization initiative: Utilizing Robert C. Dickeson's book, Prioritizing Academic Programs and Services: Reallocating Resources to Achieve Strategic Balance, the vice president for academic affairs and the college deans have developed a matrix to guide program analysis and prioritization for existing programs. This initiative will provide a guide for evaluating program effectiveness, efficiencies, and potential for growth and development.
- Vice president for finance and administration is currently conducting an analysis of our budgeting processes, spending patterns, and identifying opportunities for improving efficiency and opportunities for reallocations.
- A letter from the president has been distributed to all faculty and staff asking for suggestions about improvements, efficiencies, and cost-saving opportunities. Based on that solicitation, we will be working to develop a potential reward system for people who identify cost-saving initiatives.
- Secured a Title IV TRIO grant to focus on the retention of first-generation, economically disadvantaged, and disabled students, a population that is less likely to succeed in college. The retention of these students, afforded by this grant project, will help the university realize considerable savings.

- Graduation rate initiatives (mentoring, engagement, new admission standards and designated support) are focused on improving current six-year graduation rate from 34% to 50%, which will lead to considerable cost savings annually.
- The Dakota College at Bottineau and Minot State University Passport Program is focused on helping students with low ACT scores and GPAs to succeed and progress toward graduation. Those students, of which the university loses, will be retained in greater numbers.
- New Student Success Center and its various initiatives (advising, mentoring, tutoring, and orientation) will lead to the retention of a larger number of students and thus great cost savings for the university.

Efficiencies realized through collaborations and partnership

- Passport Program with Dakota College at Bottineau (referred to earlier).
- Nursing collaborations with DCB and Lake Region State College; 2 + 2 cooperative degrees that provide expanded nursing training opportunities.
- Active participation in system-wide general education initiative in collaboration with other NDUS institutions and in the LEAP program
- Collaboration with BSC, WSC, Dickinson State, and Minot State University in the Western Energy Consortium in which BSC and WSC focus on workforce development and DSU and MSU partner to provide energy symposia. This is made available from support from Senator Dorgan.
- Collaboration with Bismarck State College to offer degrees on the Bismarck campus (social work, criminal justice, business).

Additional Joint Initiatives for 2011-2013

- Trinity Health and Minot State University geriatrics research project (follow up from the COE project not approved on a split vote of 19-19 by the Budget Section).
- Pursuing a nursing academy with Trinity Health.
- Minot Area Development Corporation partnership with a new technology company (EID) involving Minot State.
- Partnership with the YWCA to collaborate on a new childcare facility.
- YMCA partnerships ongoing in athletics and athletic training in the newly renovated Swain Hall.
- Pursuing additional partnerships with DCB in nursing and criminal justice. Additional partnerships with BSC are contemplated for alternative energy and other major programs on the BSC campus.

3. **NDUS 2011-13 Major Capital Project Requests**

Priority Project: Geothermal Heating and Cooling (#6 on the SBHE Priority List of Projects; not recommended in the executive budget)

Background and Rationale:

Minot State University's coal boiler ceased to function three years ago. The engineering company recommended that a new boiler is acquired and installed, at an estimate of $3.5 million. MSU sought support for a new boiler from the SBHE, and within two weeks of this review, the engineering firm contacted the university to inform us that they had calculated the cost incorrectly and that a new boiler and installation would cost $10 million and a refurbished boiler would cost $3.5 million. The firm estimated that a refurbished boiler would last approximately 6 years before a new boiler would be necessary. The SBHE recommended $3.5 million for a refurbished boiler and not a new boiler.

An analysis of the short- and long-term costs revealed that a geothermal option would be more cost efficient on the long-term and eventually lead to considerable energy savings. A feasibility study, partially supported by Xcel Energy, showed that a full system would result in approximately $500,000 per year in utility savings. Based on the study and the limited options, the university sought approval from the SBHE and eventually the legislature to direct the appropriation for the renovated boiler to a new geothermal system.

Total estimated cost: $16,234,555

- Funds secured: $2.5 million from legislative authorization in 09-11, and $2.0 million from AARA funds through the ND DOC.
- Additional funds required to complete project: $11,734,555
- Original Legislative Request for 2011-13: $5 million
- Remaining funds required: $6,734,555 (if 2011-13 legislative request granted)
- Two U.S. Department of Energy grant proposals were submitted in the amount of $10 million and $5 million. Earmark proposals for $4.5 million were submitted but not funded.
- The university is still pursuing possible Options for securing additional dollars:
- Pursuing available U.S. DOE Alternative Energy Grants
- Seek other available grants from other sources
- Securing a partial performance revenue contracts

Benefits of Geothermal System:

- Utility and cost savings of more than $500,000 per year
- Academic: new curriculum in geothermal and alternative energy; on-site laboratory for students and faculty

- Environmental: significant reduction in carbon emissions as a result of the elimination of all fossil fuel boilers on campus.
- If completed by 2013, it will more than likely be the first campus in the U.S. to convert entirely to geothermal heating and air conditioning
- Serve as a demonstration site for geothermal energy
- Faculty and student research and information dissemination
- Enhanced student career opportunities for students in this technology

Second Capital Project Request: Health Center (identified as #22 on the Chancellor's priority list)

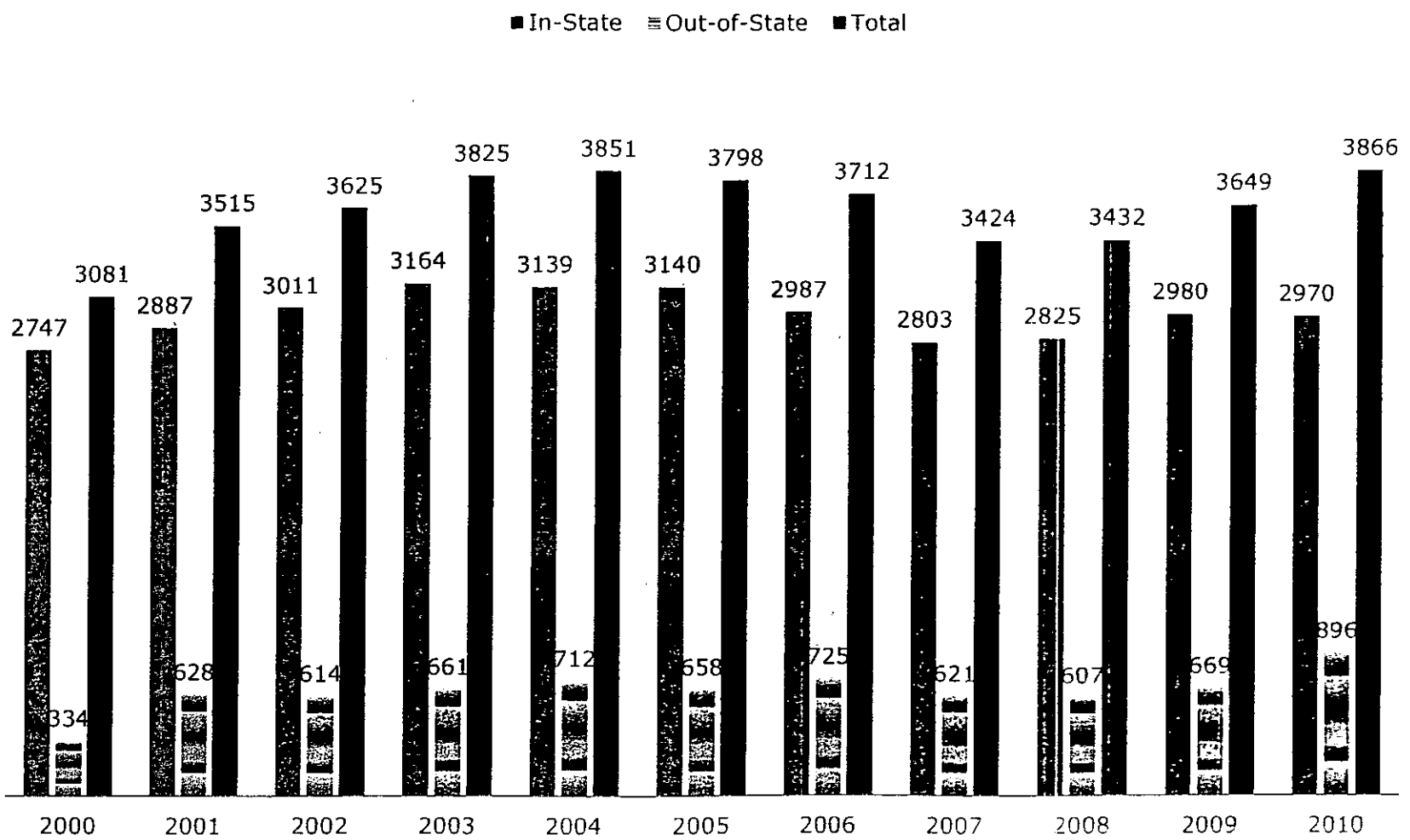
This center would bring together expanded space for one of the most in-demand majors on campus; nursing. It would also house other wellness-related programs. The undergraduate nursing program would be relocated to the new center as a result of a significant increase in demand because of its quality reputation. Minot State University is currently only able to admit about one third of those qualified who apply (18 out of 54 are admitted each semester). There is also interest in expanding into a graduate nursing program because of demand for increasing nursing education, outreach and support activities within our region.

An expanded nursing program would include state-of-the-art simulation laboratories and potential new related programs in geriatrics/gerontology, sports medicine, and athletic training. Simulation in nursing education is not a new teaching strategy but the incorporation of high-fidelity simulation models is new to many nursing programs. High-fidelity models are comprehensively programmed through computers, are full-scale in size, and provide for a high level of interactivity and realism for the learner which mimics real life situations.

This expanded program also has potential to support and provide new services for retired populations while also providing academic training for healthcare professionals and collaboration with community and regional health providers. The department of nursing has opened and would like to expand a Community Health Maintenance, Promotion and Wellness Clinic. This clinic is a student-run, faculty supervised adult health care maintenance clinic housed at MSU. It provides a variety of services for seniors and others in need. Services would include health screening, health assessments, foot care, and education.

This clinic has a dual purpose. First, the population over 65 years of age is the fastest growing age cohort in North Dakota. Currently 15% of the population of Minot is over 65. Second, adult health maintenance and wellness services are limited within the city, as evidenced by a two-year waiting list for appointments through First District Health Unit. Limited staffing and other services that take priority are barriers for public health agencies and aging service organizations to meeting these needs. Opportunities may exist for collaboration with the Dakota Nurse Program and Trinity Health. The estimated cost of this project is $9.8 million. SBHE approval was requested through the capital projects process for this building

OVERALL ENROLLMENT



Comparison of One-time Deferred Maintenance Reques. 2009-11 Legislative Appropriation
Based on Outstanding Deferred Maintenance From 2006 Master Plan,
Adjusted for 07-09 and 09-11 Funding, Plus CPI Adjustment

	1	2	3	4	5	6	7	8	9	10	11
	07-09 Outstanding Deferred Maintenance F1	Less 2007-09 One-Time Deferred Maintenance Funding	Less Deferred Maintenance Addressed in Funded 07-09 Capital Projects (Enter negtv. amount)	07-09 Outstanding Def Maint, Less Funding in 07-09 (Col 1 - Cols 2 & 3)	Est Increase of 5% per year, based on BLS All Urban Consumer Index for Mpls/St Paul	Balance 07-09 Deferred Maint (per 2006 Master Plan) Adjusted for CPI (Col 4 + Col 5)	Less 2009-11 One-time Def Maint Funding	Less Deferred Maintenance Addressed in 09-11 Capital Projects	Estimated 09-11 Outstanding Deferred Maint Less Funding in 2009-11 (Col 6 - Cols 7 & 8)	Est Inflationary Increase, based on BLS All Urban Consumer Index for Mpls/St Paul F2	Estimated 2009-11 Deferred Maintenance Balance (Col 9 + Col 10)
MISU	$11,185,000	($855,874)	($7,372,462)	$2,956,664	$303,058	$3,259,722	($595,111)	$0	$2,664,611	$101,255	$2,765,866

Footnotes

F1 Deferred Maintenance/Improvements General Fund

Description	Total
Main	$447,700.00
Model Hall	$96,800.00
Swain Hall	$7,036,150.00
Administration	$338,679.00
Power House	$620,730.00
Press Box	$942,229.00
Dome	$535,357.00
Campus Improvements	$1,155,880.00
GBO Library	$11,495.00
Total	$11,185,020.00

F2 Column 10 assumes a 3.8% increase for 1 year, and nothing for the second year, based on 2008 (3.8%) and 2009 (-.5%) BLS All Urban Consumer Index

EXTRAORDINARY REPAIRS			
38301/3070/MISC007003			
Beginning Balance		596,870.00	
Projects allocated			
Hartnett Reroof	82,028.00		Budget
Library Interior	39,213.00		Spent
Model Hall	26,342.00		Spent
11th Ave reopen	0.00		
Sidewalks	20,600.00		Spent
Old Main carpet	0.00		
Hartnett Elevator	71,200.00		Spent
Memorial Roof	97,061.00		Spent
Hartnett Doors	17,972.00		Spent
Hartnett Carpet	3,165.00		Spent
Library Stair Treads	7,712.00		Spent
Total Allocated		365,293.00	
Available Balance		231,577.00	
DEFERRED MAINTENANCE			
38400/3070/MISC007004			
Beginning Balance		595,111.00	
Projects allocated			
Errosion Repair	41,661.81		Spent
Boiler Pumps	28,993.72		Spent
Manhole Catch Basin	4,501.85		Spent
Total Allocated		75,157.38	
Available Balance		519,953.62	
CARRY OVER FUNDS			
38600/3070/MISC007001			
Beginning Balance		35707.07	
Total Allocated		0	
Available Balance		35707.07	

MASTER BUDGET ANALYSIS
Swain Hall

2007 Session	$7,036,150.00
Stimulus	$5,000,000.00
Plant Services	$1,250,000.00
TOTAL	$13,286,150.00
TOTAL	$13,286,150.00
Actual Dollars Used	$12,616,914.98
Net Remaining	**$669,235.02**

Balance Transfer to Facilities Management Building (Plant Services).

Prepared by Plant Services, SG - 1/13/2011

FY07 to FY09 Carryover

Fund #	Fund Title	Budgeted	Spent	Available
34502	Enrollment Services Grow ND	121,490.00	121,490.00	0.00
34503	Marketing	88,500.00	88,500.00	0.00
34504	Emergency Preparedness	15,242.48	15,242.48	0.00
34505	AV Equipment - Marketing	5,800.54	5,800.54	0.00
34506	Classroom Enhancements	169,900.00	169,900.00	0.00
34507	Voice over IP phones & licences	133,498.00	130,720.40	2,777.60
34508	Nursing Simulator	20,000.00	20,000.00	0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
	Overall Totals	554,431.02	551,653.42	2,777.60
	Total Carry Over	655,687.00		
	Amount Budgeted	554,431.02		
	Total Available	101,255.98		

HB1003
Dakota College at Bottineau
attachment #1
1/17/11

2011-13

NATURE, TECHNOLOGY, & BEYOND

DAKOTA COLLEGE AT BOTTINEAU

AN AFFILIATE OF MINOT STATE UNIVERSITY

House Appropriation Hearings

Campus Budget & Financial Info



62nd Legislative Assembly

Budget Number 243

January 17, 2011

Table of Contents

Budget and Financial Information

Comparison of General Fund Request to Executive Recommendation..... 1
2011-13 Appropriated Budget..... 2
2011-13 Parity Comparison..... 3
2011-13 Equity Allocation..... 4
Use of 2009-11 Equity Funding..... 5
FY2010 Operating Revenue and Expenses..... 6
FY2010 Operating Revenue and Expenses Chart..... 7
Comparison of FY2010 and FY2011 Budget to Actual – Gen Fund and Tuition... 8
Comparison of FY2010 and FY2011 Budget to Actual – Non-appropriated..... 9
Statement of Revenue, Expenses and Net Assets – FY2010 & FY2009..... 10
2009-11 Appropriated Status Report..... 11
2009-11 Extraordinary Repairs, Deferred Maintenance and Capital Projects..... 12
2011-13 Extraordinary Repairs and Capital Projects..... 13
2011-13 NDUS Capital Project Priority List..... 14
2011-13 Capital Projects Detail 15-16
2011-13 Small to Medium Size Projects – Priority List..... 17

Comparison of SBHE General Fund Revised Request And Executive Recommendation

Dakota College at Bottineau

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 7,211,198	$ 7,211,198	$ -
Base Adjustments	(1,177,689)	(1,177,689)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**6,033,509**	**6,033,509**	-
Prioritized SBHE Needs Based Request:			
Parity	408,058	293,158	(114,900)
Equity	250,000	166,667	(83,333)
College Affordability	143,977	105,550	(38,427)
Facility and Infrastructure Regular Repair and Maintenance	5,782	5,782	-
Student Mental Health Services	120,570	120,570	-
Employee Retirement Contributions	23,875	23,493	(382)
Total Requested Increase in GF Base Funding	952,262	715,220	(237,042)
Total Base General Fund Request & Recommendation	**6,985,771**	**6,748,729**	**(237,042)**
One-time Budget Requests:			
Pay-off Special Assessments	-		-
Total One-time Budget Request & Recommendation	-	-	-
2011-13 Small-Medium Projects	**700,250**		**(700,250)**
2011-13 State-funded Projects	**965,000**	-	**(965,000)**
Total 2011-13 General Fund Request & Recommendation	$ 8,651,021	$ 6,748,729	$ (1,902,292)

DAKOTA COLLEGE AT BOTTINEAU
2011-2013 Appropriated Budget

BASE BUDGET:	Operations	Capital Assets	Total	General Fund	Other Funds	Total Funds
2009-11 Base Budget						
Operations	5,923,784		5,923,784	5,923,784	-	5,923,784
Capital Assets	-	3,287,414	3,287,414	1,287,414	2,000,000	3,287,414
Capital Assets-Off System		-	-		-	-
Total 2009-11 Base Budget			9,211,198	7,211,198	2,000,000	9,211,198
Less One-Time Allocations:						
Deferred Maintenance	-	(97,021)	(97,021)	(97,021)	-	(97,021)
Capital Assets Carryover		(668)	(668)	(668)	-	(668)
Capital Projects	-	(3,080,000)	(3,080,000)	(1,080,000)	(2,000,000)	(3,080,000)
Total Adjusted 2009-11 Budget Base	5,923,784	109,725	6,033,509	6,033,509	-	6,033,509
Add: Parity Increases						
Continue 2010-11 Salary Increase	110,061	-	110,061	82,546	27,515	110,061
Adjusted Health Insurance Increases	70,721	-	70,721	53,041	17,680	70,721
Operating Inflation (2.1% for FY12 & 2.0% for FY13)	46,591	-	46,591	34,943	11,648	46,591
Salary Increases (4.5% per yr)	316,704	-	316,704	237,528	79,176	316,704
Utilities Increase	-	-	-	-	-	-
Total Parity Increases	544,077	-	544,077	408,058	136,019	544,077
Add: Other Operating Increases						
Equity	250,000		250,000	250,000	-	250,000
College Affordability	-		-	143,977	(143,977)	-
Facility and Infrastructure Repair and Maintenance	-	5,782	5,782	5,782	-	5,782
Student Mental Health Services	120,570		120,570	120,570	-	120,570
Employee Retirement Contributions	31,833		31,833	23,875	7,958	31,833
Add: Capital Assets						
Major Capital Projects	-	996,250	996,250	965,000	31,250	996,250
Small Capital Projects	-	725,250	725,250	700,250	25,000	725,250
Total 2011-13 Budget Request	6,870,264	1,837,007	8,707,271	8,651,021	56,250	8,707,271
Executive Recommendation						
Operating Inflation (0%)	(46,591)	-	(46,591)	(34,943)	(11,648)	(46,591)
Salary Increases (3% per yr)	(106,609)	-	(106,609)	(79,957)	(26,652)	(106,609)
College Affordability	-	-	-	(38,427)	38,427	-
Equity	(83,333)	-	(83,333)	(83,333)	-	(83,333)
Employee Retirement Contributions	(509)	-	(509)	(382)	(127)	(509)
Major Capital Projects	-	(996,250)	(996,250)	(965,000)	(31,250)	(996,250)
Small Capital Projects	-	(725,250)	(725,250)	(700,250)	(25,000)	(725,250)
Exec. Recommend Over (Under) Budget Request	(237,042)	(1,721,500)	(1,958,542)	(1,902,292)	(56,250)	(1,958,542)
Total 2011-13 Budget Executive Recommendation	6,633,222	115,507	6,748,729	6,748,729	-	6,748,729

DAKOTA COLLEGE AT BOTTINEAU
General Fund Parity Comparison

	Parity Request, Assumes 4.5% Sal Incr	Executive Recommendation (3% Salary Incr and No Inflation)	Difference Due to Change in Salary Increase & No Operating Inflations
Parity Increases			
Continue 2010-11 Salary Increase	82,546	82,546	-
Adjusted Health Insurance Increases	53,041	53,041	-
Operating Inflation (2.1% for FY12 & 2.0% for FY13)	34,943	-	(34,943)
Salary Increases	237,528	157,571	(79,957)
Utilities Increase	-	-	-
Total Parity Increases	408,058	293,158	(114,900)

Dakota College at Bottineau
Equity Allocation

	Current Percent of Peer Benchmark - based on 09-11 Budget Allocations	With Minimum		Percent of Peer Benchmark - After Allocation of 11-13 Parity and Equity
		Percentage distribution of those campuses not participating in minimum allocation	2011-13 Budget Request - LTF Plan Model, with minimum	
Requested	79%		$250,000	87%
Executive Recommendation	79%		$166,667	82%
Over (Under) Budget Request			-$83,333	

Equity funding may be used for the following:

1. Operating inflation.
2. Funding to address faculty and staff compensation issues. Current compensation ranks near the bottom when compared to both national and regional averages. . As Dakota College at Bottineau continues the development of a comprehensive compensation plan, additional funding to address market inequities in salaries and wages becomes even more apparent.
3. Professional development opportunities for faculty and staff. Would provide additional funding for employees to attend regional and national seminars, conferences and workshops that will provide them with additional skills to be more innovative and more effective in the delivery of instruction and/or services to campus constituents.
4. Salary and benefits (1.0 FTE) for student support to alleviate departmental workloads associated with increasing enrollments and job complexities. Would provide additional resources needed to better assist students and other campus constituents. .
5. Funding to collaborate with local business partners to establish an adult day care program in Bottineau. This collaboration will provide students in our Caregiver Program the opportunity to use and hone their skills in a controlled "on the job" training environment. The students will help provide a needed service in the Bottineau community.
6. Additional operating funds for supplies and materials for Plant Services, Support Services and Academic Support/Instruction. These funds are needed to cover the estimated cost of providing support services to students, faculty and staff. Cost for printing, transportation, travel, supplies have increase beyond the annual inflationary adjustments.

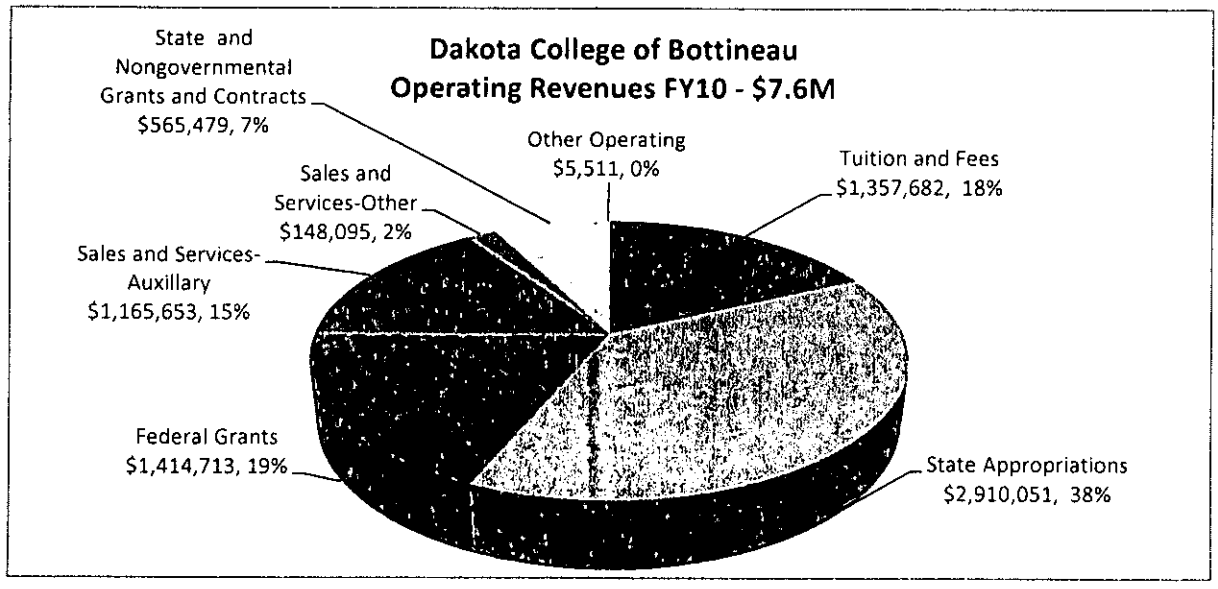
DAKOTA COLLEGE AT BOTTINEAU
USE OF EQUITY FUNDING AND ADD'L TUITION REVENUES
2009-2011

New Positions for 2009-11		
Admin Ass't Position - Academic Support	80,686	
Additional Adjunct Faculty	128,500	
Medical Programs Admin Ass't to FT	40,460	
Nursing Instructor to FT - Fogarty	65,112	
Minority Counselor	90,947	
Bridges Program Administrator/Instructior (VCSU)	79,142	
Total New Payroll Commitments	484,847	
Other New Budgeted Commitments		
Increase Operating Budget	50,000	
Add'l IVN Classrooms Equipment	30,000	
Total Other Commitments	80,000	
Total New Commitments		564,847
Funding Sources		
2009-11 Equity Funding	250,000	
Tuition Revenues (From enrollment increases)	314,847	
Total Funding Sources		564,847

DAKOTA COLLEGE AT BOTTINEAU
FY 2010 OPERATING REVENUE AND EXPENSES

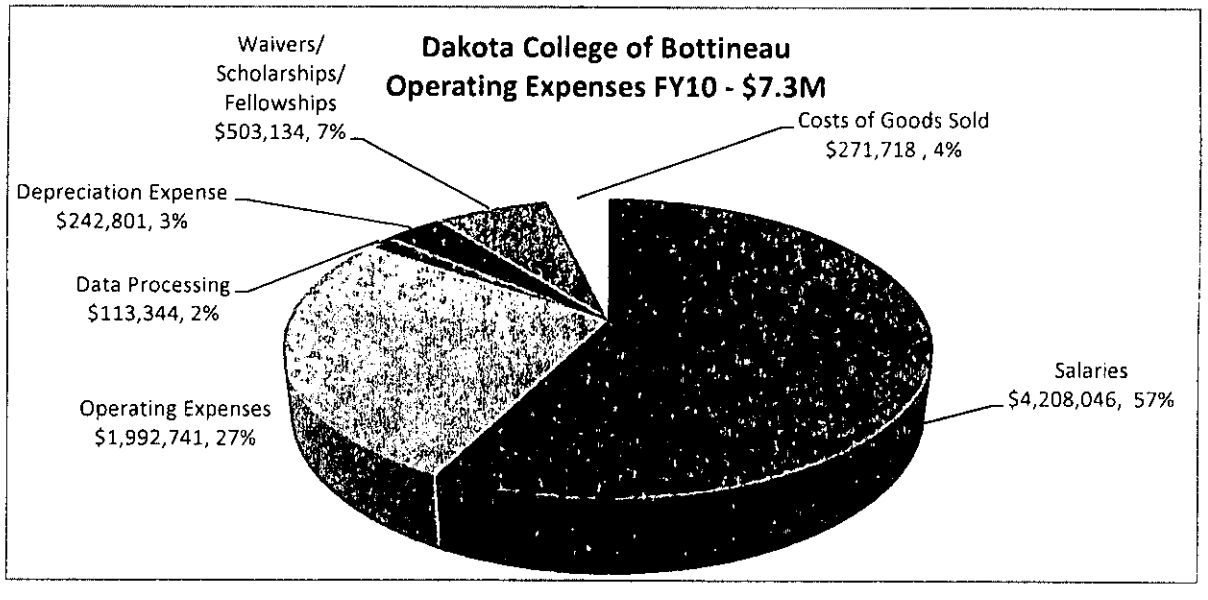
Operating Revenues		
Tuition and Fees	1,357,682	18%
State Appropriations	2,910,051	38%
Federal Grants	1,414,713	19%
Sales and Services-Auxillary	1,165,643	15%
Sales and Services-Other	148,095	2%
State and Nongovernmental Grants and Contracts	565,479	7%
Other Operating	5,511	0%
Total	$7,567,174	100%

Operating Expenses		
Salaries	4,208,046	57%
Operating Expenses	1,992,741	27%
Data Processing	113,344	2%
Depreciation Expense	242,801	3%
Waivers/Scholarships/Fellowships	503,134	7%
Costs of Goods Sold	271,728	4%
Total	$7,331,794	100%



Operating revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this

Source: FY2010 NDUS audited financial statements



Source: FY2010 NDUS audited financial statements

Dakota College at Bottineau

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	1,596,922	100,786	-	-	1,697,708
Institutional Support	583,977	152,849	25,000		761,826
Student Services	350,055	90,806	-	-	440,861
Academic Support	333,130	116,213	-	-	449,343
Plant Services	434,831	425,551	-	-	860,382
					-
SUBTOTAL	3,298,915	886,205	25,000		4,210,120
					-
					-
					-
Total Appropriation (GF and tuition) for FY10	3,298,915	886,205	25,000		4,210,120
Actual Expenditures to Date, thru 6/30/2010	3,298,914	911,645	25,076		4,235,635
Remaining FY10 Balance	1	(25,440)	(76)		(25,515)

Comparison of FY2011 Budget to Actual through (most recent date available)	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	1,715,429	133,810			1,849,239
Institutional Support	609,450	88,000			697,450
Student Services	362,582	93,530			456,112
Academic Support	490,137	119,699			609,836
Plant Services	469,600	440,629			910,229
					-
SUBTOTAL	3,647,198	875,668	-		4,522,866
					-
					-
					-
					-
Total Appropriation (GF and tuition) for FY11	3,647,198	875,668	-		4,522,866
Actual Expenditures to Date, thru 11/30/2010	1,443,238	466,053			1,909,291
Remaining FY11 Balance	2,203,960	409,615			2,613,575

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				97,021	97,021
Capital Assets (Line 50)				1,189,725	1,189,725
Capital Assets Carryover (Line 51)				668	668
Capital Assets - Off System (Line 52)				700,000	700,000
Total Capital Assets (Incl Major Capital Projects)				1,987,414	1,987,414
Actual Expenditures, 7/1/2009-6/30/2010				291,542	291,542
Remaining 2009-11 Balance as of 6/30/2010				1,695,872	1,695,872
Actual Expenditures 7/1/2010-11/30/2010				725,089	725,089
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	970,783	970,783

Dakota College at Bottineau

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	*FY2010 Operating Budget*				
FY2010 Nonappropriated Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Grants and Contracts	491,623	120,972	27,322	-	639,917
Auxiliary Sales and Services	176,333	890,756	-	-	1,067,089
Other Nonappropriated Funds*	237,413	339,014	-	-	576,427
Total Nonappropriated Budget for FY10	**905,369**	**1,350,742**	**27,322**	**-**	**2,283,433**
Actual Expenditures thru 6/30/2010	909,132	1,480,899	27,268	-	2,417,299
Remaining FY10 Balance	**(3,763)**	**(130,157)**	**54**	**-**	**(133,866)**

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	*FY2011 Operating Budget*				
FY2011 Nonappropriated Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Grants and Contracts	498,412	127,088			625,500
Auxiliary Sales and Services	208,832	1,033,456			1,242,288
Other Nonappropriated Funds	201,756	340,000			541,756
Total Nonappropriated Budget for FY11	**909,000**	**1,500,544**	**-**	**-**	**2,409,544**
Actual Expenditures thru 11/30/2010	335,761	710,424			
Remaining FY11 Balance	573,239	790,120	-		2,409,544

2009-11 Nonappropriated Capital Assets					
Deferred Maintenance 09-11 (Line 54)	-	-	-	-	-
Capital Assets (Line 50)	-	-	-	-	-
Capital Assets Carryover (Line 51)	-	-	-	-	-
Total Capital Assets (InclMajor Capital Projects)	-	-	-	-	-
Actual Expenditures, 7/1/2009-6/30/2010	-	-	-	-	-
Remaining 2009-11 Balance as of 6/30/2010	-	-	-	-	-
Actual Expenditures 7/1/2010-11/30/2010	-	-	-	-	-
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	-	-

DAKOTA COLLEGE AT BOTTINEAU
STATEMENT OF REVENUE, EXPENSES AND NET ASSETS

	2010 Report	2009 Report	Change Inc/ Dec( )	
OPERATING REVENUES				
Student Tuition and Fees	1,357,682	1,167,685	189,997	
Federal Grants and Contracts	333,306	307,548	25,758	
State Grants and Contracts	229,479	153,386	76,093	
Private Grants & Contracts	336,000	76,725	259,275	
Sales & Services of Ed Depts	148,095	78,527	69,568	
Auxiliary Enterprises	1,165,643	1,009,842	155,801	
Other Operating Revenue	5,511	5,973	(462)	
Total Operating Revenues	3,575,716	2,799,686	776,030	28%
OPERATING EXPENSES				
Salaries	4,208,046	3,828,851	379,195	
Operating Expenses by LineItem	1,992,741	1,836,085	156,656	
Data Processing	113,344	68,713	44,631	
Depreciation	242,801	232,080	10,721	
Waivers/Scholarships/Fellowshi	503,134	404,541	98,593	
Costs of Goods Sold	271,728	250,888	20,840	
Total operating expenses	7,331,794	6,621,158	710,636	11%
Operating Income	(3,756,078)	(3,821,472)	65,394	
NONOPERATING REVENUES (EXPENSES)				
State Appropriations	2,910,051	2,464,776	445,275	
Fed Grants & Contracts-Nonop	1,081,407	774,395	307,012	
Gifts	201,959	218,356	(16,397)	
Endowment & Investment Income	19,035	242,516	(223,481)	
Interest on Cap Asset Debt	(14,115)	(14,132)	17	
Other Non Oper Revenue	-	-	-	
Net nonoperating revenues	4,198,337	3,685,911	512,426	14%
Income/loss before capital grants, gifts and transfers	442,259	(135,561)	577,820	
Fed Approp - Capital Assets	-	-		
State Approp - Capital Assets	291,911	87,111	204,800	
Transfer to Bldg Authority	-	-		
Capital Grants and Gifts	-	-		
Increase (decrease) in net assets	734,170	(48,450)	782,620	
NET ASSETS				
Net assets--beginning of year, as restated	5,212,997	5,261,446		
Net assets--end of year	5,947,167	5,212,997	734,170	14%

DAKOTA COLLEGE AT BOTTINEAU
2009-2011 Appropriation Status Report

Line Item	Original Appropriation	Adjusted Appropriation	Expenditures Through 11/30/2010	Balance	Percent Remaining
Operations	5,862,372	5,923,784	3,898,902	2,024,882	34%
Capital Assets	3,189,725	1,189,725	949,902	239,823	20%
Capital Assets - Carryover	0	668	0	668	100%
Capital Assets - Off System	0	700,000	0	700,000	100%
Deferred Maintenance	97,021	97,021	66,730	30,291	31%
Total	9,149,118	7,911,198	4,915,534	2,995,664	38%
Funding Source					
General Funds	7,148,118	7,211,198	4,915,534	2,295,664	32%
Federal Funds	0	0	0	0	0%
Special Funds	2,000,000	700,000	0	700,000	100%
Total	9,148,118	7,911,198	4,915,534	2,995,664	38%

DAKOTA COLLEGE AT BOTTINEAU
Status of 2009- 2011
Extraordinary Repairs, Deferred Maintenance & Capital Projects

	Revised Budget 2009-11	Expenses As Of 11/30/10	Balance	% Remaining
Extraordinary Repairs				
Misc. Small Projects < $50,000	67,725	58,742	8,983	
Mechanical/Electrical Upgrades	20,000	18,558	1,442	
Structural Repairs	12,000	0	12,000	
Utilities/Infrastructure	10,000	0	10,000	
Total Extraordinary Repairs	109,725	77,300	32,425	29.6%
Capital Assets - Carryover				
Misc. Small Projects < $50,000	668	0	668	
Total Capital Assets - Carryover	668	0	668	100.0%
Deferred Maintenance				
Building Exterior	49,532	49,532	0	
Misc. Small Projects < $50,000	47,489	17,197	30,292	
Total Deferred Maintenance	97,021	66,730	30,291	31.2%
Capital Projects				
Boiler Replacement	800,000	605,596	194,404	
Greenhouse Upgrades/Repairs	280,000	267,006	12,994	
Greenhouses, Wash/Pack Bldg	700,000	0	700,000	
Total Capital Projects	1,780,000	872,602	907,398	51.0%
Total Capital Assets	1,987,414	1,016,632	970,782	48.8%
Sources of Capital Funding				
General Fund	1,287,414	1,016,632	270,782	21.0%
Oil Trust Fund	0	0	0	0.0%
Special Funds	700,000	0	700,000	100.0%
Total Funding Sources	1,987,414	1,016,632	970,782	48.8%

DAKOTA COLLEGE AT BOTTINEAU
2011-13 Extraordinary Repairs and Capital Projects

2011-13 Budget Request	
Extraordinary Repairs	115,507
Capital Project - Road Repairs Repaving	731,250
Capital Project - Thatcher Hall Heating System Upgrade	265,000
Small Campus Projects <$250,000	725,250
Total 2011-13 Capital Assets Request	1,837,007
Funding Sources	
General Fund	1,780,757
Other Funds	56,250
Total 2011-13 Capital Assets Funding Sources	1,837,007
2011-13 Executive Recommendation	
Capital Project - Road Repair Repaving	-731,250
Capital Project - Thatcher Hall Heating System Upgrade	-265,000
Small Campus Projects <$250,000	-725,250
Total 2009-11 Executive Recommendation	115,507
Funding Sources	
General Fund	115,507
Other Funds	0
Total 2011-13 Capital Assets Funding Sources	115,507

Extraordinary Repair Projects	
Misc. Small Projects less than $50,000	55,507
Mechanical and Electrical Upgrades	20,000
Utilities and Infrastructure	10,000
Building Exterior	20,000
Structural Repairs	10,000
Total Extraordinary Repairs Projects	115,507

NDUS 2011-13 Major Capital Project Priorities
Dakota College at Bottineau
Approved by the SBHE, June 24, 2010

Project Description	Project Type	Cost			Other Source	Deferred Maint Addressed
		State	Other	Total		
	A=addition; R=renovation; NC=new construction					
Section 1: CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST						
7 Road Repairs/Repaving (180,000 sq. ft.)	R	$700,000	$31,250	$731,250	local	$731,250
12 Heating System Upgrade - Thatcher Hall	R	$265,000	$0	$265,000		$265,000
		$965,000	**$31,250**	**$996,250**		**$996,250**

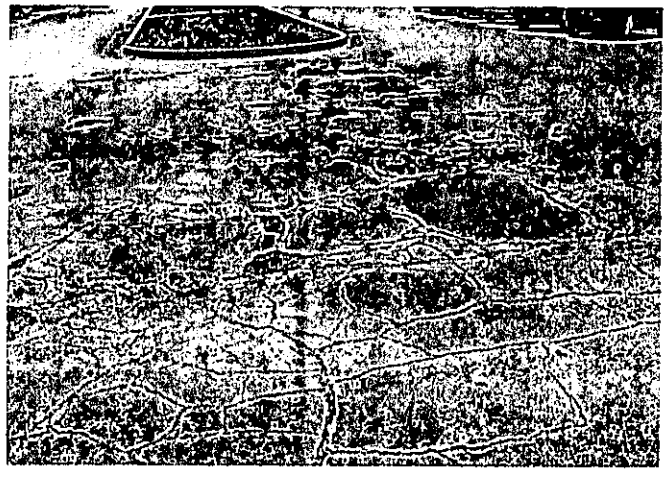
DAKOTA COLLEGE AT BOTTINEAU
Capital Projects

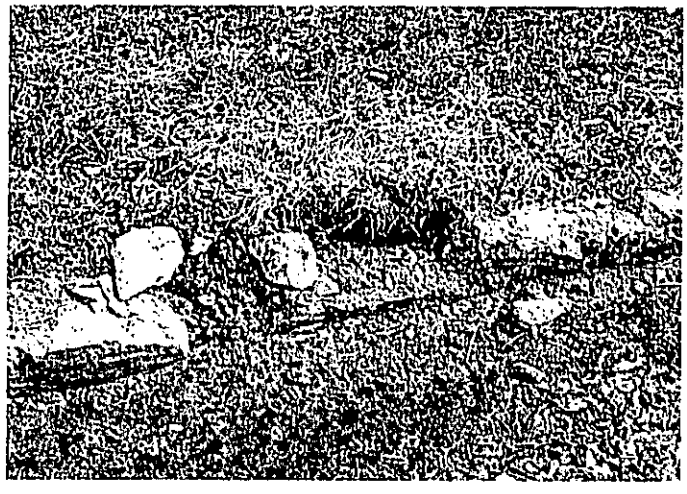
Road
Repairs/Repaving

Funding Source	
General Funds	Special
$700,000	$ 31,250

The campus has 180,000 sq. ft. of asphalt roadway that require extensive repair including new overlay or resurfacing. These roads develop numerous potholes annually and are badly cracked and checkered. During 2007, a section of road extending from Thatcher Hall to north of the Nelson Science Center was replaced.

Wold Engineering P.C. reviewed the remaining pavement areas on campus to determine options for improvements to the roadway and parking areas. The review consisted of a visual inspection of the campus, a review of old plans to determine existing pavement section thickness, existing pavement areas, and drainage information. It was determined that all existing asphalt should be removed and the subgrade excavated out. The excavated areas would be replaced with geotextile fabric, 12" of aggregate base materials, and 4" of hot bituminous asphalt. Additionally, curb and gutter apron will be replaced where needed. This option would provide DCB with new pavement and proper drainage so that runoff is handled properly.





DAKOTA COLLEGE AT BOTTINEAU
Capital Projects

	Funding Source	
	General Funds	Special
Heating System Upgrade - Thatcher Hall	$265,000	$0

This project would replace all steam and condensate piping, hot water heating piping, valves, traps, insulation, and associated pumps located in the that portion of Thatcher Hall constructed in 1949.

The steam, condensate and hot water heating pipe located in Thatcher Hall are the original black pipe and fittings installed in 1949. The joints and fittings are deteriorating from age and corrosion. Leaks are common but damage to this point has been limited to ceiling tiles, paperwork on desks and carpeting. It is proposed to replace the entire heating pipe infrastructure which also requires the removal of asbestos insulation remaining on the steam line and condensate lines located in a tunnel under the building.

DAKOTA COLLEGE AT BOTTINEAU
Small-to-Medium Size Projects - Priority List

	Project Description	Campus	Cost State	Cost Other	Cost Total	Other Source	Deferred Maint Addressed
	STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST						
	Ranked State Funded Projects Requested (Campuses)						
1	**Additional IVN Classrooms** -- Equipment for two additional video conferencing classrooms to accommodate the growth in off-campus programming.	DCB	$70,000	$0	$70,000		$0
2	**Science Lab Updates** -- Project includes upgrading the existing infrastructure (i.e., student work stations, storage areas, audiovisual equipment, etc.) to equip the science labs with state-of-the-art equipment and instrumentation.	DCB	$140,000	$0	$140,000		$0
3	**HVAC Upgrade - Nelson Science Center** -- Install air conditioning and improve building ventilation.	DCB	$145,250	$0	$145,250		$0
4	**Student Center Improvements** -- Involves replacing entry doors and all windows, remodeling the kitchen, covering the tile floor with carpeting and converting conference rooms into a home theater/gaming area.	DCB	$100,000	$25,000	$125,000	student fees	$68,000
5	**Gymnasium Improvements** -- Includes adding handrails in the bleachers, padding on the walls, lighting upgrade, improving sound system, refinishing block walls and scorer's desk, and improving ventilation.	DCB	$75,000	$0	$75,000		$75,000
6	**Grounds Improvements** -- Includes installing irrigation systems in the commons, boulevard and athletic fields; constructing a north entry gate; creating a walking trail or arboretum; erecting anti-vehicle bollards; and planting a decorative sight screen on east side of heating plant.	DCB	$95,000	$0	$95,000		$0
7	**Central Heating Plant Upgrades** -- Project includes improving air handling and ventilation; installing an additional condensate tank; modify oil boilers to burn bio-fuels; removal of non-functional oil-fire boiler; modify coal system to handle pellets and other biomass; and add additional storage for biomass.	DCB	$75,000	$0	$75,000		$75,000
	Total		$700,250	$25,000	$725,250		$218,000

HB 1003
Attachment #2
Dakota college at Bottineau
1/17/11

DAKOTA COLLEGE AT BOTTINEAU
Biennial Summary

Fall Enrollment History – 2001-2010

Fall Enrollment	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Headcount	450	520	608	620	602	523	605	655	748	863
Full-time	368	349	395	387	356	316	306	345	348	399
FTE	392	390	446	443	419	362	401	440	489	540

- Headcount enrollment has increased 92%, full-time enrollment 8.4%, and FTE enrollment 38% since Fall 2001
- Record enrollment: Fall 2009, Spring 2010, Fall 2010, and Spring 2011

Online Course Delivery

The delivery of online course work at Dakota College has grown from 69 classes, 215 students, and 486 registrations in the fall of 2008 to 90 classes, 260 students, and 594 registrations in the fall of 2010.

Policy Areas Considered:

- Expand access to online delivery
- Increase outreach to underrepresented students

IVN Course Delivery

IVN course delivery has grown from 1292 hours in the fall of 2008 to 1602 hours in the fall of 2010.

Policy Areas Considered:

- Expand flexible program delivery
- Leverage technology to increase efficiencies

Passport Program (MISU & DCB)/ Bridges Program (VCSU & DCB)

The Passport and Bridges Programs are unique collaborative initiatives available to students who are not eligible for full admission at MISU or VCSU but who want to attend college, pursue a four-year degree, and remain in the Minot or Valley City areas.

After completing the Passport or Bridges Program's course work that is offered by DCB on the MISU or VCSU campus, students will transition to MISU or VCSU as fully admitted students. .

Policy Areas Considered:

- Improve preparation for college
- Enhance student support services

Prior Learning

Dakota College at Bottineau has developed a policy for the evaluation and awarding of college credit for prior learning experiences. DCB recognizes that college-level learning takes place outside of the college classroom. Employed adult learners have educational needs that differ from those of traditional college students who enter directly from high school. The preparation of students for successful careers is the central focus of the Prior Learning Assessment Program's mission.

The procedures relative to the evaluation and awarding of Prior Learning Credit (PLC) ensure that college-level, degree-applicable experiences are awarded credit appropriately and consistently via the assessment of the following: 1) experiential learning portfolio; 2) professional certificate evaluation; 3) military transcripts; and 4) CLEP exams.

Policy Areas Considered:

- Proactively serve state needs
- Better serve working adults

Allied Health Program and Graduates

Medical Assistant = 45	Medical Administrative Assistant = 16
Medical Transcription = 56	Medical Coding = 18
Practical Nursing = 93	Associate Degree Nurse = 72
EMT/Paramedic = 5	**TOTAL=305**

Policy Areas Considered:

- Increase workforce training
- Promote Career and Technical Programs

Remedial Instruction

DCB received a $20,000 grant to implement a Math Redesign Project for the delivery of developmental math instruction. The Redesign Project focuses on changing remedial math instruction from the traditional lecture method in which all basic math concepts are taught to a laboratory setting where only individual student's specific math deficiencies are remediated.

Policy Areas Considered:

- Support productivity improvements
- Ensure educational quality

Certificate in General Studies

The college has begun a Certificate in College Studies Program that promotes retention and persistence toward a degree for students entering DCB who are undecided about a college major/career. The program exposes undecided students to career clusters, academic disciplines, interest inventories, and community resources designed to help them make sound career decisions and to earn a degree, certificate or credential.

Policy Areas Considered:

- Improve student retention and completion
- Promote college awareness

HB1003
Lake Region
community college
1/18/11
attachment #1

House Appropriations Committee Hearings

HB 1003

Lake Region State College

JANUARY 18, 2011

Lake Region STATE COLLEGE

1801 College Drive North, Devils Lake ND 58301-1598
701.662.1600 ~ 800.443.1313 ~ 701.662.1570 fax

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House Appropriations Committee Hearings
HB 1003

Lake Region State College
January 18, 2011

Good morning, Chairman Rep. Skarphol, Vice-Chair Rep. Hawken and members of the House Appropriations Education and Environmental Division. I am Dr. Mike Bower, President of Lake Region State College.

The College

Two years ago, I came to you as the new president of Lake Region State College. I would like to thank you for your support in the last biennium to our college.

Our mission for Lake Region State College is to provide quality academic education, vocational/technical training, workforce training, outreach opportunities, and lifelong learning. As we look ahead to the next biennium, we have many challenges to our mission. Similar to other colleges in the North Dakota University System, we have the continuing challenge of the state's demographic shifts and the potential impact on enrollment and lack of funding required for personnel to meet the increasing workload at our institution.

The college has had a good year, and we continue to seek resources in the private sector that will benefit our students and community into the future. We have been able to build some positive relationships with our community leaders, businesses and economic development, the school systems in our service area, our local and regional legislators and have strengthened relationships with the North Dakota University System colleges and universities. Fostering these good relationships is important to the success of the college.

Since the last biennium, Lake Region State College has provided a wind technician program to address the projected growth for well trained technicians required for maintaining wind tower operations throughout North Dakota. This program is very unique in that LRSC is the single provider for wind education in North Dakota as certified by the American Wind Energy Association. The operational and equipment cost for the program has been a tremendous expense. We have been blessed to have innovative team members to address efficiencies through constructing teaching aids, seeking donation of equipment and scholarships from private donors and the award of state and federal grant opportunities. State appropriated funds for the wind program have been very limited to provide students the required skills and knowledge for wind technician careers in North Dakota and supporting economic development.

Our center of excellence, the Dakota Center for Technology-Optimized Agriculture generated double the number of high-value jobs called for in its first application for funding, and also raised 2.5 times the total investment in private sector dollars required as a match for center funding.

And, it created new business opportunity with "start-ups" in other rural areas of our state and participated in 'locational' decisions of Canadian companies looking to expand services for North Dakota's agricultural producers. The program is only available through LRSC to assist our agriculture industry with efficiencies in crop production.

Our rural communities in the northeast sector of North Dakota are the source of our natural resources and many of our values. Rural people deserve opportunities to participate in America's prosperity, but much of rural North Dakota is threatened by demographic changes including population decline. Job loss leads to population loss and young people leave home after high school or college for lack of job opportunities. Others fail to pursue an education because they do not see it leading to a job. Meanwhile, in other rural areas, rapid growth threatens to overwhelm traditional culture, while low-income residents fail to reap the benefits of the expanding economy.

Two and one half years ago I chose to come to Lake Region State College over other two-year colleges seeking a president. After an extensive research of information, I realized the distinctive contributions of LRSC for the Devils Lake region to higher education was their adaptive, transmutable mission. They represent education's local, front-line interface with the northeast region. To fulfill this transmutable mission, LRSC is a comprehensive community college providing:

(1) A general and liberal arts education transferable to four-year institutions in the university system by providing blended methods of instructional delivery to include dual credit and on-line instruction (on-line courses were instrumental for me to complete my graduate work)

(2) Providing programs for vocational and technical education to meet workforce occupations

(3) Addressing the needs for adult, continuing, and community education

(4) Providing programs for developmental/remedial, and college-preparatory education

(5) Counseling, placement, and student development services to assist special populations that include low income students, first generation students, and military veterans (as a veteran I know the importance of providing educational assistance).

Lake Region State College stresses collaboration with our sister institutions and economic development partners. Both are needed to have an impact on the growth and retention of population in the northeast region of North Dakota.

The link between economic development and access to education is especially important, because in rural areas, low levels of educational attainment and high poverty are barriers to development that must be addressed simultaneously if the local economy is to thrive.

Lake Region State College is the educational hub to the central region of the northeast corner of North Dakota and is vital to addressing the needs for workforce development, to collaborate with economic development for retention of employers and developing entrepreneurs and strengthening the sharing of resources with our P16 partners for student educational success

Mr. Corry Kenner, Vice President of Administrative Services will present to you, budget information for Lake Region State College (Appendix 1).

In January 2010, we entered into an alliance with Little Hoop Community College at Fort Totten, ND (Exhibit 1) to provide CNA & Quality Service Provider training for their Cherished Elders Program. In accord with the state's Strategic Plan for Workforce Development and Training, this alliance will fulfill our institution Strategy 4.5, "Increase the workforce development and workforce training services for individuals residing on American Indian Reservations."

Exhibit 1

TrainND, CCCC work together on Cherished Elders Program

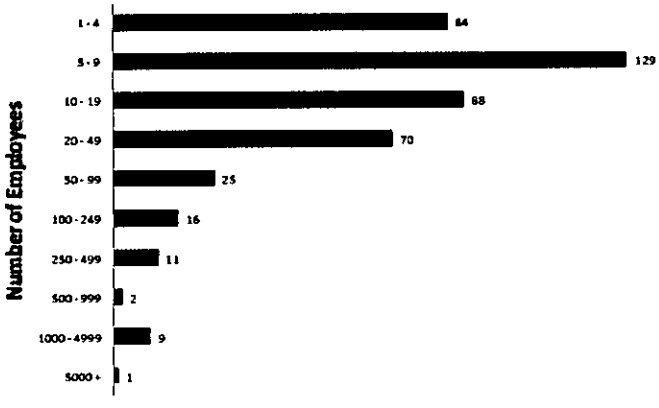
In January 2010, we entered into an alliance with Cankdeska Cikana Community College (CCCC) to provide CNA & QSP (Quality Service Provider) training for their O'Tanka Tewicahidapi Program (Cherished Elders). In accord with the state's Strategic Plan for Workforce Development and Training, this alliance will fulfill Strategy 4.5 "Increase the workforce development and workforce training services for individuals residing on American Indian Reservations."

This alliance, dubbed *An Alliance for Improving Quality in Personal Care Assistance for Rural North Dakota* was made possible by a U.S. Department of Health and Human Services grant. CCCC has recently been awarded another federal grant, *Next Steps: An empowerment model for Native people to enter the health professions.* The purpose of both grants is to provide comprehensive home health care training. The goal of the new grant is to deliver CCCC's model to the other three tribal colleges.

The *Cherished Elders* program is a progressive/aggressive model of worker training that will serve rural North Dakota and the Native American population with high standards, closely scrutinized admission, and top-notch Qualified Service Provider training. We thank CCCC for extending this opportunity and anxiously look forward to the next project's implementation.

OUR CUSTOMERS

Number of companies served by employee size



Our goal is to be an innovative and responsive training resource by providing skills that increase the efficiency and confidence of employees, making them more valuable to employers.—Edie Armey, Director

NORTHEAST ADVISORY BOARD

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"I would not know where to go for training if the TrainND representatives were not here to help. They have proved to be a great resource for our manufacturing training. The staff is professional, extremely helpful, and they find answers to my questions quickly—I never have to ask twice. TrainND brings quality trainers to our worksite, which is convenient and cost-effective."

- Angie Summers
VP Operations
Summers Manufacturing

TrainND Northeast Staff
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Rene' LaFrance, Training Manager
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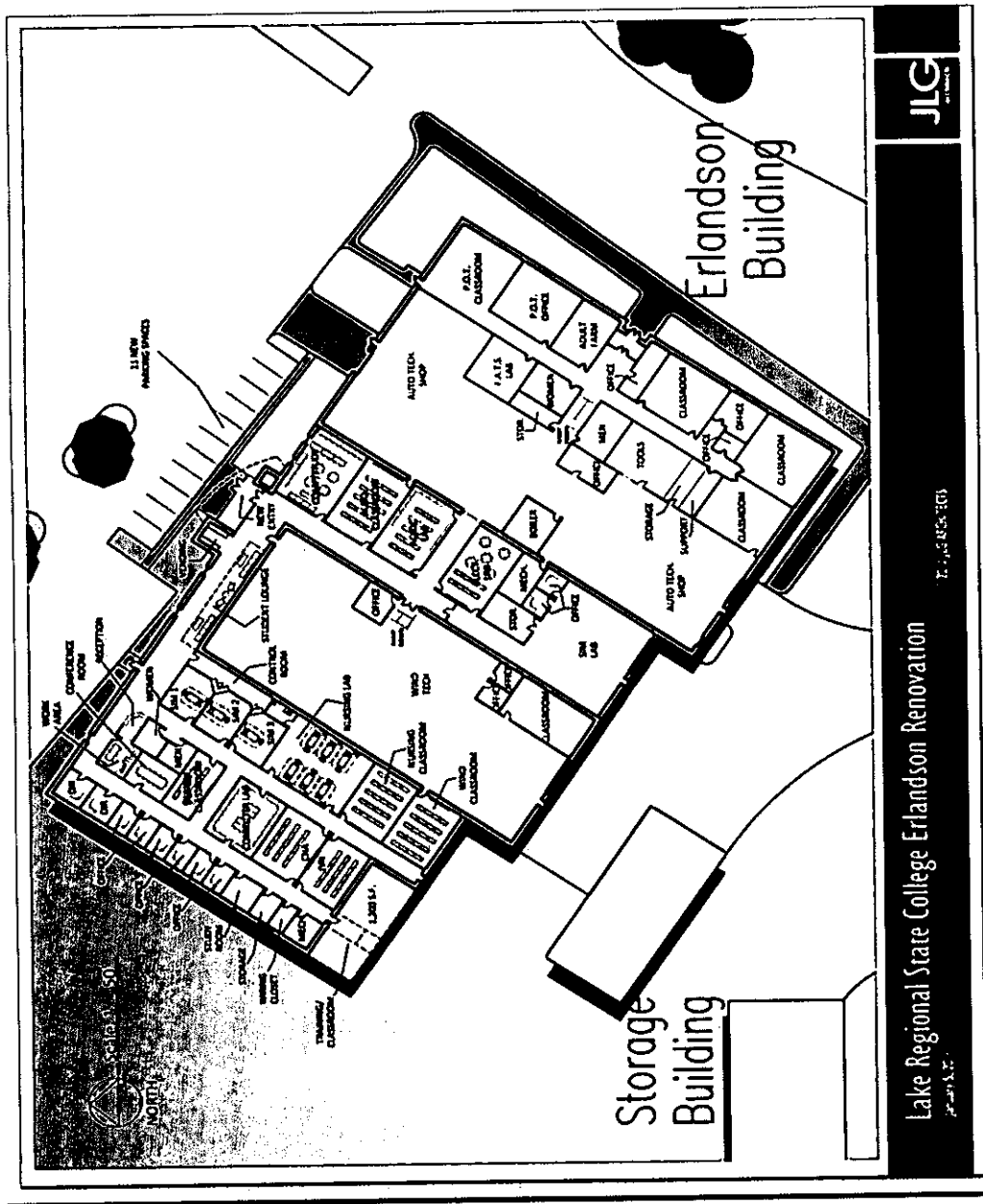
This alliance, known as *An Alliance for Improving Quality in Personal Care Assistance for Rural North Dakota* was made possible by a U.S. Department of Health and Human Services grant. Little Hoop Community College has recently been awarded another federal grant, *Next Steps: An empowerment model for Native people to enter the health professions.* The purpose of both grants is to provide comprehensive home health care training. The goal of the new grant is to deliver Little Hoop Community College model to the other three tribal colleges.

Erlandson Technical Center

In 1969, the 25,000-square-foot Erlandson Technical Center opened its doors for students entering into a vocational program. Nine years later, it was enlarged with a 14,000-square-foot addition just to the west of the original building. The addition featured large overhead doors on both ends, high ceilings, and open shop space designed to be partitioned as instruction needs changed. The two halves of the technical center were linked by a walkway wide enough to accommodate a tool storage area and small classroom.

After the expansion in 1978, the technical center was home to four programs and served approximately 130 students. Today, that same space is headquarters for six programs and serves roughly 300 students with accommodations of one men and women's restroom and no student break-room area.

Exhibit 2



Proposed Erlandson Center Renovation

The approval of the State Board of Higher Education for the expansion and renovation of the Erlandson Center as **(Priority #10)** was not included in the Governor's Executive Budget. LRSC is requesting the legislature provide the appropriated funding to expand the college's technical education center approximately 23,000 square feet to meet student requirements for a learning center (Exhibit 2).

Lake Region State College is requesting $4.850 million from appropriation funding for the Erlandson Technical Center renovation/addition. As previously stated, this project was provided to the SBHE and was not included in the Governor's Executive Budget. Also provided to the SBHE was the addition of a wellness center. The project was not accepted by the SBHE with the explanation that the State of North Dakota does not fund such facilities. Lake Region State College has not had state appropriate funding for a major capital project since the construction of the Erlandson Building. (Appendix 2 & 3)

Some of the most challenging space concerns were created by an influx of new students in Nursing, Simulator Technology and Wind Energy. Each of these programs has a very large footprint because they require large laboratories as well as classroom space. The nursing program has outgrown its basic laboratory.

Life-like patient simulators will be acquired which must be located in "hospital rooms" outfitted with one-way glass allowing instructors to operate computers that control the simulated patients' responses to treatment. Nursing also requires lecture rooms, interactive video network (IVN) classrooms, general laboratory space, and office space for the many faculty and support staff it takes to run a program that serves 47 nurse assistant, 22 practical nurse, and 23 associate degree nurse students (Appendix 4).

Classroom/lab space for teaching electronics is also in short supply. Students in the simulator and wind technology programs must master basic AC and DC electronics skills before they can move on to more advanced courses. LRSC and the Lake Area Career and Technical Center share one electronics teaching facility, and LRSC has another. Both are scheduled all day and into the evening. Still students are waiting to enroll.

The Wind Energy Technician program has been challenged to increase its enrollment to meet rapidly developing demands for trained technicians to work in North Dakota's growing wind energy industry. Students not immediately admitted to the program are opting for electronics and other related courses as they wait for a seat in the next cohort of wind tech students (Appendix 5).

Other specialized programs have high resource needs. The Automotive Technology program is a long-standing option with significant space needs. Its dedicated space is large and well-ventilated with room for vehicles and equipment.

The Peace Officer Training Academy, again a unique program providing careers for job opportunities in North Dakota, has grown by taking its program to Grand Forks during the summer. The academy, with room for 25 students in each cycle, is offered three times a year–on campus in fall and spring semesters and in Fargo during the summers. This year, for the first time, the summer academy was offered in Fargo and Grand Forks, simultaneously (Appendix 6).

The 51 individuals who completed the summer programs are qualified to fill law enforcement positions throughout the state and nation. LRSC began training police officers in 1987 and has produced more than 1,000 license-eligible graduates; most have been hired by 116 different North Dakota law enforcement agencies (Appendix 7).

Exhibit 3– LRSC Fall Enrollment

Lake Region State College Fall Enrollment Official Census		
	Fall 2010	Fall 2009
Total Headcount	1,913	1,702
Total Full Time	524	490
Total Part Time	1,389	1,212
Total Credits	13,823	13,018
Total FTE	921.54	867.88
Total Men	831	787
Total Women	1,082	915
Credits by Locations:		
Devils Lake	42%	
Dual Credit	18%	
IVN	2%	
Online	21%	
GFAB Center	14%	
Launch!	3%	

Academics

As I previously stated, a segment of our college mission is to provide quality academic education. Enrollment information for Lake Region State College (Exhibit 3) compares this fall record enrollments to enrollments for 2009. We are delighted ... but also a little bit worried. Strong enrollment means students are discovering the great opportunities LRSC has to offer. But enrollment growth also presents serious challenges to campus resources, from classroom space to infrastructure, to personnel. Our residence halls have reach capacity for the first time since 1988. All of the a mentioned will be our focus as we continue to work through our strategic planning, mission review, and resources (people and budget) required to meet student and stakeholder needs.

Dual Credit

All indications are that again this year, LRSC will see significant enrollment growth in delivery of dual credit courses.

These courses serve two purposes—they count toward high school and college graduation requirements at the same time.

In most cases, LRSC works out a plan to offer the courses at host high schools during the regular school day. Grades and credits earned appear on high school grade reports and on college transcripts. Only students who are earning top grades in high school may enroll. The dual credit option has gained wide acceptance in many high schools throughout the state. In the fall 2010, Lake Region State College began serving Central and Red River high schools in Grand Forks. The schools participating for dual credit at Lake Region State College is fifty three (Appendix 8).

There are a number of reasons that students attend LRSC. There is a positive working relationship between faculty, staff, and students and the course work. This engaged student, for example, may work on projects with other students outside of class and have access to the teacher outside of normal classroom hours. Why, because many of the classes are kept to 12-15 students to give the faculty the opportunity to dedicate time to each student for successful student learning. As the president, it is my responsibility to visit with students one-on-one and in groups to discuss their education concerns. The feedback I have received is with small size classes students are interacting more frequently with instructors and accessing helpful support services more often.

It was evident to me after my first semester at the college, faculty and staff were incredibly eager to help the students succeed. The challenge is that many of those students are 25-year-olds hurrying over to campus from work to take a computer programming class or get their general education requirements completed, as well as 19-year-olds who have time to join student clubs and organizations and want to savor the entire 'collegiate' experience."

Location, program offerings, flexibility of course scheduling, student and community activities held on campus are other important factors for students attending Lake Region State College.

The location of Lake Region State College is a vital part of Devils Lake and the northeast sector of North Dakota area providing economic and quality of life opportunities for residents. LRSC benefits the community significantly. It has high-quality programs that are versatile and provides several different avenues of opportunity. Without LRSC, the communities in the northeast sector would lose students to other communities or out of state. You would have a less educated workforce and a less informed citizenry, with less opportunity for economic development projects and improvements to the community.

The impact of Lake Region State College with direct spending on goods and services, capital expenditures, payroll and benefits, as well as the circulation of those dollars throughout the region and statewide economies benefits all North Dakota citizens. Qualitative benefits are more difficult to measure, but are equally important. They include the production of educated individuals who will enhance the state's workforce and an increase in the quality of graduates' lives based on a higher standard of living and greater self-confidence.

Physical Plant

Base funding for extraordinary repairs of the physical plant for LRSC has actually decreased since the 2001-2003 biennium and has remained static at $43,662 since the 2005-2007 Biennium. One-time funding of $93,807 in the 2009-2011 Biennium was received for the purpose of rectifying a portion of the existing deferred maintenance issues and was greatly appreciated. Major heating/cooling plant repairs and roof and floor repairs accomplished could not have been done at the base funding level.

The Small-to-Medium Size Capital Project dollars (Appendix 9) for Lake Region State College requested for inclusion in the SBHE 2011-13 request was not recommended in the Governor's Executive Budget. The amount of $1,075,577 is desperately needed for complete roof replacement of the main campus complex and the Erlandson Center.

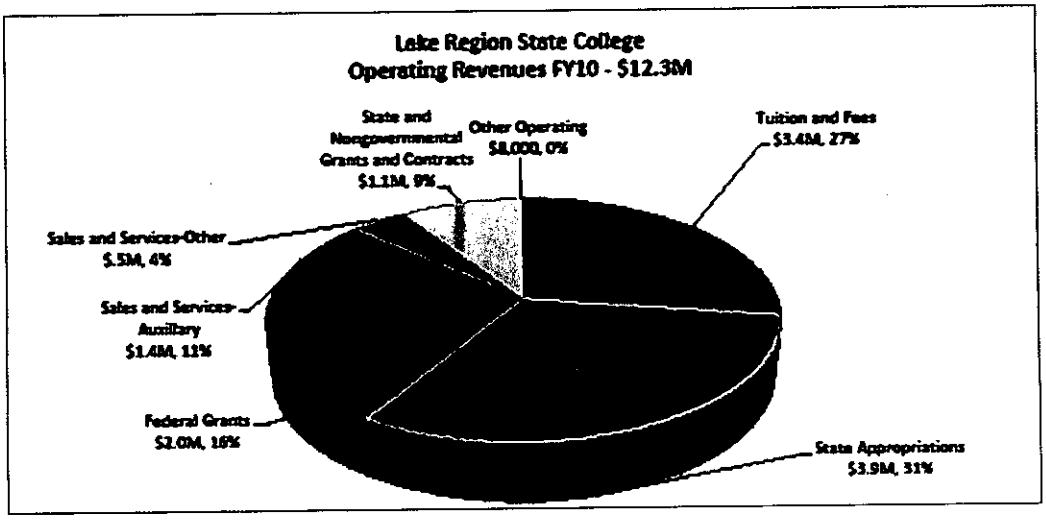
Roofing replacement for both facilities was last completed in 1989. During the period from 2004 to present, the main complex has experienced many leaks with roof patching now totaling $28,914.00 (Appendix 10).

From the information and reports I have presented to you, it is clear Lake Region State College is a good investment. Now, we request Lake Region State College benefit from the current positive state budget. We appreciate your past support and look forward to our continued working relationship so we may continue to grow the state's economy and develop the human capital it needs to create this growth.

Thank you for your time and consideration and for the opportunity to share with you the importance of our needed funding at Lake Region State College as we strive to provide student access to educational opportunities while also addressing the economic needs of our region.

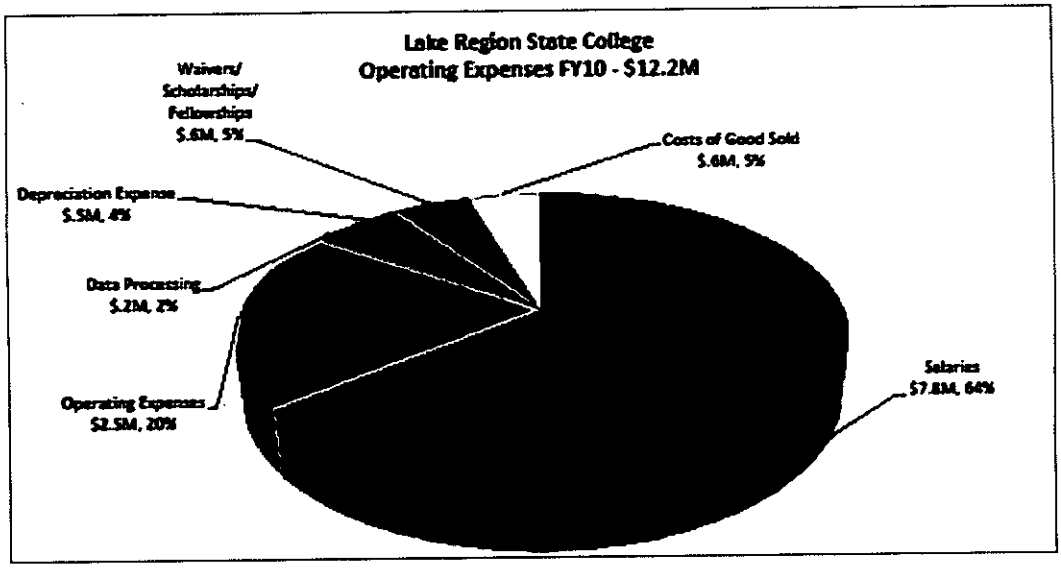
Appendix 1-1

Operating Revenues & Expenses



Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

Source: FY2010 NDUS audited financial statements



Source: FY2010 NDUS audited financial statements

Appendix 1-1

Operating Revenues: Overview, page 2

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

Appendix 1-2

Equity FY 11 Schedule 6

Inst/Agency Lake Region State College

Schedule 6
2010-11 Annual Budget Narrative

Narrative should be concise, connected to the budget and should address the following:

Schedule 1
Estimated amount and use of 2007-09 general and other carryover funds (column 2):
None available for carryover.

Proposed line item transfers (columns 5 and 6): None.

A description of other adjustments (columns 7 and 8):
Security and Emergency Preparedness allocations from NDUS office pool.

Schedule 2
Descriptions, amounts and source of funds for new and targeted investments to improve college student retention and graduation, including student advisement and career counseling to support the investments:
The "Launch Program," developed by LRSC in cooperation with UND, began Fall Semester 2009 on UND's campus to assist UND with student retention issues (see Schedule 6 narrative in FY09 Annual Budget); LRSC will have invested at least $150,000 of 2009-11 equity funding toward this initiative.
LRSC developed an Associate Vice President for Student Services position to focus on student recruitment, advisement and retention efforts; at least $47,000 of 2009-11 equity funding, along with funding from a vacated position, will have been invested toward this initiative. Approximately $36,000 of 2009-11 equity funding was utilized to fund a Student Services administrative assistant position responsible for administering testing procedures that support assessment of student progress and achievement.

Descriptions and amounts of other new investments and allocations that will assist the institution in carrying out the goals set forth in the Board and campuses strategic plans (e.g. new academic programs, new initiatives, etc):
LRSC began its new Wind Energy Technician Program in Fall 2009 with all seats filled and a waiting list. Approximately $386,000 of grant funding from the ND Dept. of Commerce and State Energy Council was used in FY10 to support the start-up of the program. A reallocation of approximately $87,000 in budgeted appropriations was made to the Wind Energy Technician Program for FY2010-11 from the closure of Diesel Technician Program (closed in December 2009). An additional $110,000 was invested in the Wind Energy Technician Program from 2009-11 equity funding for FY10-11. Additional faculty salary increases were awarded in FY10 after it was determined equity funding would not be needed to offset a potential tuition shortfall (tuition revenue actually increased over original estimates). Approximately $60,000 of 2009-11 equity funding was awarded to faculty for FY10-11.

Descriptions and amounts of reallocations/reductions and the corresponding effect on their ability to carry out Board and campus strategic plans:
Reallocations, as described above, were done to support the mission and strategic plan.

Disclose projected uses of equity funding, if available:
See above. $150,000 for Launch Program, $47,000 for Associate VP for Student Services, $36,000 for Student Services Administrative Assistant, $110,000 for Wind Energy Technician Program, and $60,000 for additional faculty salaries. Total equity funding used in FY10-11 is $402,575.

Appendix 1-2

Equity FY 11 Schedule 6, page 2

Update on the use of the FY10 allocation for Security and Emergency Preparedness (if different than what was projected in the FY10 Annual Budget), as well as the projected use of the FY11 allocation.
Initial plans included the possibility of updating the alarm system and installing a video surveillance system. Our priorities did change somewhat from the original plan and the following was accomplished:

1) Installed a web-based video surveillance system in key areas of the campus at a cost of $30,337 ($23,058 appropriated and $7,279 local funds).
2) Replaced all external and certain internal door locks with an electronic lock system to control access and monitor activity. Replaced remaining internal door locks (except Residence Hall rooms) to eliminate access to unauthorized key holders. Total cost was $43,144 appropriated.

A total of $66,202 of appropriated funding ($61,412 from the state and $4,790 excess tuition) was spent on the projects, along with an additional $7,279 of local funds (Residence Halls).

Other significant changes in the budget, not specifically addressed above (what appears unusual and why?). ***This applies to all schedules.*****:**
No other items of special significance but see "Additional Note" below regarding salary upload information.

Tuition rate increase for 2010-11: None.

Schedule 3
Disclose 2010-11 overall average salary increase and a brief description of related salary increase policy for FY11:
Overall average = 5.24%
Faculty average = 5.12%
Support Staff average = 5.82%
Professional Staff average = 5.41%
Administration average = 4.19%

No eligible employee received less than the greater of 3% or $100/month. Additional increases for Faculty were based on faculty category and degree changes. Additional increases for Support Staff and Professional staff were based on broadband market formulas that account for dollar and percentage distances from goal salaries. Increases for Administration, excluding the President, were 5%. The SBHE limited the President's increase to 1.75%, based on prior contractual considerations.

Additional Note:
Faculty received an additional $1,000 (prorated by FTE %) for FY10 in January as an equity adjustment. The $1,000 was increased in the Department BudgetTable for those individuals but paid as Supplemental Pay (instead of Contract Pay) and not increased in Job Data. This was an error in how the adjustment in FY10 was processed so, in the upload, the budget for the position came in correctly but the actual FY10 salary came in short by the $1,000. To correct the FY11 salary to actual, we needed to add the $1,000 as an equity adjustment to increase the salary. To correct the FY11 budget to actual, a decrease to the budget by $1,000 (column 31), without affecting the salary, was necessary. The real FY11 salary increases are stated above. Faculty increases on the Payroll Upload will appear greater than the actual increase percentage stated above. Schedule 3 "Equity" and "Budget" adjustment lines have been corrected to reflect actual FY11 adjustments.

g:\cathy\worddocs\Annual Budgets\FY09\Schedule 6

Appendix 1-3

Financial Review

LRSC Financial Review
June 30, 2009

The following financial results were based on information from audited financial statements. Other information was based on various NDUS reports and schedules.

Viability Ratio – *Greater than 1 is good, less than .3 is concern: LRSC is 1.8*
This ratio measures the ability of a campus to retire L-T debt using current resources. It is calculated by comparing unrestricted net assets and net assets restricted for debt service to total L-T debt (bonds, notes and capital leases). A ratio of greater than 1 is good and a ratio of less than .3 is of concern. The NDUS ratio at June 30, 2009 was .6. LRSC's ratio of 1.8 is good, and up from 1.1 at June 30, 2006.

Primary Reserve Ratio – *Greater than .1 is good, less than .05 is concern: LRSC is .3*
This ratio measures the ability of the campus to operate at current levels without future revenues. It is calculated by comparing unrestricted net assets and expendable restricted net assets to annual operating expenses. A ratio of greater than .1 is good while a ratio of less than .05 is of concern. The NDUS ratio at June 30, 2009 was .3. LRSC's ratio of .3 is good.

Current Ratio – *Greater than 2 is good, less than 1 is concern: LRSC is 3.7*
This ratio measures the ability of the campus to meet current obligations. The ratio is calculated by comparing current assets (unrestricted cash and investments, accounts/notes/grants receivable and inventories) to current liabilities (accounts payable, accrued payroll, student deposits and current portion of L-T debt). A ratio of greater than 2 is good, while a ratio of less than 1 is of concern. The NDUS ratio at June 30, 2009 was 2.7 LRSC's ratio of 3.7 is good.

Working Capital Ratio – *Greater than 4 is minimum, less than 4 is concern: LRSC is 15.0*
This ratio measures the ability of the campus to sustain operations in a short-term emergency situation (4-6 weeks). The ratio is calculated by comparing working capital (current assets less current liabilities) to total operating expenses and then converting to weeks by multiplying by 52. While no specific industry standard is available, professional judgment would indicate an institution should be able to cover a minimum of 4 weeks of operating expenses in the event of an emergency. The NDUS ratio at June 30, 2009 was 9.4 which means in the event of an emergency, the NDUS could cover expenses with reserves for about 9 weeks. LRSC has working capital to cover operating expenses for about 15 weeks if an emergency event should occur, which is very good.

Operating Income Margin – *Greater than 0 is good, less than 0 is concern: LRSC is 0.0%*
This ratio measures the current year financial results. The ratio is calculated by comparing operating and nonoperating net income (before capital gifts and grants) to total operating and nonoperating revenues (excluding capital gifts and grants). A ratio of greater than zero is desired because that means the campus is not spending more than it is taking in during the year. Additionally, a ratio of greater than zero indicates the campus is adding to reserves. The NDUS margin at June 30, 2009 was 0.1 percent. LRSC's margin was 0.0 percent and is up from -3.7% in 2008.

Appendix 1-3

Financial Review, page 2

Net Income Margin – *Greater than 0 is good, less than 0 is concern: LRSC is 1%*
This ratio measures the institution's financial status in terms of current year operations. It is calculated by comparing the current year's increase in net assets from the previous year divided by current year total revenues. A negative net income margin results when an institution's increase current year expenditures exceed its current year revenues, requiring the institution to draw on reserves or create deficit spending. A positive net income margin indicates that the institution experienced a net increase in fund balances. The NDUS ratio at June 30, 2009 was 3 percent. LRSC's ratio of 1 percent is good.

Change in net liquid assets – *Positive % is good, negative % is concern: LRSC is 13%*
This calculation measures the change in the ability of the campus to meet current obligations from one fiscal year to another. It is calculated by subtracting current liabilities from liquid assets (cash, current investments and current receivables) at June 30, 2009, comparing it to the same calculation at June 30, 2006, and then dividing by the June 30, 2009 calculation to arrive at the percentage change. A positive percentage change would be desired because it indicates the campuses ability to meet current obligations is improving over time. A negative change indicates the campuses ability to meet current obligations is eroding over time. This calculation coupled with the current ratio above gives an indication of change in financial liquidity over time. The NDUS increased net current assets since 2006 by 14 percent. LRSC's net liquid assets have increased since 2006 by 13 percent. Given the good current ratio and working capital ratio, LRSC's liquidity is strong.

Change in long-term debt – *Small increase ok, large increase is concern: LRSC is -22%*
This calculation measures the change in the long-term liabilities of the campus from one fiscal year to another. It is calculated by comparing total long-term liabilities at June 30, 2009, to those at June 30, 2006 and dividing by the June 30, 2006 amount to arrive at the percentage change. A negative change indicates the campus is retiring more debt than it is adding. A positive change indicates the campus is adding more debt than it is retiring. The NDUS has increased long-term debt by 10 percent since 2006. This calculation coupled with the viability ratio above gives an indication of the debt servicing ability of a campus over time. LRSC's long-term debt has decreased 22 percent since 2006.

Change in FTE enrollment – *LRSC is 14%*
This calculation measures the change in Fall FTE enrollment from one fiscal year to another. It is calculated by comparing Fall 2009 enrollment to Fall 2006 enrollment and then dividing by Fall 2006 to arrive at the percentage change. Obviously, a positive change is preferred. Overall, the NDUS experienced a 6 percent increase in FTE enrollment since fall 2006. LRSC's FTE enrollment has increased 14 percent since 2006.

Distance Learning vs. On-Campus enrollment – *LRSC distance learning is 57%, on campus is 43%*
This calculation measures the percentage of unduplicated enrollment headcount that receives instruction through distance learning methods such as E-Learning, correspondence or face-to-face off campus courses. It is calculated by comparing Fall 2009 distance learning unduplicated enrollment headcount to the Fall 2009 on-campus unduplicated enrollment headcount. In 2009, distance learning made up 57 percent of LRSC's unduplicated headcount enrollment while on-campus instruction made up 43 percent of unduplicated headcount enrollment. Overall, distance learning made up 9 percent of the NDUS unduplicated headcount enrollment while on-campus instruction made up 91 percent of unduplicated headcount enrollment. LRSC's distance learning enrollment has increased 1 percent since 2006 while on-campus enrollment has increased 1% since 2006.

Appendix 1-3

Financial Review, page 3

Tuition discounts as a percent of gross tuition revenue and fees – *NDUS campus total is 9.5%: LRSC is 5.1%*

This calculation measures the dollar amount of discounts granted in relation to overall tuition and fee revenue. It is calculated by dividing the dollar value of discounts by gross tuition and fee revenue. The higher the percentage, the more the campus is giving up in tuition revenues. FY 2009 discounts for the NDUS totaled $27.3 million, an increase of 23 percent over FY 2009. The increase is due to the increase in tuition rates, because discounts as a percent of tuition increased only slightly from 9.4 percent to 9.5 percent in that same time period. LRSC's discounts as a percent of tuition have increased from 3.0 percent in 2006 to 5.1 percent, but is still among the lowest in the system.

Deferred Maintenance as percent of plant value – *NDUS average is 7.5%: LRSC is 2.4%*

This calculation measures deferred maintenance of state buildings compared to the buildings' respective plant value. It is calculated by dividing estimated deferred maintenance (from biennial budget schedules) by the replacement value of the buildings and infrastructure (as calculated for OMB during the biennial budget process). Auxiliary buildings/infrastructure are not included in the calculation. Deferred maintenance for the 2009-11 biennium totals $109.3 million dollars for the system (7.5 percent of the plant value). LRSC's deferred maintenance, at 2.4 percent, is well below the system average.

Summary

LRSC's overall financial position is sound. Reserves are good, liquidity is strong, debt remains at a manageable level, and enrollment has gradually increased. Since FY 2006, long-term debt has decreased by 22% and the viability ratio has improved.

Appendix 1-4

Executive Recommendation Comparison to SBHE Request

LAKE REGION STATE COLLEGE
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 10,763,011	$ 10,763,011	$ -
Base Adjustments	(2,703,727)	(2,703,727)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	8,061,284	8,061,284	-
Prioritized SBHE Needs Based Request:			
Parity	779,419	558,454	(220,965)
Equity	329,200	219,139	(110,061)
College Affordability	274,429	200,540	(73,889)
Facility and Infrastructure Regular Repair and Maintenance	111,705	111,705	-
Student Mental Health Services	120,570	120,570	-
Bismarck Higher Education Center	-	-	-
Employee Retirement Contributions	43,868	43,167	(701)
Statewide Nursing Consortium	-		-
Sustain On-campus Security - WSC			
Total Requested Increase in GF Base Funding	1,659,191	1,253,575	(405,616)
Total Base General Fund Request & Recommendation	9,720,475	9,314,859	(405,616)
One-time Budget Requests:			
Pay-off Special Assessments	-	-	-
Total One-time Budget Request & Recommendation	-	-	-
2011-13 Small-Medium Projects	1,075,577		(1,075,577)
2011-13 State-funded Projects	4,850,000	-	(4,850,000)
Total 2011-13 General Fund Request & Recommendation	$ 15,646,052	$ 9,314,859	$ (6,331,193)

Appendix 1-5

Comparison of FY 10 & FY 11 Budget to Actual Appropriated Funds

Campus Name: Lake Region State College

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,245,774	505,097	37,606		3,789,577
Academic Support	740,045	111,418	17,358		878,719
Student Services	561,591	100,429	900		662,920
Institutional Support	1,155,884	511,060	116,403		1,784,346
Physical Plant	387,656	659,023	20,200		1,046,879
					-
					-
					-
					-
SUBTOTAL	6,090,950	1,888,826	192,665		8,162,441
					-
					-
					-
					-
					-
					-
Total Appropriation (GF and tuition) for FY10	6,090,950	1,888,826	192,665		8,162,441
Actual Expenditures to Date, thru 6/30/2010	5,965,774	1,878,349	192,665		8,026,788
Remaining FY10 Balance	125,176	10,477	-		135,653

Comparison of FY2011 Budget to Actual through (most recent date available)	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	3,788,486	467,886	33,446		4,289,798
Academic Support	872,882	101,424	11,200		985,506
Student Services	583,112	101,604	1,200		685,916
Institutional Support	1,350,319	543,447	56,400		1,950,366
Physical Plant	393,010	676,811	19,150		1,088,977
					-
					-
					-
					-
SUBTOTAL	6,086,806	1,896,172	120,696		9,002,963
					-
					-
					-
					-
					-
					-
Total Appropriation (GF and tuition) for FY11	6,086,806	1,896,172	120,696		9,002,963
Actual Expenditures to Date, thru 11/30/2010	3,373,526	910,105	87,415		4,371,136
Remaining FY11 Balance	3,012,509	985,977	33,281		4,631,827

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				93,807	93,807
Capital Assets (Line 50)				2,663,582	2,663,582
Federal Stimulus Funds - 2009 (Line 55)				2,609,920	2,609,920
Capital Assets Carryover (Line 51)				-	-
Total Capital Assets (incl Major Capital Projects)	-	-	-	5,367,309	5,367,309
Actual Expenditures, 7/1/2009-6/30/2010				73,051	73,051

Appendix 2

Erlandson Center Project final request

Lake Region State College Erlandson Center Budget Request

Estimated Total Purchased or Donated Costs (ALL costs should be included in the estimate, unless specifically noted otherwise – see SBHE policy 902.3, 3, (b), for more detail on cost components)
$4.850 million.

Project Description

This building project entails an addition of approximately 23,362 sq. ft. of new space, renovation of 4,461 sq. ft. of existing space and selective demolition of a little over 6,000 sq. ft. to the Erlandson Technical Training Center at Lake Region State College. The Erlandson Center was built in 1972. The existing corridor was built to connect the original Erlandson Center to a diesel technology shop built in 1977. Existing internal spaces have been modified over the years to accommodate programmatic changes but space is simply not available to meet current and projected future needs. The new space will facilitate the development and expansion of training activities critical to the employment needs of the state.

The demand for skilled nurses and wind energy technicians in the state continues to outpace the training capacity of LRSC due to the severe lack of instructional facilities available to expand existing programs or develop new programs. The new space will house the Nursing program, complete with IVN, specialized classrooms, simulation labs, toilet training rooms, offices and adequate storage. The use of patient simulators with adjacent control/observation rooms to conduct clinical instruction will allow the Nursing program to increase enrollments by at least 25%.

The industry advisory board for the Wind Energy Technician program indicates that employment needs are projected to greatly exceed the 24 graduates per year capacity of the LRSC program. The new space will include multi-use classrooms, electronics lab and office space for the Wind Energy Technician program to allow for an expansion of the program. The additional electronics lab will also be utilized by the Simulator Maintenance Technician program due to growth related to military training. In addition, maintenance space will be incorporated due to the removal of existing adjacent space that is currently in a very poor, energy inefficient condition.

The college identified a smaller version of this project in the 2006 Facilities Master Plan, for possible funding in the 2009-11 Biennium, as an addition on the east side of the connecting corridor between the Automotive Technology and Diesel Technology wings of the Erlandson Technical Center. The project was further expanded in the 2008 Facilities Master Plan to include the space on the west side of the connecting corridor as well. The current 2010 Facilities Master Plan will incorporate a broader scope for this project to accommodate the current growth demands for the Nursing and Wind Energy Technician programs. Included in the estimate of costs for the project are funds needed to refurbish fascia and window areas on the connected building and upgrade electrical, heating, cooling, and fire alarm systems.

Appendix 3

Consistency with Campus Facility Master Plan and Budget

Consistency with Campus Facility Master Plan and Budget

A project to address nursing program needs was ranked #2 on LRSC's original 2011-13 major capital project requests.

The following costs are included within the 4.850 million request: (modify list below as necessary)
Design and preplanning costs, architect and engineer fees, permits, insurance, land acquisition and site preparation or development, demolition and disposal, foundation and building construction or renovation, landscaping, infrastructure and utilities, mechanical and electrical, parking and driveways or roadways, fixed or movable appliances, furniture and equipment, third party costs, contingencies, value of work completed by institution staff and billed to the project and all other costs, included costs not included in the project request which must be separately identified.

Planning, Permits and Insurance (design and preplanning costs, architect and engineer fees, permits, insurance, commissioning)	$ 388,428
Land/Building Preparation and Purchase or Donated Costs (site survey and soil testing)	$
Demolition and Disposal	$ 216,252
Construction (foundation and building construction, infrastructure and utilities, mechanical and electrical)	$3,668,032
Furniture and Equipment (fixed or movable appliances, furniture and equipment)	$ 369,500
Other third party costs	$
Institutional work (value of work completed by institution staff and billed to the project)	$
Contingency	$ 207,788
Hazardous Material Abatement	$
Other (please describe)	$
TOTAL	$4,850,000

No other work, other than that specified within this request, is required for the completion of the project not is other work planned to supplement this project using funding or authority not included within this request.

Future Operating/Improvement Costs and Funding Sources

Annual operating costs for 23,362 sq. ft. of additional space in the Erlandson Technical Training Center are estimated for the following items:

$26,600	Utilities, based on a five-year average cost per sq. ft.
22,500	Part-time, non-benefitted custodial support
4,800	Custodial supplies
3,500	Repair and maintenance supplies
$57,400	Total annual estimated operating costs

Funding of the additional operating costs are anticipated to be provided by equity fund appropriations.

Appendix 4-1

Nursing Presentation

Lake Region State College

Mr. Chairperson, Vice Chairperson and members of the committee:

My name is Julie Traynor; I am the Director for the Dakota Nursing Program, a consortium of 4 community colleges and 1 tribal college.

Dakota Nursing Program sites for 2010-2011

- Bismarck State College (BSC)
- Dakota College at Bottineau (DCB)
  - Rugby *(PN)*
  - Burdick Job Corps, Minot *(PN)*
  - Valley City *(PN and AD)*
- Fort Berthold Community College (FBCC)
- Lake Region State College (LRSC)
  - Mayville *(PN)*
- Williston State College (WSC)
  - Minot Trinity *(PN and AD)*

We are currently proposing to begin Practical Nursing (PN) sites with BSC at Harvey and at Hazen and include an AD RN site for LRSC in Mayville in the fall of 2011.

The DNP has also had the PN program at Langdon, Grafton, Cooperstown, Carrington, and Northwood in the past.

Today, I would like to talk about the Lake Region State College Nursing Program and how our growth is great but also creating a challenge.

- LRSC had a successful LPN program up until the change in entry into practice in 1985. For the next 16 years there was not a practical nursing program in the NE quadrant of the state.
- In 2001 we joined with BSC and WSC to collaborate on the WSC Practical Nursing Program
- In 2003 the legislature made the decision to change entry into practice back to 2 years for an RN.
- In 2003-2004 LRSC, WSC, BSC, and DCB joined together to offer the Dakota Nursing Program, a certificate PN and 2-year RN program.
- In 2003 we graduated our first class of 6 Practical Nurses; those 6 (100%) are still working in ND, most in the Devils Lake (DL) area.
- 2004 – 100% (7 of 7) DL grads still in ND, 86% (6) in rural ND
- Distance site – Grafton 67% (6 of 9) in ND
- Distance site – Langdon 75% (6 of 8) in ND
- Of these 12 distance site students – 11 are in rural ND (92%)

Appendix 4-1

Nursing Presentation, page 2

To Summarize our graduates from 2003-2010

- Practical Nursing – there are 167 graduates with 150 (97%) working as Practical Nurses in ND or have returned to school for their RN
- Registered Nurse – there are 75 graduates with 66 (88%) working in ND as Registered Nurses
- 75% of PN graduates go on to RN programs
- Most graduates of the program remain in rural NE North Dakota.

ND Needs the Dakota Nursing Program

In 2008, there were 137 AD RN graduates and 188 BSN graduates in North Dakota. Of these graduates 85% (116) AD and 61% (115) BSN nurses were licensed and employed in ND (FINDET, 2009). Associate Degree (AD) RNs are more likely to stay in ND. We find that if a community educates their own members to be nurses, they tend to stay in that community.

Challenges for the DNP at LRSC

1. Overcrowded nursing classrooms, labs, and offices.
2. Lack of clinical sites with acute experiences for RN students. Medical facilities in the eastern part of the state are inundated by MN nursing and other healthcare students. (816 out of state nursing students during the last year.)

Possible Solutions

1. Additional space for nursing department to meet both current needs and expansion. The Erlandson Building addition would bring us this space.
2. Creative uses of technology and the clinical resources we already have.
    - Simulation to provide hands on experiences with high risk patients. We appreciate what the state legislature did during the last session by sending the nursing programs ARRA money for simulation. This money was spent on an ALS simulator at the LRSC site. Students were taught how to care for a heart attack patient this fall. Evaluations from the students report increased confidence in being able to care for this type of patient as well as increased clinical reasoning skills, increased knowledge and increased appreciation for safety concerns in the clinical area. However, simulation is in its infancy at our college because while we have one simulator, LRSC does not have the room or equipment to provide a quality realistic environment. We also need additional simulators to make effective use of faculty and student time.

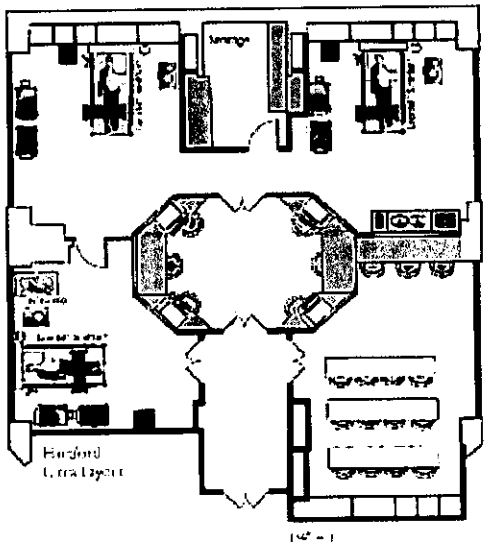
We need your support for the proposed addition to the Erlandson Building

Thank you for your time and interest in our nursing program.

Julie Traynor, MS, RN
Nursing Director
Dakota Nursing Program
1801 College Drive North
Devils Lake, ND 58301
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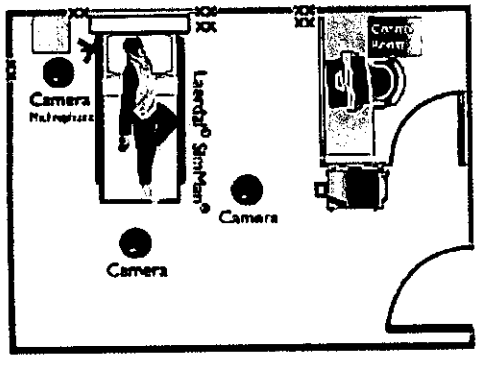
Appendix 4-1

Nursing Presentation, page 3



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Appendix 4-2

Student Nursing Presentation

Mary Wald, ADN student 2011

Good morning! My name is Mary Wald and I am no stranger to higher education. In 2003, fresh out of high school I attended North Dakota State University for three semesters but left largely because I didn't feel as though it was the right fit for me. Nearly seven years later I am now in my third year at Lake Region State College. Last year I completed my Associates in Liberal Arts as well as my Practical Nurse Certificate and in just a few short months I will graduate with an Associate Nursing Degree. When choosing what college to attend for my RN there were two things that I considered and I would venture to bet that most nursing hopefuls consider the same: will this program properly prepare me to test and PASS the RN-NCLEX (hopefully on the first time); and will I learn the critical thinking skills necessary to put the skills I learn into practice. As of now, I believe that this program has done its job. I am proud to be a part of a college and program that is looking towards the future of nursing education and am honored to be given this chance to share my thoughts and experience as a nursing student with you.

This morning I would like to share with you the need for the building from a student nurse's perspective but before I do there is a point that I would like to make. The LRSC nursing program is an accelerated track to achieving an RN degree. This means that after 2 years of nursing classes we take the exact same licensure test that 4 year RNs take: there are no differences between the tests. I ask that you keep this fact in mind as I share my perspective with you.

Given the nature of nursing as a science and the fact that LRSC is an accelerated program it's easy to see the need for our long lecture days. Throughout the course of the 2 year program we sit in lectures that last from 4 to 5 hours. The lecture classroom that we currently sit in is fire-code approved for a mere 20 people. Picture with me a classroom that is approved for 20 people. Now add into that picture the nursing textbooks, notes, binders, study materials, and any other required additional texts for the day. Keep in mind that nursing textbooks are not small! Suddenly that IVN classroom is a whole lot smaller. And remember, we are in that small classroom for hours at a time.

Furthermore, our current nursing classroom is next to a widely used lecture room in the main LRSC building. Many times throughout the course of the semester that classroom holds lively lectures complete with videos. I would venture to bet that you all know the degree of effort it requires to concentrate on lengthy talks and discussions and understand that any and all distractions only serve to make concentrating even more difficult. Not only that, but we are a part of the Dakota Nursing program and our lectures are presented over the IVN system, if we are called upon to answer a question, all other sites are able to hear the background noise from the adjacent lecture hall, this serves to distract them as well as make our attempts at answering questions difficult. Keep in mind that, since it is an accelerated program, our lectures are packed with information (in some cases we cover three or more chapters in a hour and fifty minutes) and missing even a minute or two might result in missing vital information.

Given all those lecture hours, it would follow that we are tested...we are, and often. In fact, last semester alone my fellow RN students and I took nearly 30 tests in 17 weeks. In an ideal situation, we would test in an environment similar to the NCLEX testing site....individual computers with plenty of space in-between to reduce distractions and create a quiet testing environment. We currently test on laptop computers that have been known to shut down in the middle of testing, in fact, it happened to me during a final. Also, the testing space is not adequate; typically, I can reach out and touch the

Appendix 4-2

Student Nursing Presentation, page 2

Mary Wald, ADN student 2011

computer or the person testing next to me. Plus, upon completely the tests we power down the laptops and put them away, all that noise serves as a distraction to those who are still testing.

Now, this particular classroom that we use for testing is next to several instructors' offices and even lies adjacent to Karen's office. Countless times during testing our instructors have had meetings or important phone calls, and being so close we are able to hear nearly every word. Also, not only is the classroom close to several instructor's offices, but it is in a high traffic area. This means, that while we are testing, there is almost constant traffic and conversations that serve to detract from the much desired quiet testing environment.

Despite the challenges the college runs a highly successful nursing program. Our Practical Nurse NCLEX pass rate for 2009-10 was 93.33%; Registered Nurse NCLEX pass rate was 92%. But shouldn't student nurses at LRSC have adequate area to meet their educational needs? When I began, I shared with you two significant points I considered when choosing which program I wanted to attend: passing the NCLEX and gaining critical thinking skills. Obviously, all those tests we take are part of our preparation for the NCLEX and those lecture hours, combined with lab, clinical experiences, and simulation days serve to develop our nursing skills as well as our critical thinking skills. I believe that if either of these two components fails to meet the full potential of a nurturing educational environment we, and I mean all of us who are involved in making decisions that affect nursing education, run the risk of producing nurses who are less caring, confident, and competent than we all desire to see working in the healthcare industry. The LRSC nursing program has a history of producing competent nurses, but based on current and future needs it is critical that an environment be created that meets our growing needs; let's ensure continued success of the LRSC nursing program and its future nurses.....I encourage you and thank you for continuing to work for and vote-in favor of positive nursing education legislative actions.

Mary Wald
LRSC ADN Student
1/14/2011

Appendix 5 -1

Wind Energy Technician Program

North Dakota's Lake Region State College's Wind Energy Technician Program is in an ideal position to fulfill three interwoven needs in the new renewable energy economy.

First, the program imparts skills to students preparing to become wind energy technicians, a high-demand, well paying career.

Second, the program offers wind site owners and operators a skilled workforce.

Third, by fulfilling the first two needs, the Wind Energy Technician Program enhances the state's economic development ability.

If I may, allow me to briefly offer some explanation.

The Wind Energy Technician Program offers students an excellent return on their education investment.

Consider the tuition cost of a year at Lake Region State College's Wind Energy Technician Program. For just under $4,000./year student s are taught skills that put them in a job field that pays approximately $40,000./ year.

Perhaps more importantly, those $40,000/year jobs are plentiful. The Dept. of Energy predicts that there could be 28,000 direct operations and maintenance positions (wind site technicians) across the U.S.

Consider that estimates of North Dakota 's wind energy are so great that the DOE suggests that, in theory, North Dakota alone could meet all of the nation's proposed wind powered electricity generation needs.

Because our state's wind energy is so great it is a given that wind companies are going to locate here. This means jobs for North Dakotans.

It also means that Lake Region is in a perfect place to train people to fill those positions.

Students are responding to Lake Region's new Wind Energy Technician Program with enthusiasm.

So much so that right now our Wind Energy Technician Program is full, even a little overfull.

We have done what we can to accommodate the demand but we need some more financial support.

We need, at a minimum, another instructor, and more industry specific training equipment, such as electro-mechanical and hydraulic trainers, and turbine specific tools.

Through our Wind Energy Technician Program's industry advisory board we know first -hand how much the wind industry values trained technicians.

The linchpin in making a wind site profitable is keeping turbines on-line and doing it in a way that controls operations and maintenance costs.

Appendix 5-1

Wind Energy Technician Program, page 2

For site developers to be able to hire well trained technicians is a resource that, literally, can be a make or break determinant for profitability.

Lake Region has a contingency plan to expand our program. We are ready to bring a new cohort of students into the Wind Energy Technician program each semester.

To do this, however, requires, as a pointed out, more resources.

The cost/benefit ratio is clear in this case. The students win because they earn a degree in a high demand field for less than $10,000. The payout for them is a job that pays $40,000/year.

The wind site owners and operators win because they have a pool of trained technicians to hire from.

Communities across the state win, because technicians' salaries are the kind of jobs that support families, schools, businesses and towns.

The state wins because this economic growth lifts all boats.

Jay Johnson
Wind Energy Technician Instructor
Lake Region State College
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Devils Lake, ND 58301
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Appendix 5-2

Wind Energy Technician Program, Student Presentation

The LRSC Wind Program is priceless, it offers students an opportunity to get into a safe, and promising career. The program offers student a core set of skills such as electronics, hydraulics, and PLC's; these are all skills that can be applied in many fields or trades. The Wind instructors are a perfect fit to the program, they are always happy to assist any student in anyway. It is always nice to keep ND people in our state, to fill the local jobs. The up and coming Wind Energy field will allow many of these students to stay in ND and help the state flourish as an energy giant, within the states. I believe the students that graduate from Lake Region have the potential to be successful in any electronic field.

An expansion of the program would offer this terrific opportunity to more ND students, which would ultimately benefit the state. The college has proved to me that they are willing to work hard to appropriate funds as well as put the money to good use. All of the money they have raised has gone to practical training equipment and courseware. LRSC has awarded scholarships for Wind students. The expansion of this program would absolutely put LRSC on the map as the top Wind Turbine Technician program in the country. LRSC has the faculty, dedication and ambition to make the most of this program.

When I graduated from high school this program was not available in ND, I chose to work in the oil fields of ND and MT. The oil fields provided me a good paying job; however, a good paying job for an uneducated person required copious amounts of hard physical labor, plain and simple. After working my way to a supervisor position on drilling rigs, the oil markets collapsed as well as global economy. I found the need to seek an education; initially I came to LRSC for the Wind Technician one-year certificate. I found that I enjoyed and excelled at college so much that I will seek my bachelor's degree from UND. It is a seamless transition from this wind program/AAS to a bachelor's degree in Industrial Technology. I believe this program can be for many ND residents what it has been for me, an opportunity to have a higher quality of life in ND. An expansion to this program would be an investment that generations of hard working ND's would benefit.

Lee Dokken
LRSC Student
1/13/2011

Appendix 6

Peace Officer Training Program Expands

GrandForksHerald.com

Dave Roepke, Published August 22 2010

Grand Forks, Fargo officers help teach Lake Region police academy



FARGO -- Before he graduated last week, Pierre Freeman got a firm grip on what his work would be like. After all, his instructors included many of his future bosses.

Freeman was one of 28 students to graduate from the peace officer academy Lake Region State College holds each summer in Fargo, where more than 20 of Fargo's officers and many from other departments in the state teach in the 14-week academy.

"You get a better perspective of what you're getting into," Freeman said. "You've got to go in glass-empty, let them teach you everything they know."

Not every student can get hired at the state's largest police department right out of the academy, of course. But Lake Region's officer-assisted training — roughly a three-month course that allows graduates to become licensed officers — amounts to a lock on a policing job.

The director of the police academy program at Lake Region, based in Devils Lake, said he doesn't know of any graduate who hasn't been able to get a job as a North Dakota officer or sheriff's deputy, as long as they're willing to move where openings are.

"There (have) typically been more jobs that we're able to fill," said Lloyd Halvorson, director of the program.

Halvorson said only the grads with specific locales in mind struggle finding a force to join. "If they're just willing to live in Fargo, they might not ever get a job," he said.

Freeman said talking to his fellow academy graduates, Halvorson's take on the job market is spot-on.

"He's correct. There are jobs out there, definitely," Freeman said. "It's just a matter of applying yourself to the market."

Appendix 6

Peace Officer Training Program Expands, page 2

A growth field

Policing is a growth field. The Bureau of Labor Statistics expects a 10 percent rise in officer and detective jobs from 2008 to 2018, from 883,600 to 968,400. Yet, the success of Lake Region's program is in part its particular curriculum, said Assistant Fargo Police Chief Todd Osmundson.

"We just feel it's a really quality product," he said. "We certainly look at the academy as one of the No. 1 recruiting areas."

Freeman, 39, who starts his departmental training with Fargo police today, said he appreciated the balance of classroom learning and time in the field.

"It's nice to walk through those steps," said Freeman, who was offered a job with Fargo halfway through the program — one of two grads to land jobs in Fargo.

Halvorson said the Fargo Police Department has hired more than 90 Lake Region grads since 2002, the vast majority of hires during that time.

Academy in GF

Grand Forks hopes to see an influx of Lake Region grads there, as well. Grand Forks police held an academy for the first time this summer, with 23 students graduating on Wednesday. It was the first year in a four-year contract with Lake Region, said Lt. Mike Ferguson, who heads the human resources bureau for Grand Forks police.

Ferguson said there are two big benefits to the Lake Region program. For one, it gives them a head start in training potential officers when their have their own cops doing the teaching.

And it also saves money, when compared with sending an unlicensed officer to the State Patrol's academy in Bismarck. Recruits must be paid a salary during that training, whereas they pay their own way and collect no wage while studying in the Lake Region academy.

A new hire sent to study at Bismarck might not hit the streets for six to eight months, Ferguson said.

The Forum of Fargo-Moorhead and the Herald are owned by Forum Communications Co.

Appendix 7

Peace Officer Training Program Record Graduates

GrandForksHerald.com

Kevin Bonham, Published December 14 2010

For Lake Region's officer training program, a record-setting graduation

The number of graduates at Lake Region State College's Peace Officer Training Program will reach a record 83 this year, after 17 students receive their certificates Thursday.

The college operates a spring and fall academy in Devils Lake, where its campus is, and summer academies in Grand Forks and Fargo.

Healthy enrollments in all four academies this year helped Lake Region reach the record, according to Lloyd Halvorson, program director. He's hoping this may be the first of more record years.

"Many law enforcement career opportunities currently are available in North Dakota," he said. "With residential academies each fall and spring in Devils Lake and summer commuter academies in Fargo and Grand Forks, we're poised to help fill employer need in the state."

Since 1987, Lake Region has graduated more than 1,000 students from the Peace Officer Training program, with a 100 percent employment rate for those graduates that actively sought employment as police officers or deputy sheriffs in North Dakota. Graduates have been hired by 116 different law enforcement agencies.

Instructors for the program include more than 40 law enforcement professionals from 16 different agencies statewide.

Graduation ceremonies start at 1 p.m. Thursday in Robert Fawcett Auditorium. The next academy session will begin in January.

Details

Lake Region offers its one-semester peace officer training program in Devils Lake each fall and spring.

The college has conducted a summer academy in Fargo since 2002 with the cooperation of the Fargo Police Department and Cass County Sheriff's Department. A similar partnership between Lake Region and the Grand Forks Police Department created an academy in Grand Forks, which operated its first academy session this past summer.

"When we expanded into Fargo back in 2002, we never knew how successful it would be," Halvorson said. "That added 25 students to our normal yearly training."

Appendix 7

Peace Officer Training Program Record Graduates, page 2

He said the growth has been based on employer demand, as police and sheriff's departments throughout the state look to fill openings spurred by departmental growth and retirements.

Lake Region is the only college in the state with a North Dakota Peace Officer Standards and Training Board approved police academy. Successful completion of the program allows graduates to become licensed as peace officers in North Dakota.

The Highway Patrol operates a Law Enforcement Training Academy in Bismarck. However, that program is limited to police officers who already are on the job. The fees are paid by the department that sends the officer to the school.

The Lake Region program is designed for people who are interested in the criminal justice field, but do not have law enforcement jobs. Criminal justice education programs at UND, Northland Community and Technical College provide a steady stream of students to the Lake Region program, Halvorson said.

The summer academies in Grand Forks and Fargo typically are at capacity of 26 students. Enrollment in Devils Lake has been in the teens in recent years, but could grow to a maximum of 26, he said.

"I think before we expand into another market, we would maximize our enrollment here," Halvorson said of the Devils Lake campus.

He compared the one-semester course with nurse training in that students pay their own tuition for the training and then pass the required licensing exams before entering the job market.

The basic tuition is $3,000. Room and board at Lake Region adds about another $2,000 per semester.

Reach Bonham at (701) 780-1110; (800) 477-6572, ext. 110; or send e-mail to kbonham@gfherald.com.

Appendix 8

Small to Medium Capital Projects

NDUS 2011-13 Capital Projects Comparison of Requests to Executive Recommendation
Small-to-Medium Size Projects - Priority List

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MiSU and NDSCS; <=$1,000,000 at UND and NDSU

Project Description	Campus	State	Other	Total	Other Source	Deferred Maint Addressed	2011-13 Exec. Rec.
1 Library Roof Replacement	LRSC	$120,000	$0	$120,000		$120,000	$0
North Hall Roof Replacement	LRSC	$128,464	$0	$128,464		$128,464	$0
Erlandson Building Roof Replacement	LRSC	$200,000	$0	$200,000		$200,000	$0
Business & Science Wing Roof Replacement	LRSC	$207,824	$0	$207,824		$207,824	$0
Academic Wing Roof Replacement	LRSC	$103,912	$0	$103,912		$103,912	$0
Support Offices Roof Replacement	LRSC	$162,464	$0	$162,464		$162,464	$0
Studen Union Dining Hall Roof Replacement	LRSC	$152,033	$0	$152,033		$152,033	$0
Total		$1,075,577		$1,075,577		$1,075,577	

Appendix 9

Roofing repair expenses 2004 to present

Lake Region State College roof repairs from 2004 to present								
Business Unit	Voucher ID	Invoice #	Gross Invoice Amount	Payment Amount	Invoice Date	Vendor Name	Vendor ID	Name 1
Lrsc1	34628	19078	$645.00	$645.00	11/23/2010	Target Roo-001	7868	Target Roofing
Lrsc1	33360	18796	$708.00	$708.00	9/8/2010	Target Roo-001	7868	Target Roofing
Lrsc1	31540	18382	$418.00	$418.00	4/30/2010	Target Roo-001	7868	Target Roofing
Lrsc1	31539	18330	$493.00	$493.00	4/13/2010	Target Roo-001	7868	Target Roofing
Lrsc1	30802	18256	$1,352.00	$1,352.00	3/18/2010	Target Roo-001	7868	Target Roofing
Lrsc1	30353	18182	$572.00	$572.00	2/16/2010	Target Roo-001	7868	Target Roofing
Lrsc1	29892	18147	$443.00	$443.00	1/20/2010	Target Roo-001	7868	Target Roofing
Lrsc1	28339	17925	$203.00	$203.00	10/9/2009	Target Roo-001	7868	Target Roofing
Lrsc1	28295	17867	$225.00	$225.00	9/30/2009	Target Roo-001	7868	Target Roofing
Lrsc1	28294	17761	$2,408.00	$2,408.00	8/26/2009	Target Roo-001	7868	Target Roofing
Lrsc1	26386	17499	$1,566.00	$1,566.00	6/4/2009	Target Roo-001	7868	Target Roofing
Lrsc1	23808	17035	$13,500.00	$13,500.00	11/20/2008	Target Roo-001	7868	Target Roofing
Lrsc1	23807	17033	$1,518.00	$1,518.00	11/26/2008	Target Roo-001	7868	Target Roofing
Lrsc1	20749	16327	$848.00	$848.00	4/30/2008	Target Roo-001	7868	Target Roofing
Lrsc1	17580	15984	$75.00	$75.00	10/5/2007	Target Roo-001	7868	Target Roofing
Lrsc1	12142	14011	$177.00	$177.00	10/20/2006	Target Roo-001	7868	Target Roofing
Lrsc1	10363	14523	$240.00	$240.00	6/28/2006	Target Roo-001	7868	Target Roofing
Lrsc1	9440	14335	$340.00	$340.00	4/21/2006	Target Roo-001	7868	Target Roofing
Lrsc1	6364	13880	$150.00	$150.00	9/20/2005	Target Roo-001	7868	Target Roofing
Lrsc1	5502	13666	$125.00	$125.00	7/13/2006	Target Roo-001	7868	Target Roofing
Lrsc1	5205	13562	$517.00	$517.00	6/22/2005	Target Roo-001	7868	Target Roofing
Lrsc1	3142	13218	$112.00	$112.00	2/1/2005	Target Roo-001	7868	Target Roofing
Lrsc1	1530	13022	$447.00	$447.00	10/26/2004	Target Roo-001	7868	Target Roofing
Lrsc1	1233	12938	$1,650.00	$1,650.00	10/8/2004	Target Roo-001	7868	Target Roofing
Lrsc1	525	12845	$182.00	$182.00	8/31/2004	Target Roo-001	7868	Target Roofing
			Total	Total				
			$28,914.00	$28,914.00				

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

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	651.91	$156,873,093	$21,700,000	$178,573,093
2009-11 Legislative Appropriations	651.91[1]	134,863,462	61,619,000	196,482,462[2]
Increase (Decrease)	0.00	$22,009,631	($39,919,000)	($17,909,369)

[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 26.63, from 625.28 to 651.91, pursuant to Section 20 of Senate Bill No. 2003 (2009) 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.

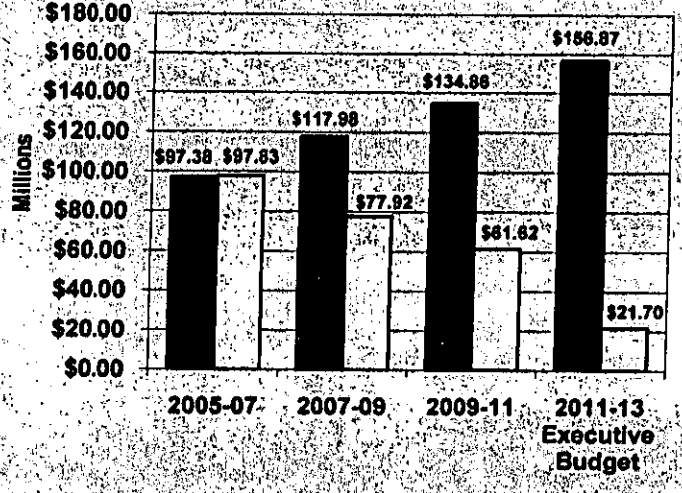
[2]The 2009-11 legislative appropriation amounts include:

$97,460 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

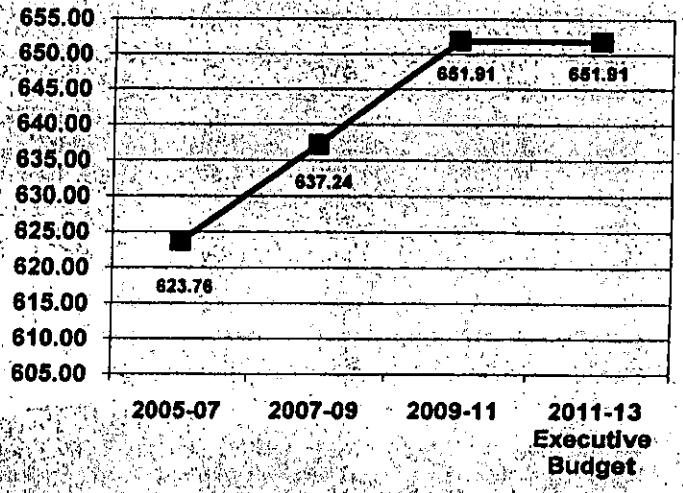
$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

The 2009-11 appropriation amounts do not include $9,017,013 of additional special funds authority resulting from Budget Section action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$145,392,080	$11,481,013	$156,873,093
2009-11 Legislative Appropriations	127,684,788	7,178,674	134,863,462
Increase (Decrease)	$17,707,292	$4,302,339	$22,009,631

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $9,303,122 for the following:			
Costs to continue fiscal year 2011 salary increases	$2,387,136		$2,387,136
3 percent per year salary increases	4,556,804		4,556,804
Health insurance premium increases	1,037,014		1,037,014
Utility inflation costs	1,235,915		1,235,915
Utilities for new facilities becoming operational during the 2011-13 biennium	86,253		86,253
Total	$9,303,122		$9,303,122
2. Provides equity funding of $2,459,984 (The executive	$2,459,984		$2,459,984

recommendation includes $10 million for equity distributed among the 11 higher education institutions.)			
3. Provides funding of $1,676,738 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$1,676,738		$1,676,738
4. Increases funding for employee retirement contributions	$672,393		$672,393
5. Increases ongoing funding for extraordinary repairs from $2,300,545 to $4,411,566	$2,111,021		$2,111,021
6. Increases funding for the statewide nursing education consortium	$1,607,270		$1,607,270
7. Provides **one-time funding** of $281,013 to pay off outstanding special assessments	$281,013		$281,013
8. Provides **one-time funding** for the following capital projects:			
Joint University System/University of North Dakota information technology building	$11,200,000		$11,200,000
Energy and Environmental Research Center Slurry Building expansion		$2,700,000	2,700,000
University Townhome apartments project		5,000,000	5,000,000
Wilkerson Hall renovation and addition		14,000,000	14,000,000
Total	$11,200,000	$21,700,000	$32,900,000
9. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($7,178,674)	($61,619,000)	($68,797,674)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Bonding authorization - Section 12 authorizes the State Board of Higher Education to issue revenue bonds for the Wilkerson Hall project ($14,000,000) and the University Townhome apartments project ($5,000,000).

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

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

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	584.88	$130,186,316	$36,100,000	$166,286,316
2009-11 Legislative Appropriations	584.88[1]	128,763,124	58,100,000	186,863,124[2]
Increase (Decrease)	0.00	$1,423,192	($22,000,000)	($20,576,808)

[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 69.12, from 515.76 to 584.88, pursuant to Section 20 of Senate Bill No. 2003 (2009) 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.

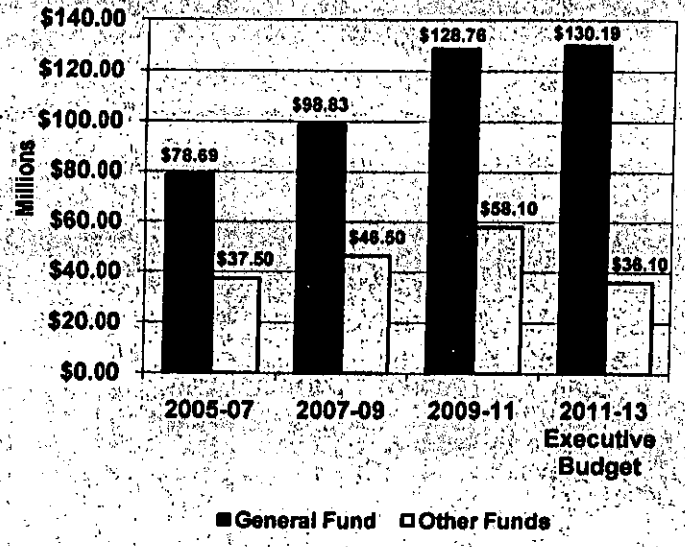
[2]The 2009-11 legislative appropriation amounts include:

$97,460 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office.

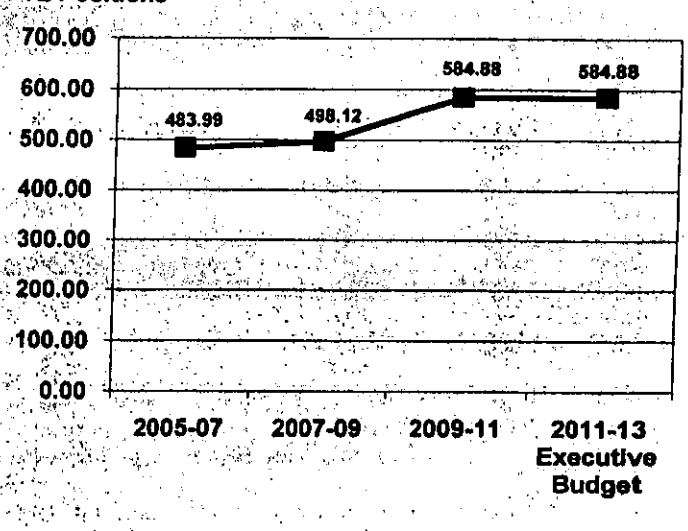
$250,000 from the general fund for the institution's share of the $1.5 million science, technology, engineering, and mathematics funding pool appropriated to the University System office.

The 2009-11 appropriation amounts do not include $30,202,750 of additional special funds authority resulting from Budget Section action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$127,866,616	$2,319,700	$130,186,316
2009-11 Legislative Appropriations	110,407,307	18,355,817	128,763,124
Increase (Decrease)	$17,459,309	($16,036,117)	$1,423,192

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $9,067,447 for the following:			
Costs to continue fiscal year 2011 salary increases	$2,288,204		$2,288,204
3 percent per year salary increases	4,385,006		4,385,006
Health insurance premium increases	906,679		906,679
Utility inflation costs	1,064,975		1,064,975
Utilities for new facilities becoming operational during the 2011-13 biennium	422,583		422,583
Total	$9,067,447		$9,067,447

2. Provides equity funding of $4,698,999 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$4,698,999		$4,698,999
3. Provides funding of $1,858,284 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$1,858,284		$1,858,284
4. Increases funding for employee retirement contributions	$794,560		$794,560
5. Increases ongoing funding for extraordinary repairs from $1,692,226 to $2,732,244	$1,040,018		$1,040,018
6. Provides **one-time funding** of $2,319,700 to pay off outstanding special assessments	$2,319,700		$2,319,700
7. Provides **one-time funding** for the following capital projects:			
Reauthorization of the Bison Sports Arena project		$29,100,000	$29,100,000
Information technology infrastructure		2,000,000	2,000,000
Indoor athletic practice facility		5,000,000	5,000,000
Total		$36,100,000	$36,100,000
8. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($18,355,817)	($58,100,000)	($76,455,817)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

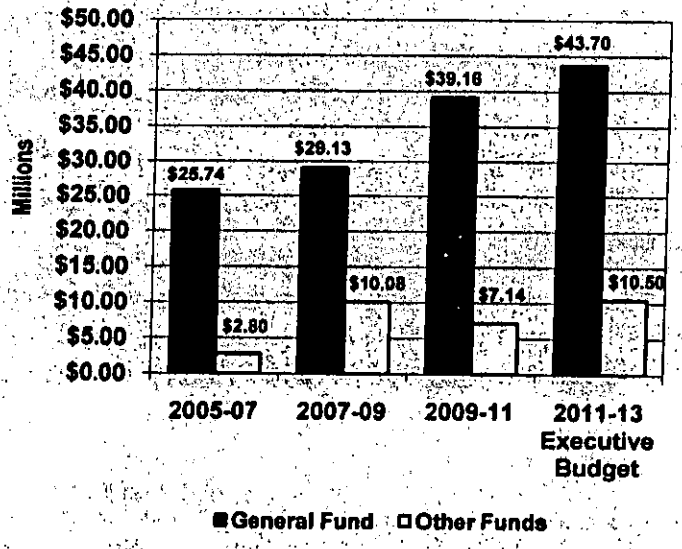
Department 238 - State College of Science
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	164.87	$43,703,080	$10,500,000	$54,203,080
2009-11 Legislative Appropriations	164.87[1]	39,156,042	7,136,000	46,292,042[2]
Increase (Decrease)	0.00	$4,547,038	$3,364,000	$7,911,038

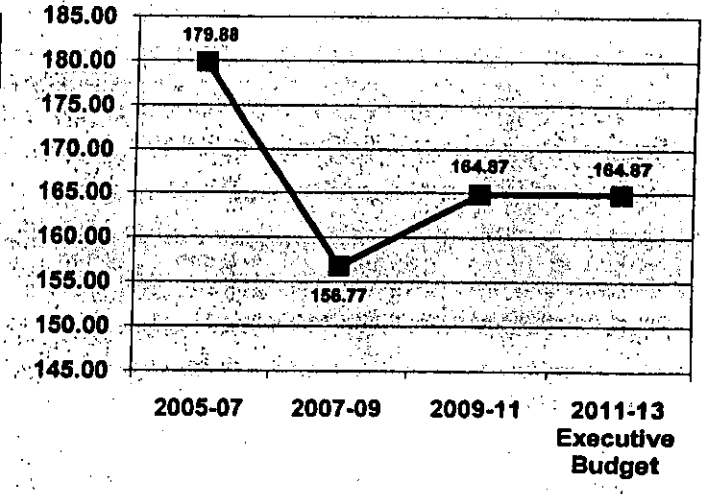
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 7.63, from 157.24 to 164.87, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 legislative appropriation amounts include $61,412 from the general fund for the institution's share of the $750,000 security and emergency preparedness funding pool appropriated to the North Dakota University System office. The 2009-11 appropriation amounts do not include $133,467 from the general fund transferred to the institution from the University System office for a grant writer position.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$35,397,229	$8,305,851	$43,703,080
2009-11 Legislative Appropriations	32,555,366	6,734,143	39,289,509
Increase (Decrease)	$2,841,863	$1,571,708	$4,413,571

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $1,681,812 for the following:			
Costs to continue 2011 salary increases	$457,315		$457,315
3 percent per year salary increases	872,969		872,969
Health insurance premium increases	238,572		238,572
Utility inflation	25,956		25,956
Utilities for new facilities becoming operational in the 2011-13 biennium	87,000		87,000
Total	$1,681,812		$1,681,812
2. Provides equity funding of $166,667 (The executive recommendation includes a $10 million increase for equity distributed among the 11 higher education institutions.)	$166,667		$166,667
3. Provides funding of $604,037 to address college affordability by	$604,037		$604,037

not increasing tuition rates for the 2011-13 biennium			
4. Increases funding for employee retirement contributions	$130,300		$130,300
5. Increases ongoing funding for extraordinary repairs from $753,332 to $1,012,379	$259,047		$259,047
6. Removes one-time extraordinary repair funding provided in the 2009-11 biennium	($1,034,143)		($1,034,143)
7. Removes one-time major capital project funding--Horton Hall renovation--provided in the 2009-11 biennium	($5,700,000)		($5,700,000)
8. Removes one-time major capital project funding--parking lot construction--provided in the 2009-11 biennium		($1,136,000)	($1,136,000)
9. Removes one-time major capital project funding--Robertson Hall renovation--provided in the 2009-11 biennium		($6,000,000)	($6,000,000)
10. Provides **one-time funding** for a major capital project--Old Main renovation--for the 2011-13 biennium	$8,180,000		$8,180,000
11. Provides **one-time funding** (revenue bonding) for a major capital project--Forkner Hall renovation--for the 2011-13 biennium		$5,000,000	$5,000,000
12. Provides **one-time funding** (revenue bonding) for a major capital project--Schulz Hall renovation--for the 2011-13 biennium		$4,000,000	$4,000,000
13. Provides **one-time funding** for a major capital project--Frank Vertin football complex--for the 2011-13 biennium		$1,500,000	$1,500,000
14. Provides **one-time funding** to pay off outstanding special assessments	$125,851		$125,851

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

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House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

Prepared by the North Dakota Legislative Council staff for House Appropriations
January 18, 2011

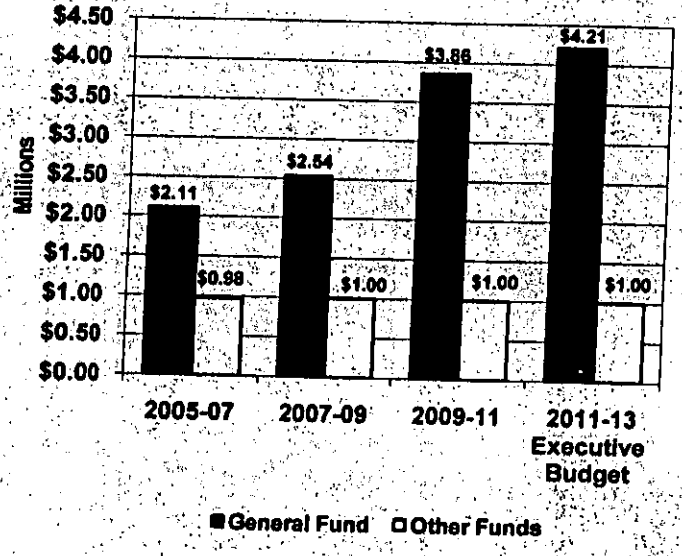
Department 244 - Forest Service
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	26.00	$4,212,472	$997,486	$5,209,958
2009-11 Legislative Appropriations	26.00[1]	3,855,768	997,486	4,853,254[2]
Increase (Decrease)	0.00	$356,704	$0	$356,704

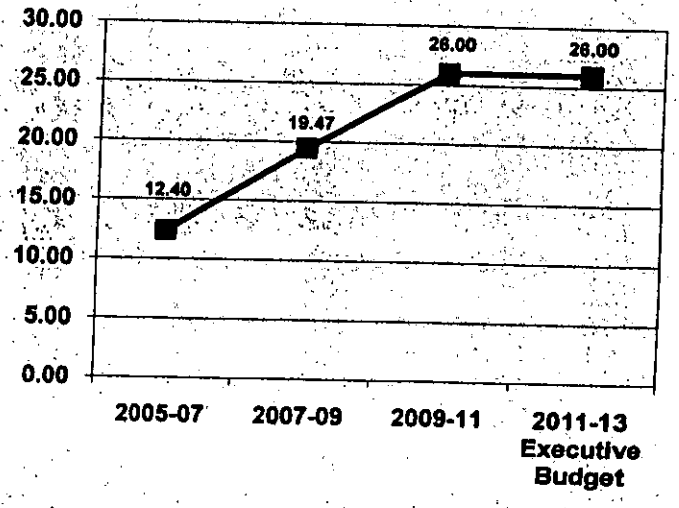
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by (1.00), from 27.00 to 26.00, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 appropriation amounts do not include $91,000 of additional special funds authority resulting from Budget Section action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$3,962,472	$250,000	$4,212,472
2009-11 Legislative Appropriations	3,510,192	345,576	3,855,768
Increase (Decrease)	$452,280	($95,576)	$356,704

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $254,524 for the following:			
Costs to continue fiscal year 2011 salary increases	$74,422		$74,422
3 percent per year salary increases	142,063		142,063
Health insurance premium increases	38,039		38,039
Total	$254,524		$254,524
2. Increases funding for program enhancements	$175,510		$175,510
3. Increases funding for employee retirement contributions	$17,341		$17,341
4. Increases ongoing funding for extraordinary repairs from $36,638 to $41,543	$4,905		$4,905
5. Provides **one-time funding** to allow the Forest Service to assist cities with emerald ash borer infestations	$250,000		$250,000
6. Removes one-time funding provided in the 2009-11 biennium for deferred maintenance and major capital projects	($345,576)		($345,576)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

There are no continuing appropriations for this agency.

Major Related Legislation

At this time, no major legislation has been introduced affecting this agency.

Bismarck State College

North Dakota House
Appropriations, Education and
Environment Division

January 18, 2011

Bismarck State College
HB1003
1/18/11
Attachment #1

BISMARCK STATE COLLEGE

Institutional Budget

BISMARCK STATE COLLEGE

Budget to Actual Expenditures - Appropriated

Comparison of FY2010 Budget to Actual for FY ending 6-30-2010	*FY2010 Operating Budget*				
FY2010 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	11,775,189	2,402,010			14,177,199
Institutional Support	3,367,109	1,625,954	56,600		5,049,663
Student Services	1,603,710	215,942			1,819,652
Academic Support	320,679	225,363			546,042
Physical Plant	1,094,899	2,158,559	36,500		3,289,958
Total Appropriation (GF and tuition) for FY10	18,161,586	6,627,828	93,100		24,882,514
Actual Expenditures to Date, thru 6/30/2010	18,025,550	6,369,231	137,116		24,531,897
Remaining FY10 Balance	136,036	258,597	(44,016)	(a)	350,617

Comparison of FY2011 Budget to Actual through 11-30-2010	*FY2011 Operating Budget*				
FY2011 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	12,388,392	2,434,485	30,600		14,853,477
Institutional Support	3,657,028	1,515,620	109,200		5,281,848
Student Services	1,772,393	212,516			1,984,909
Academic Support	338,266	215,363			553,629
Physical Plant	1,248,351	2,472,611	8,500		3,729,462
Total Appropriation (GF and tuition) for FY11	19,404,430	6,850,595	148,300		26,403,325
Actual Expenditures to Date, thru 11/30/2010	7,042,008	2,535,844	116,159		9,694,011
Remaining FY11 Balance	12,362,422	4,314,751	32,141		16,709,314

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				340,637	340,637
Capital Assets (Line 50)				3,807,619	3,807,619
Capital Assets Carryover (Line 51)				-	-
Total Capital Assets (Incl Major Capital Projects)				4,148,256	4,148,256
Actual Expenditures, 7/1/2009-6/30/2010				559,339	559,339
Remaining 2009-11 Balance as of 6/30/2010				3,588,917	3,588,917
Actual Expenditures 7/1/2010-11/30/2010				1,669,123	1,669,123
Remaining 2009-11 Balance as of 11/30/2010				1,919,794	1,919,794

(a) Equipment > $5,000 is budgeted in the "Equipment" column and equipment < $5,000 is budgeted in "Operating". While the "Equipment" column is overspent, the equipment in the "Operating" column is underspent. The total equipment < and > $5,000 is within budget.

BSC BISMARCK STATE COLLEGE

Budget to Actual Expenditures – Nonappropriated

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	984,403	1,357,024	508,526		2,849,953
Auxiliary Sales and Services	1,043,252	2,728,920	28,000		3,800,172
Other Nonappropriated Funds*	2,089,582	1,829,449	-		3,919,031
Total Nonappropriated Budget for FY10	4,117,237	5,915,393	536,526		10,569,156
Actual Expenditures thru 6/30/2010	4,185,362	6,019,539	597,935		10,802,836
Remaining FY10 Balance	(68,125)	(104,146)	(61,409)		(233,680)

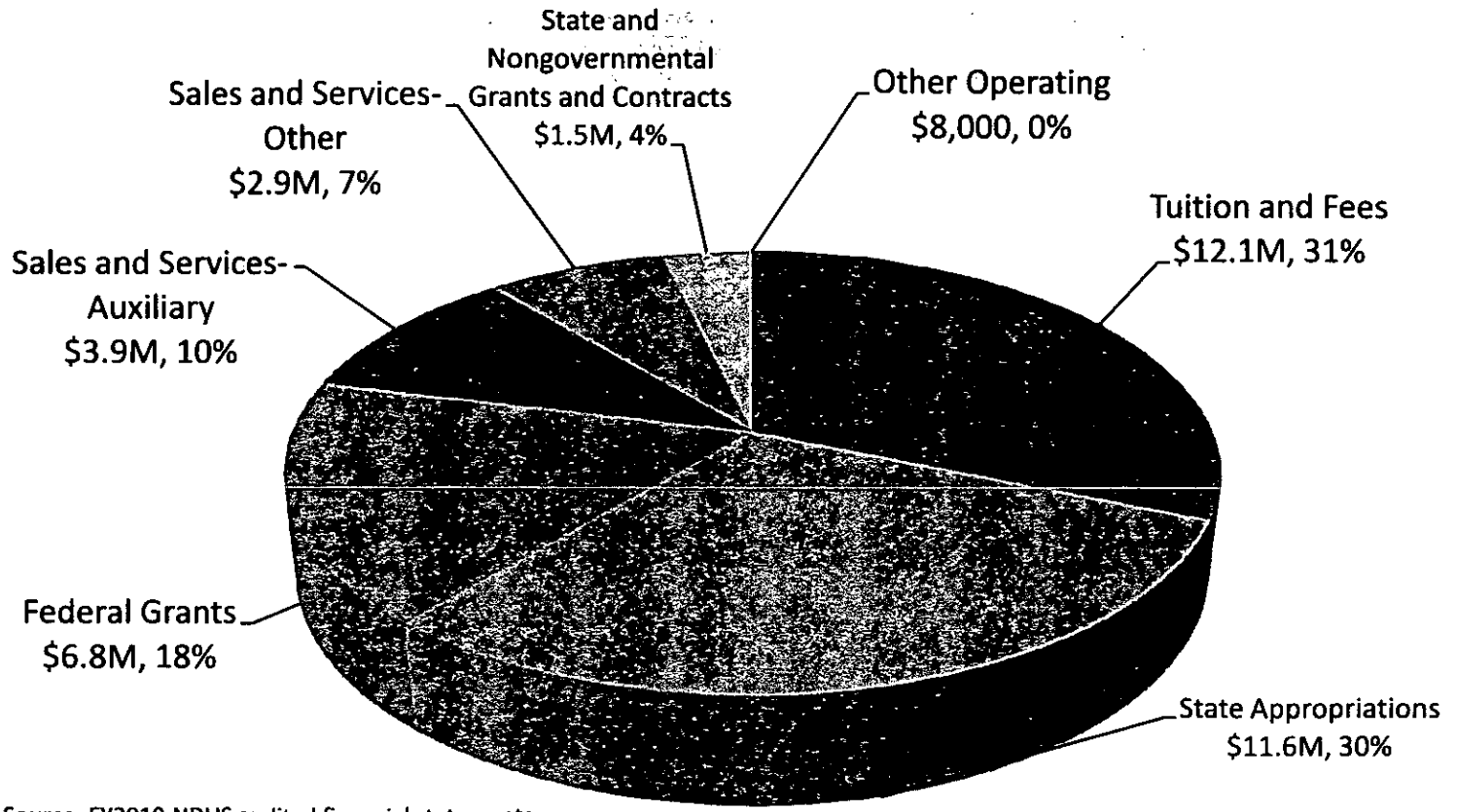
*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,032,688	2,623,607	1,250,834		4,907,129
Auxiliary Sales and Services	1,112,724	3,040,840			4,153,564
Other Nonappropriated Funds	2,332,527	2,144,060	21,000		4,497,587
Total Nonappropriated Budget for FY11	4,477,939	7,808,507	1,271,834		13,558,280
Actual Expenditures thru 11/30/2010	1,656,849	2,720,694	537,652		4,915,195
Remaining FY11 Balance	2,821,090	5,087,813	734,182		8,643,085

2009-11 Nonappropriated Capital Assets					
Grants and Contracts				635,000	635,000
Auxiliary Sales and Services				350,000	350,000
Other Nonappropriated Funds*				90,000	90,000
Total Capital Assets (Incl Major Capital Projects)				1,075,000	1,075,000
Actual Expenditures, 7/1/2009-6/30/2010				474,437	474,437
Remaining 2009-11 Balance as of 6/30/2010				600,563	600,563
Actual Expenditures 7/1/2010-11/30/2010				375,972	375,972
Remaining 2009-11 Balance as of 11/30/2010				224,591	224,591

BISMARCK STATE COLLEGE

Operating Revenues FY10 - $38.8M



Source: FY2010 NDUS audited financial statements

Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

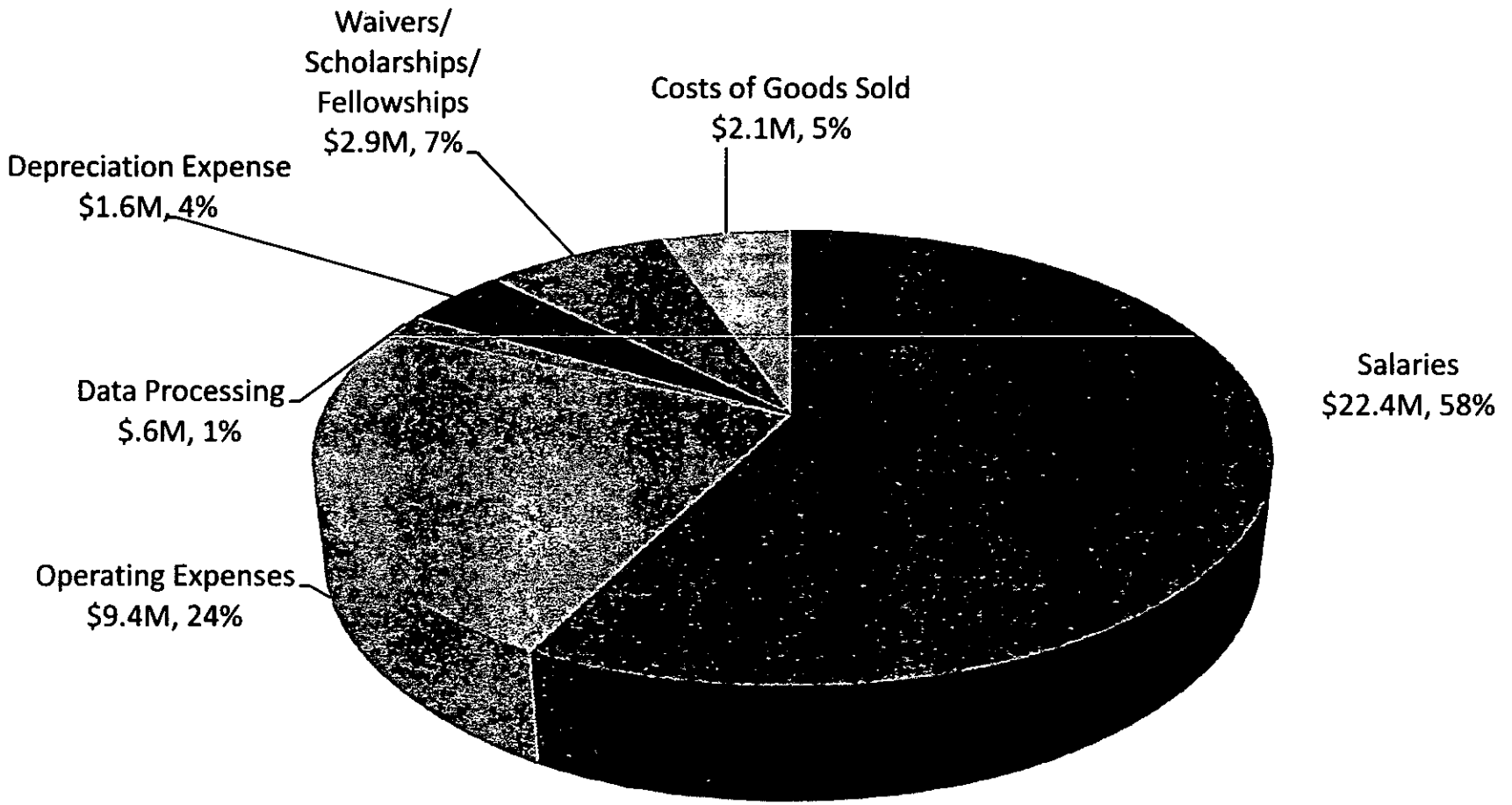
BISMARCK STATE COLLEGE

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

BISMARCK STATE COLLEGE

Operating Expenses FY10 - $39M



Source: FY2010 NDUS audited financial statements

BISMARCK STATE COLLEGE

Budget Challenges

Adequate Funding

- State Funding
  - BSC's general fund appropriation per student in 2009-11 is $7,737
  - Other NDUS campuses range from $8,751 to $19,579
  - Current funding model does not address needs of growing campus
- Continue to develop external funding sources, create efficiencies and maintain entrepreneurial model

BISMARCK STATE COLLEGE

Budget Challenges

Managing Facilities Usage & Space Limitations

- Collaborative partner 4-year programs
  - Over 600 collaborative students on campus
  - Continued demand in Bismarck-Mandan
  - BSC's staff provides student services and information technology support with no revenue offset
- High School students
  - Anticipate over 1,000 students on campus daily by fall 2011
  - Parking and infrastructure challenges

BSC BISMARCK STATE COLLEGE

Budget Challenges

Maintaining Enrollment Growth

- Decreasing ND high school graduates
- Meeting industry demand
  - Limited funding for start-up costs
  - Rely heavily on external funding sources

BISMARCK STATE COLLEGE

Budget Challenges

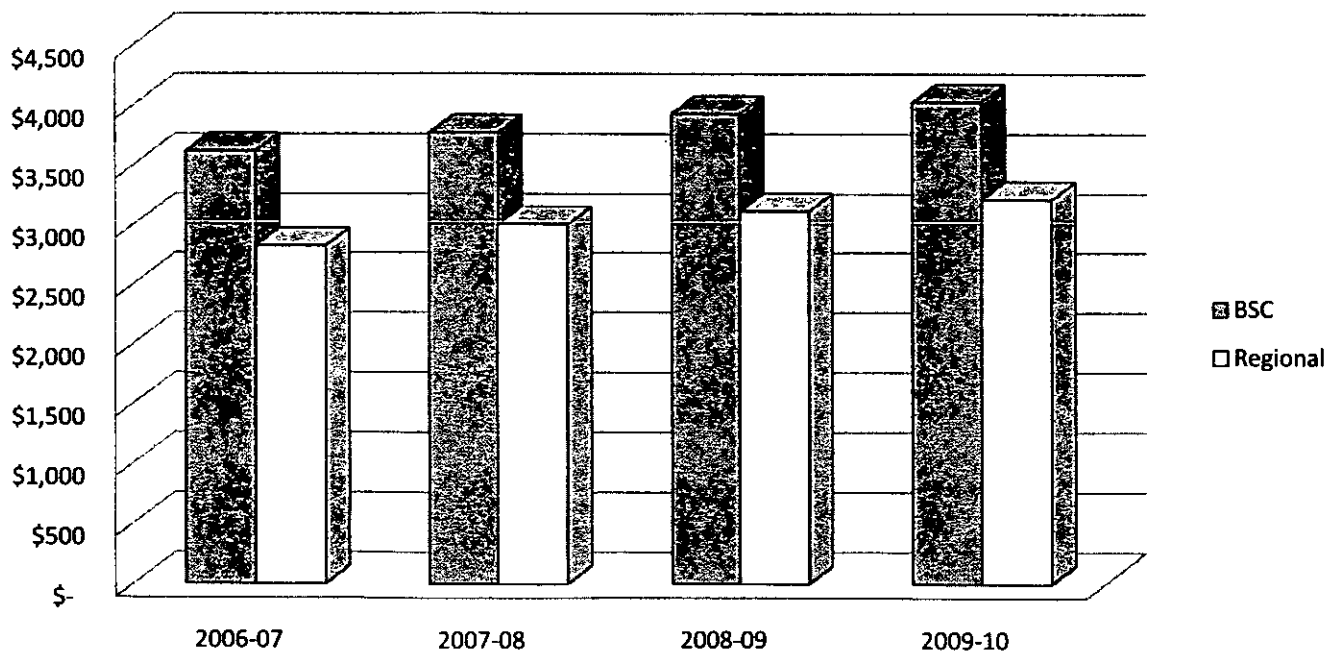
Maintain Affordable and Competitive Tuition

- Student loan debt continues to rise
  - Average annual federal loan aid for NDUS two-year institution student
    - Increased 46% from 1989-90 to 2008-09
  - 77% of total aid was in form of loans in 2008-09
  - For BSC students, average federal loan debt after two-year period is over $8,000 (2008-09 data)

BSC BISMARCK STATE COLLEGE

Budget Challenges

Regional Comparison
Tuition and Required Fees
Two-Year Institutions

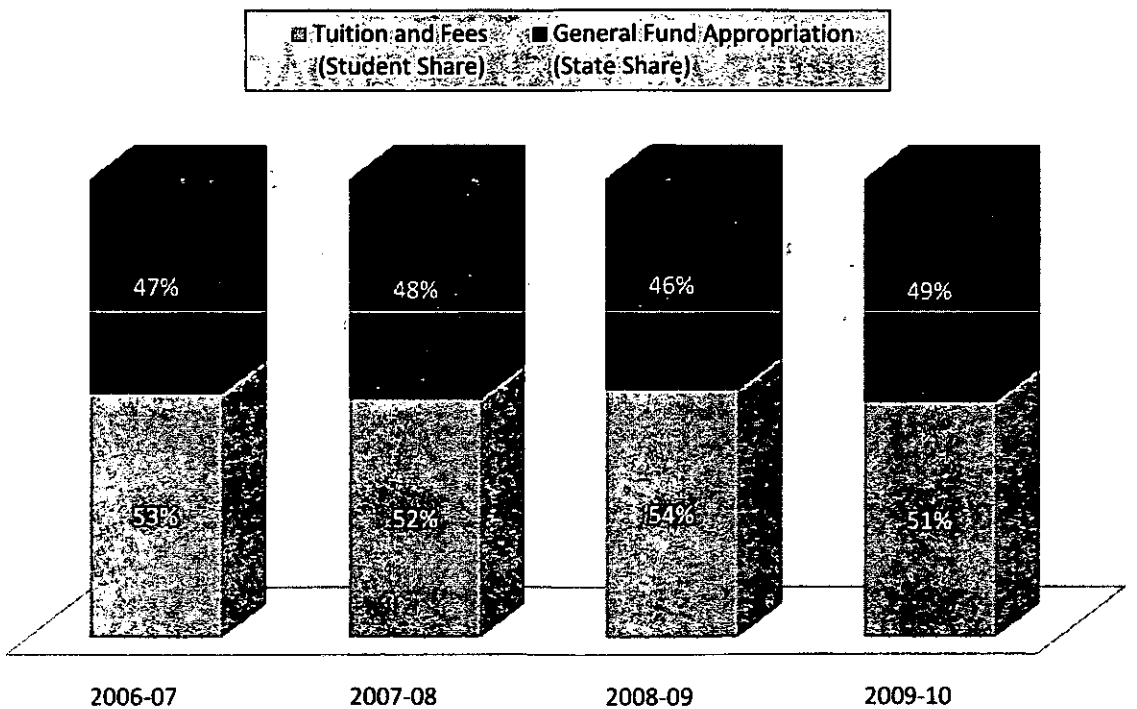


Source: 2010 Student Affordability Report

BISMARCK STATE COLLEGE

Budget Challenges

State/Student Share of Education



NDUS Finance Plan target for two-year campuses is 75% state, 25% student

Source: NDUS Annual Financial Reports

BISMARCK STATE COLLEGE

Budget Challenges

Recruiting & Retaining Quality Staff/Faculty

- Average staff salaries are 2.9% below regional job market
- BSC has market driven programs that require competitive salaries (energy, allied health, engineering, sciences)
- Employees rated low salaries as the #1 reason they leave BSC
- Average NDUS faculty salaries at two-year institutions rank 47th in the nation

BSC BISMARCK STATE COLLEGE

2009-11 Appropriation Expenditures - Required Reporting

- One-time deferred maintenance - $340,637
  - Building Exterior - $98,035
  - Mechanical/Electric Upgrades - $75,377
  - Utilities & infrastructure - $139,798
  - Misc. Projects < $50,000 - $27,427
- Major Capital Projects
  - Technical Center renovation - $3 million general fund, $526,138 other funds – 55% complete

BISMARCK STATE COLLEGE

2011-13 Budget

Executive Recommendation

- Parity - $2,056,567
  - Competitive salary increases critical to our success
  - The most economical campus operation within the NDUS
  - Growing enrollments put pressure on operating budget
- College Affordability - $731,556
  - Will cover student's share of cost to continue
  - Tuition rates are frozen for two years, if funded
  - Supports a more appropriate price-point for NDUS two-year colleges

BISMARCK STATE COLLEGE

2011-13 Budget
Executive Recommendation

- Equity Adjustment - $543,985
  - BSC's general fund appropriation is 53% of peer benchmark
  - Vital to continue meeting industry and economic development needs
  - Potential uses of equity funding
    - Development of new programs and expansion of existing programs experiencing demand
    - Support for expanded campus facilities
    - Support for compliance training, monitoring and reporting
    - Support for curriculum development

BSC BISMARCK STATE COLLEGE

2011-13 Budget
Executive Recommendation

- Facility & Infrastructure Repair & Maintenance - $174,192
  - Increases funding to 15% of OMB Formula (goal is 100%)
  - $3.5 million of outstanding plant improvement projects greater than $100,000
- Pay-off Special Assessments- $900,000 (one-time)
  - Nearly all base extraordinary repair appropriation will be used to fund special assessment installments in 2011-13
  - $17,000 remain for facility repairs and maintenance

BISMARCK STATE COLLEGE

2011-13 Budget
Executive Recommendation

- Employee Retirement Contributions - $140,347
  - Increase defined benefit and contribution retirement plan rates by 2% per year
    - 50% employer, 50% employee
    - Consistent with PERS proposal

BISMARCK STATE COLLEGE

2011-13 Budget
Executive Recommendation

- Major Capital Projects
  - Physical Plant Facility - $1.5 million
    - #1 capital project priority
    - Construct 12,000 sq. ft. multipurpose facility for physical plant functions
    - Addresses significant health and safety concerns
    - Allows for removal of 49- and 29-year-old structures that are in state of disrepair
    - Included in BSC's Facilities Master Plan since 1994

BISMARCK STATE COLLEGE

2011-13 Budget
Executive Recommendation

- Major Capital Projects (continued)
  - Student Union Renovation/Addition - $7.5 million (revenue bonds/other funds)
    - Constructed in 1974 when 1,930 students attended BSC
    - Current facility is too small to meet the needs of students
    - Doubles the size of food service kitchen and dining areas
    - Doubles the size of the bookstore
    - Adds dedicated space for student government, clubs organizations and socialization
    - Student government endorsed the project

BSC BISMARCK STATE COLLEGE

Institutional Priorities

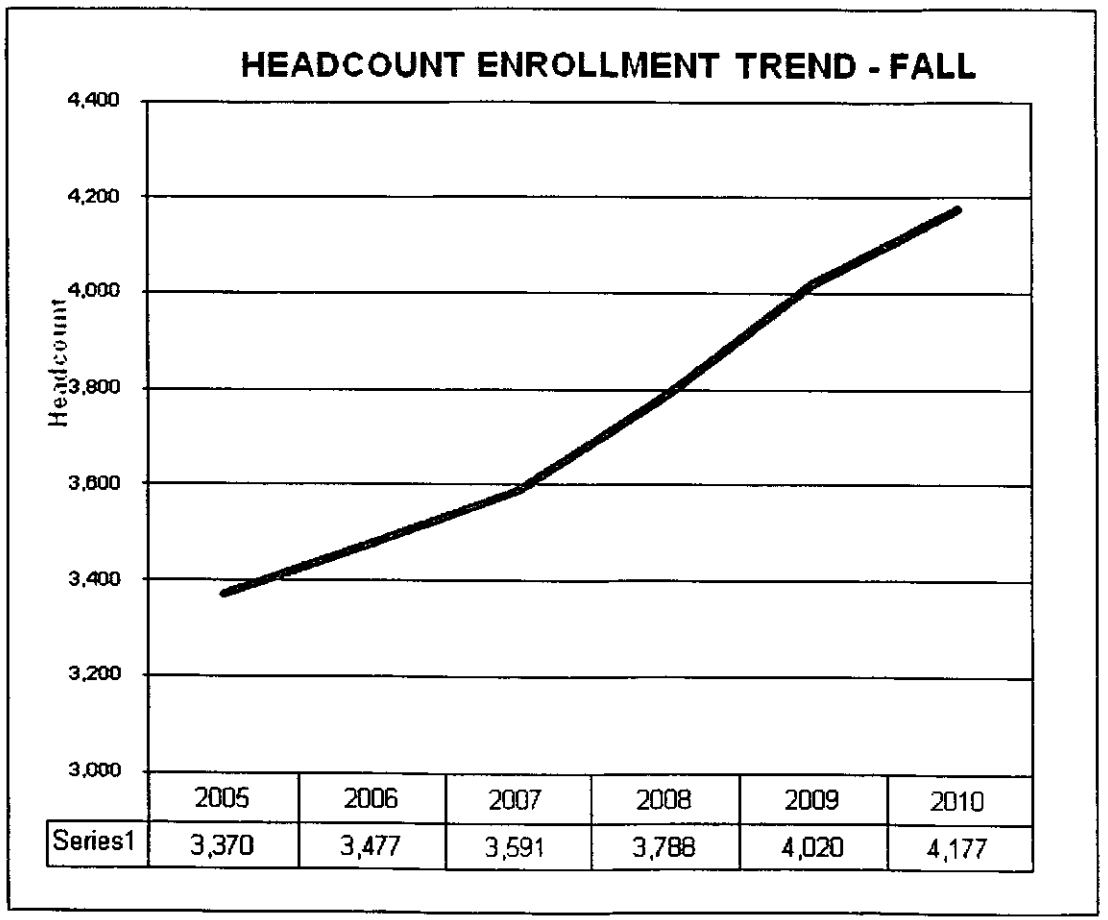
- Request items not included in executive recommendation
  - Top priority for small to medium size capital projects
    - BSC – Partial Steamline Replacement - $249,900
  - Other projects submitted:
    - Roof Replacement
      - Armory, Tech Center & Library
    - Network Core/Switches Replacement
    - Voice System Upgrade/Replacement
    - Iconic Entry Signage

BISMARCK STATE COLLEGE

Uniqueness of our Institution

BISMARCK STATE COLLEGE

Headcount Enrollment



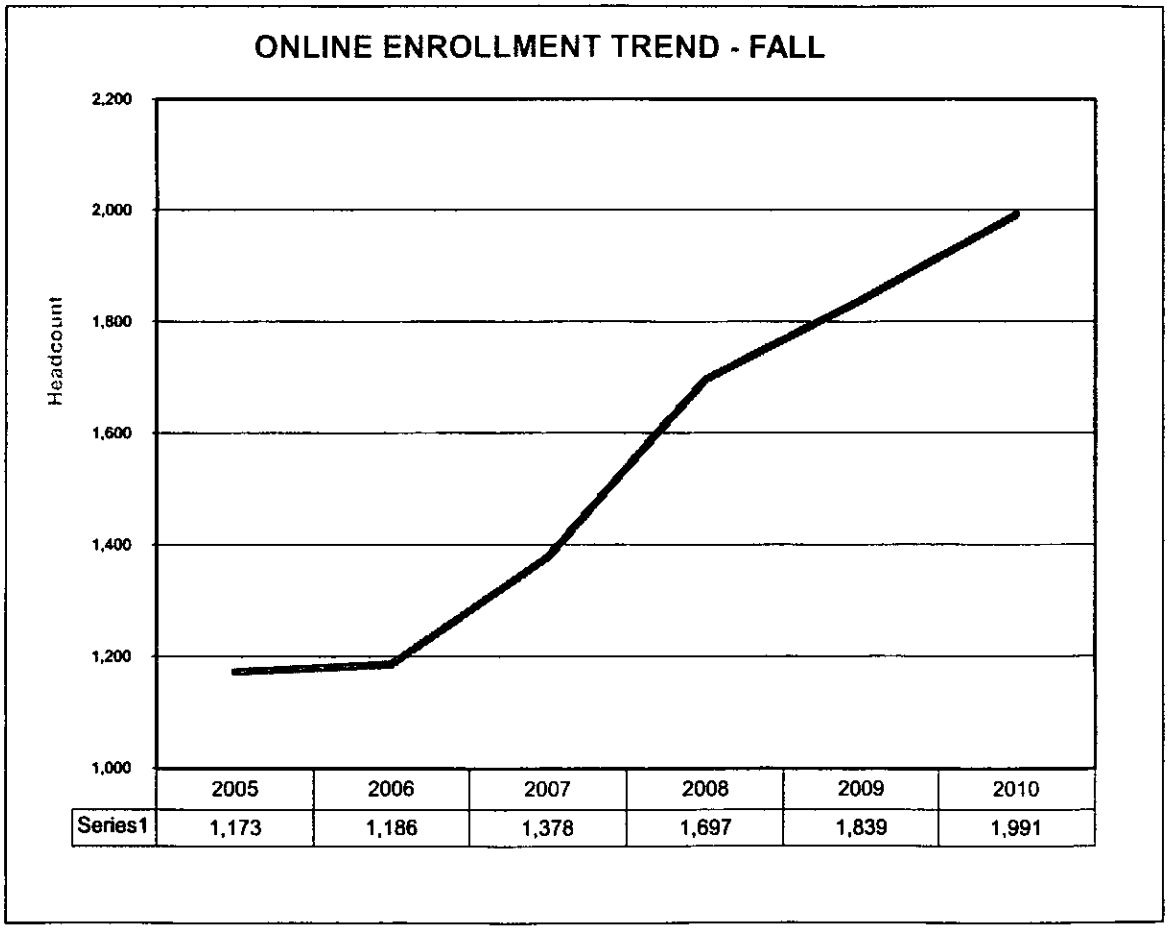
	2005	2006	2007	2008	2009	2010
Series1	3,370	3,477	3,591	3,788	4,020	4,177

24% increase in enrollments in the last five years

3rd largest enrollment in North Dakota University System

BISMARCK STATE COLLEGE

Online Enrollment



68% ND Residents

62% Online only

Provides primary sector economic development

BISMARCK STATE COLLEGE

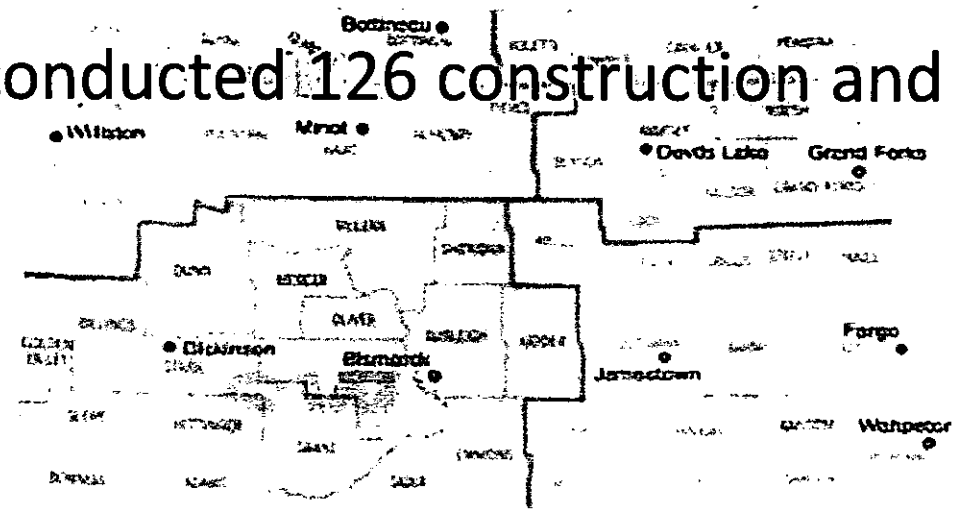
Enrollment Projections Credit Programs

- Goal is 4,660 headcount by 2014
- About 3% increase per year
- Continued population growth in Burleigh and Morton counties
- Anticipate growth in collaborative learning
- Develop new programs based on industry need
  - Welding/Oil and Gas

BSC BISMARCK STATE COLLEGE

Unique Non-Credit Activities

- 13,660 people attended non-credit educational programs in 2009-10
- TrainND Southwest conducted 827 training events for 190 businesses
- ND OSH conducted 126 construction and industry visits

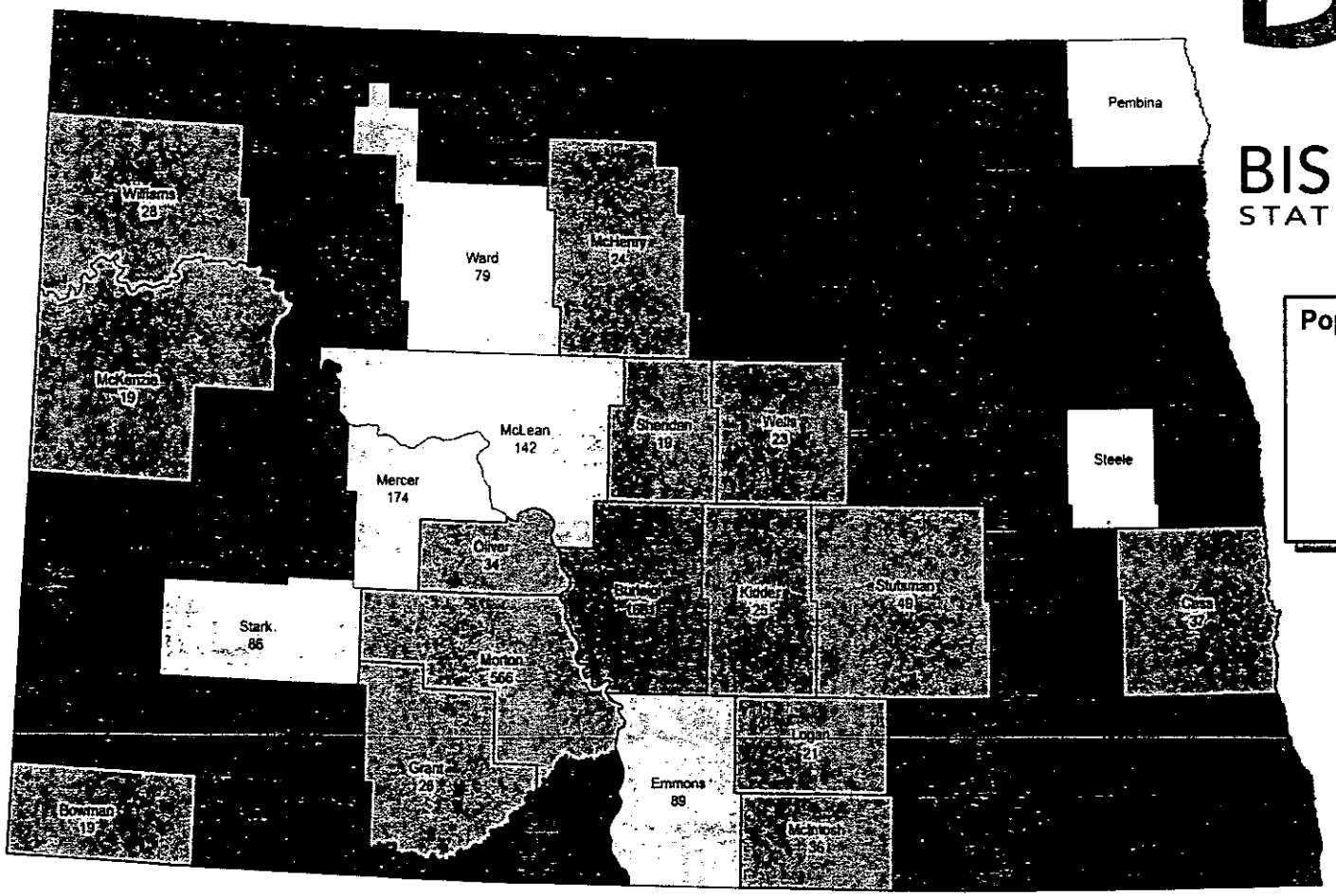


Source: TrainND.com

BISMARCK STATE COLLEGE

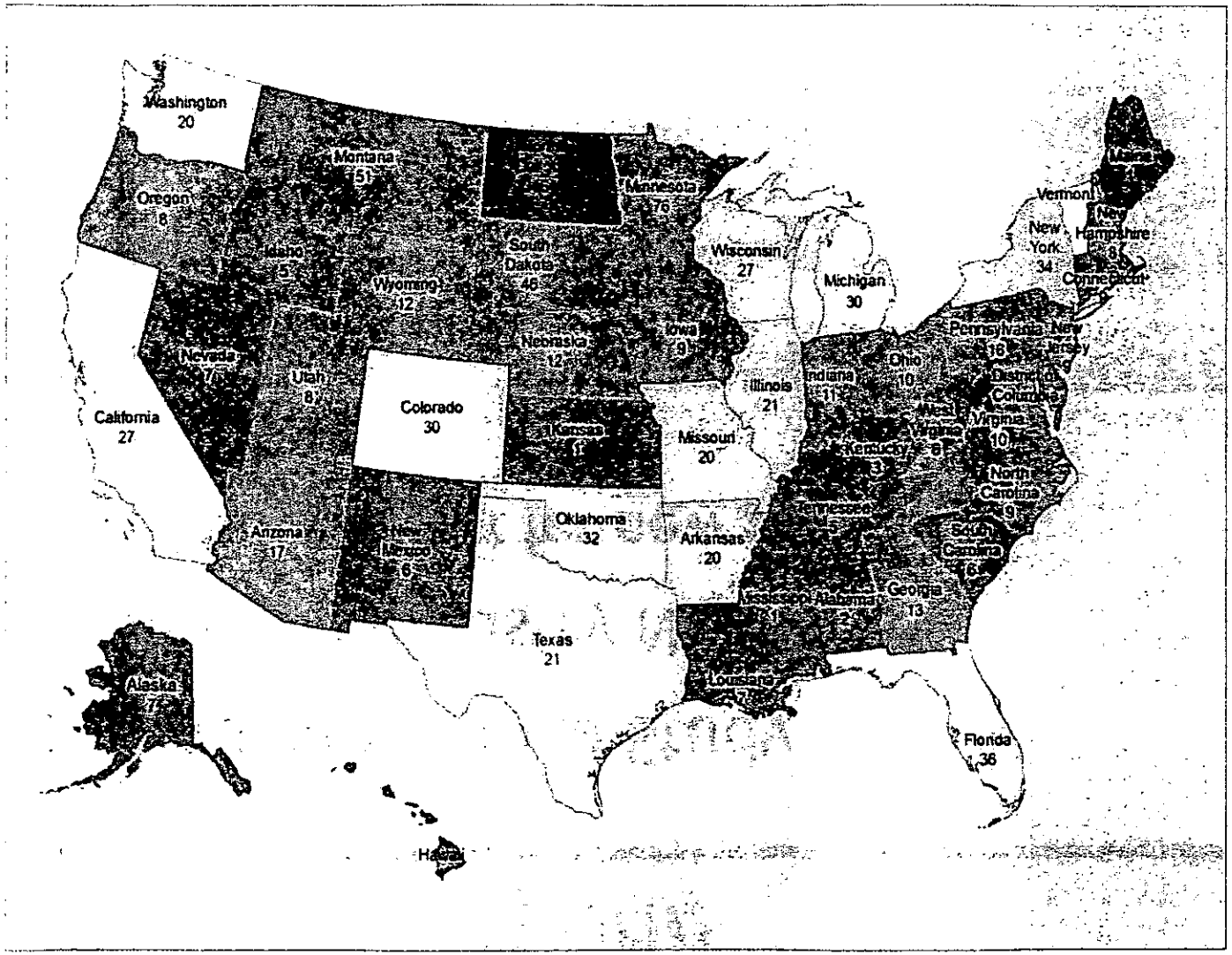
BSC Student Enrollment 2010

BISMARCK STATE COLLEGE



Tyler Deal
Bismarck State College

BSC Student Enrollment 2010



BISMARCK STATE COLLEGE

Population by State

- 1 - 7
- 8 - 17
- 18 - 36
- 37 - 76
- 77 - 3464

N
W E
S

Tyler Reed
Bismarck State College

BSC and *Beyond*

- Funding Formula Study
- Meeting Industry Needs
  - Start-up cost for new programs

BISMARCK STATE COLLEGE

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BISMARCK STATE COLLEGE


BSC
BISMARCK
STATE COLLEGE

[redacted]Major Programs

[redacted]graduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % increase
Instrumentation & Control Technology (new program - fall 09)	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217		
	Fall 2008	-	-	-	-	-		
Lineworker	Fall 2010	1,682	321	250	50	2,304	1.63%	0.00%
	Fall 2009	1,682	284	250	50	2,267	0.00%	0.00%
	Fall 2008	1,682	284	250	50	2,267		
Mechanical Maintenance	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
Nursing	Fall 2010	1,682	321	250	100	2,354	1.60%	0.00%
	Fall 2009	1,682	284	250	100	2,317	0.00%	0.00%
	Fall 2008	1,682	284	250	100	2,317		
Power Plant and Process Plant	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
[redacted]ng	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
Surgical Technology	Fall 2010	1,682	321	-	122	2,126	1.77%	0.00%
	Fall 2009	1,682	284	-	122	2,089	0.00%	0.00%
	Fall 2008	1,682	284	-	122	2,089		
Agriculture, Industry & Technology	Fall 2010	1,682	321	-	100	2,104	1.79%	0.00%
	Fall 2009	1,682	284	-	100	2,067	0.00%	0.00%
	Fall 2008	1,682	284	-	100	2,067		
All Other	Fall 2010	1,682	321	-	-	2,004	1.88%	0.00%
	Fall 2009	1,682	284	-	-	1,967	0.00%	0.00%
	Fall 2008	1,682	284	-	-	1,967		

(a) Tuition and student fees for an average resident student taking 15 credit hours. BSC added a Wellness Center fee in fall 2010 of $4/credit up to 12 credits/semester.

(b) Most course fees are charged to specific courses (for consumable supplies for science/clinical labs, art labs, etc.) that could be tied to numerous transfer or technical programs. Other than those listed here, no course fees in the [redacted]ggate are extraordinary to any one program. Additionally, some programs have external certification testing fees that are collected by BSC and remitted to the testing agent. Those are not included here.

LRSC Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Dakota Nursing Program	Fall 2010	1,533	421	250	75	2,279	2.24%	0.00%
	Fall 2009	1,533	421	250	25	2,229	0.00%	0.00%
	Fall 2008	1,533	421	250	25	2,229		
Peace Officer Training	Fall 2010	1,533	421	-	500	2,454	0.00%	0.00%
	Fall 2009	1,533	421	-	500	2,454	0.00%	0.00%
	Fall 2008	1,533	421	-	500	2,454		
Wind Energy Technician	Fall 2010	1,533	421	-	120	2,074	5.60%	0.00%
(new program Fall 2009)	Fall 2009	1,533	421	-	10	1,964	0.00%	0.00%
	Fall 2008	1,533	421	-	10	1,964		
Automotive Technology	Fall 2010	1,533	421	-	77	2,031	0.00%	0.00%
	Fall 2009	1,533	421	-	77	2,031	0.00%	0.00%
	Fall 2008	1,533	421	-	77	2,031		
Information Technology	Fall 2010	1,533	421	-	134	2,088	3.57%	0.00%
(course fees charged for	Fall 2009	1,533	421	-	62	2,016	3.17%	0.00%
external testing certifications	Fall 2008	1,533	421	-	-	1,954		
Adult Farm Management	Fall 2010	1,533	421	-	25	1,979	0.00%	0.00%
	Fall 2009	1,533	421	-	25	1,979	0.00%	0.00%
	Fall 2008	1,533	421	-	25	1,979		
Liberal Arts Associate	Fall 2010	1,533	421	-	40	1,994	0.00%	0.00%
(course fees would only appl	Fall 2009	1,533	421	-	40	1,994	0.00%	0.00%
to certain lab combinations)	Fall 2008	1,533	421	-	40	1,994		

WSC Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
General*	Fall 2010	1,309	419			1,728	2.31%	0.00%
	Fall 2009	1,309	380			1,689	0.00%	0.00%
	Fall 2008	1,309	380			1,689		
Nursing	Fall 2010	1,309	419	250		1,978	2.01%	0.00%
	Fall 2009	1,309	380	250		1,939	0.00%	0.00%
	Fall 2008	1,309	380	250		1,939		

*Includes all programs other than nursing

Tuition and student fees for an average resident student taking 15 credit hours-at WSC students are not charged tuition for the 14th, 15th and 16th credit hours taken. CND and NDSU fees are capped at 12 credit hours.

UND Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Business	Fall 2010	2,826	641	150		3,617	2.95%	3.50%
	Fall 2009	2,731	633	150		3,513	3.13%	3.51%
	Fall 2008	2,638	619	150		3,407		
Nursing	Fall 2010	2,826	641	500		3,967	8.29%	3.50%
	Fall 2009	2,731	633	300		3,663	3.00%	3.51%
	Fall 2008	2,638	619	300		3,557		
Teacher Education	Fall 2010	2,826	641	100		3,567	2.99%	3.50%
	Fall 2009	2,731	633	100		3,463	3.18%	3.51%
	Fall 2008	2,638	619	100		3,357		
Engineering	Fall 2010	2,826	641	150		3,617	2.95%	3.50%
	Fall 2009	2,731	633	150		3,513	3.13%	3.51%
	Fall 2008	2,638	619	150		3,407		
Social Work	Fall 2010	2,826	641	225		3,692	2.89%	3.50%
	Fall 2009	2,731	633	225		3,588	3.07%	3.51%
	Fall 2008	2,638	619	225		3,482		
Recreation and Leisure Services; Rehabilitation and Human Services	Fall 2010	2,826	641	225		3,692	2.89%	3.50%
	Fall 2009	2,731	633	225		3,588	3.07%	3.51%
	Fall 2008	2,638	619	225		3,482		
Air Traffic Control	Fall 2010	2,826	641		1,900	5,367	1.97%	3.50%
	Fall 2009	2,731	633		1,900	5,263	7.27%	3.51%
	Fall 2008	2,638	619		1,650	4,907		
Aviation (Fee=Intro to Avia. Helicopter; highest cost course in Aviation)	Fall 2010	2,826	641		25,045	28,512	0.68%	3.50%
	Fall 2009	2,731	633		24,955	28,318	4.74%	3.51%
	Fall 2008	2,638	619		23,779	27,036		
Occupational Therapy	Fall 2010	5,087	641			5,728	3.25%	3.50%
	Fall 2009	4,915	633			5,548	3.37%	3.51%
	Fall 2008	4,749	619			5,367		
Clinical Lab Science	Fall 2010	2,826	641	500		3,967	2.68%	3.50%
	Fall 2009	2,731	633	500		3,863	2.84%	3.51%
	Fall 2008	2,638	619	500		3,757		
Other Undergrad Programs (no Program Fee or extra-ordinary course fees)	Fall 2010	2,826	641			3,467	3.08%	3.50%
	Fall 2009	2,731	633			3,363	3.28%	3.51%
	Fall 2008	2,638	619			3,257		

For Air Traffic Control and Aviation, the course fee represents the highest course fee in the program.

The Distance Engineering Degree Program is not reported above. Students in DEDP are typically part time. The program has an access fee of $170/credit.

Music students pay course fees for individual lessons which are not reported above.

NDSU Revised Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Architecture/Landscape Architecture/ Environmental Design (the program fee is 33% of the Resident rate)	Fall 2010	2,820	511	930	250	4,510	3.59%	3.50%
	Fall 2009	2,724	481	899	250	4,354	2.89%	3.50%
	Fall 2008	2,632	481	869	250	4,232		
Athletic Training	Fall 2010	2,820	511	250	40	3,620	4.03%	3.50%
	Fall 2009	2,724	481	250	25	3,480	2.87%	3.50%
	Fall 2008	2,632	481	250	20	3,383		
Dietetics - CPD (Coordinated Program in Dietetics)	Fall 2010	2,820	511	750	325	4,405	9.18%	3.50%
	Fall 2009	2,724	481	600	230	4,035	7.51%	3.50%
	Fall 2008	2,632	481	600	40	3,753		
Dietetics - DPD (Didactic Program in Dietetics)	Fall 2010	2,820	511	300	270	3,900	8.64%	3.50%
	Fall 2009	2,724	481	175	210	3,590	8.20%	3.50%
	Fall 2008	2,632	481	175	30	3,318		
Eduction (has a one-time $875 initial program fee)	Fall 2010	2,820	511	875	-	4,205	3.07%	3.50%
	Fall 2009	2,724	481	875	-	4,080	2.31%	3.50%
	Fall 2008	2,632	481	875	-	3,988		
Engineering	Fall 2010	2,820	511	328	25	3,683	3.52%	3.50%
	Fall 2009	2,724	481	328	25	3,558	2.65%	3.50%
	Fall 2008	2,632	481	328	25	3,466		
Health Nutrition and Exercise Sciences	Fall 2010	2,820	511	285	25	3,640	3.56%	3.50%
	Fall 2009	2,724	481	285	25	3,515	2.84%	3.50%
	Fall 2008	2,632	481	285	20	3,418		
Interior Design	Fall 2010	2,820	511	250	65	3,645	3.70%	3.50%
	Fall 2009	2,724	481	250	60	3,515	3.14%	3.50%
	Fall 2008	2,632	481	250	45	3,408		
Marriage & Family Therapy	Fall 2010	2,820	511	250	-	3,580	3.62%	3.50%
	Fall 2009	2,724	481	250	-	3,455	2.74%	3.50%
	Fall 2008	2,632	481	250	-	3,363		
Nursing	Fall 2010	2,820	511	300	25	3,655	3.55%	3.50%
	Fall 2009	2,724	481	300	25	3,530	2.68%	3.50%
	Fall 2008	2,632	481	300	25	3,438		
Pharmacy (Professional Degree) (the program fee is equal to the Resident rate)	Fall 2010	2,820	511	2,820	-	6,150	3.72%	3.50%
	Fall 2009	2,724	481	2,724	-	5,929	3.20%	3.50%
	Fall 2008	2,632	481	2,632	-	5,745		
All Other Programs *	Fall 2010	2,820	511	-	35	3,365	3.86%	3.50%
	Fall 2009	2,724	481	-	35	3,240	2.92%	3.50%
	Fall 2008	2,632	481	-	35	3,148		

*** All Other Programs: Approximately 77% of the undergrad students are included in this category and do not pay program fees.**

NDSCS Major Programs
Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Liberal Arts	Fall 2010	1,684	290	-	18	1,992	0.81%	0.00%
	Fall 2009	1,684	274	-	18	1,976	0.66%	0.00%
	Fall 2008	1,684	261	-	18	1,963		
Agriculture	Fall 2010	1,684	290	150	66	2,190	0.74%	0.00%
	Fall 2009	1,684	274	150	66	2,174	0.60%	0.00%
	Fall 2008	1,684	261	150	66	2,161		
Auto Body Repair	Fall 2010	1,684	290	200	171	2,345	0.69%	0.00%
	Fall 2009	1,684	274	200	171	2,329	0.56%	0.00%
	Fall 2008	1,684	261	200	171	2,316		
Auto Technology	Fall 2010	1,684	290	200	36	2,210	0.73%	0.00%
	Fall 2009	1,684	274	200	36	2,194	0.60%	0.00%
	Fall 2008	1,684	261	200	36	2,181		
Building Construction Tech	Fall 2010	1,684	290	50	176	2,200	0.73%	0.00%
	Fall 2009	1,684	274	50	176	2,184	0.60%	0.00%
	Fall 2008	1,684	261	50	176	2,171		
Civil Engineering	Fall 2010	1,684	290	150	331	2,455	0.66%	0.00%
	Fall 2009	1,684	274	150	331	2,439	0.54%	0.00%
	Fall 2008	1,684	261	150	331	2,426		
Culinary Arts	Fall 2010	1,684	290	150	150	2,274	0.71%	0.00%
	Fall 2009	1,684	274	150	150	2,258	0.58%	0.00%
	Fall 2008	1,684	261	150	150	2,245		
Dental Hygiene	Fall 2010	1,684	290	250	138	2,362	0.68%	0.00%
	Fall 2009	1,684	274	250	138	2,346	0.56%	0.00%
	Fall 2008	1,684	261	250	138	2,333		
Diesel Technology	Fall 2010	1,684	290	150	76	2,200	0.73%	0.00%
	Fall 2009	1,684	274	150	76	2,184	0.60%	0.00%
	Fall 2008	1,684	261	150	76	2,171		
Electrical Technology	Fall 2010	1,684	290	200	226	2,400	0.67%	0.00%
	Fall 2009	1,684	274	200	226	2,384	0.55%	0.00%
	Fall 2008	1,684	261	200	226	2,371		
Health Infomation Tech	Fall 2010	1,684	290	50	-	2,024	0.80%	0.00%
	Fall 2009	1,684	274	50	-	2,008	0.65%	0.00%
	Fall 2008	1,684	261	50	-	1,995		
Master Tech Auto/Diesel	Fall 2010	1,684	290	200	-	2,174	0.74%	0.00%
	Fall 2009	1,684	274	200	-	2,158	0.61%	0.00%
	Fall 2008	1,684	261	200	-	2,145		
Machinist	Fall 2010	1,684	290	250	203	2,427	0.66%	0.00%
	Fall 2009	1,684	274	250	203	2,411	0.54%	0.00%
	Fall 2008	1,684	261	250	203	2,398		
Practical Nursing	Fall 2010	1,684	290	250	259	2,483	0.65%	0.00%
	Fall 2009	1,684	274	250	259	2,467	4.80%	0.00%
	Fall 2008	1,684	261	150	259	2,354		
Nursing	Fall 2010	1,684	290	250	259	2,483	0.65%	0.00%
	Fall 2009	1,684	274	250	259	2,467	0.53%	0.00%
	Fall 2008	1,684	261	250	259	2,454		
Occupational Therapy	Fall 2010	1,684	290	100	254	2,328	0.69%	0.00%
	Fall 2009	1,684	274	100	254	2,312	0.57%	0.00%
	Fall 2008	1,684	261	100	254	2,299		
Pharmacy Technician	Fall 2010	1,684	290	150	16	2,140	0.75%	0.00%
	Fall 2009	1,684	274	150	16	2,124	0.62%	0.00%
	Fall 2008	1,684	261	150	16	2,111		
Recreational Engines Tech	Fall 2010	1,684	290	100	50	2,124	0.76%	0.00%
	Fall 2009	1,684	274	100	50	2,108	0.62%	0.00%
	Fall 2008	1,684	261	100	50	2,095		
Welding Technology	Fall 2010	1,684	290	200	-	2,174	0.74%	0.00%
	Fall 2009	1,684	274	200	-	2,158	0.61%	0.00%
	Fall 2008	1,684	261	200	-	2,145		

Tuition and student fees for an average resident student taking 15 credit hours.
Fees are capped at 12 credit hours.

DSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % increase
All Other Programs	Fall 2010	2,153	544			2,697	2.78%	3.50%
	Fall 2009	2,080	544			2,624	3.23%	3.48%
	Fall 2008	2,010	532			2,542		
Nursing	Fall 2010	2,153	544	150		2,847	2.63%	3.50%
	Fall 2009	2,080	544	150		2,774	3.05%	3.48%
	Fall 2008	2,010	532	150		2,692		

MaSU Major Programs

Undergraduate Students-On-campus Delivery

		Resident Tuition	Student Fees 1/	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
All Undergraduate Programs	Fall 2010	2,134	835		15	2,984	2.5%	3.49%
	Fall 2009	2,062	835		15	2,912	2.5%	3.50%
	Fall 2008	1,992	835		15	2,842		

1/ Student Fees include a $475 Technology Fee per semester.

The majority of the course fees are $15/semester. The two largest exceptions are Introduction to Education ($180) and Student Teaching ($100).

MiSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Basic major	Fall 2010	2,238	581	-	-	2,819	4.60%	3.49%
	Fall 2009	2,163	532	-	-	2,695	6.86%	3.50%
	Fall 2008	2,090	432	-	-	2,522		
Nursing	Fall 2010	2,238	581	300	291	3,410	3.77%	3.49%
	Fall 2009	2,163	532	300	291	3,286	5.56%	3.50%
	Fall 2008	2,090	432	300	291	3,113		
Athletic Training *	Fall 2010	2,238	581	250	-	3,069	4.21%	3.49%
	Fall 2009	2,163	532	250	-	2,945	6.24%	3.50%
	Fall 2008	2,090	432	250	-	2,772		
Clinical Lab Science **	Fall 2010	2,238	581	1,000	-	3,819	3.35%	3.49%
	Fall 2009	2,163	532	1,000	-	3,695	4.91%	3.50%
	Fall 2008	2,090	432	1,000	-	3,522		

* Athletic Training major began Fall 2010

** Clinical Lab Science program fee is submitted to UND

VCSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
All undergraduate programs 1/	Fall 2010	2,216	821	-	72	3,110	2.75%	3.50%
	Fall 2009	2,141	821	-	64	3,026	2.62%	3.50%
	Fall 2008	2,069	821	-	59	2,949		

1/ All resident undergraduate students pay the same tuition rate regardless of program. VCSU does not charge program fees. Course fees are similar for all UG students. An average is included here.

Tuition and student fees for an average resident student taking 15 credit hours.

DCB Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Nursing	Fall 2010	1,560	368	250	150	2,328	0.43%	0.00%
	Fall 2009	1,560	358	250	150	2,318	0.75%	0.00%
	Fall 2008	1,560	341	250	150	2,301		
CISCO Networking Technician (Certificate of Completion)	Fall 2010	1,560	368	-	150	2,078	0.49%	0.00%
	Fall 2009	1,560	358	-	150	2,068	0.84%	0.00%
	Fall 2008	1,560	341	-	150	2,051		
All other programs	Fall 2010	1,560	368			1,928	0.53%	0.00%
	Fall 2009	1,560	358			1,918	0.91%	0.00%
	Fall 2008	1,560	341			1,901		

HB1003
Dickinson State U.
1/18/11
attachment #1



House Appropriations
Committee Hearings

January 18, 2011

TABLE OF CONTENTS

Mission & Collaboration 1

Enrollment Trends
and Tuition Rates 2

Unique Challenges 3

Budget Overview 4

Capital Projects 5

Required Reportings 6

Mission & Collaboration

- Strom Center for Entrepreneurship and Innovation
  - Advisory Committee
  - ND Center of Excellence, Bush Foundation, EDA, Stark Development Corporation
- Active Member of Manufacturers' Roundtable
- Collaboration/Cooperative/Articulation Agreements
  - NDUS Institutions
  - Tribal Colleges
  - Global Partnerships (16 in China, 3 in Russia, 1 in Korea)
- Collaborative/International Trade-Commerce
  - ND Trade Office (China)
  - ND Commissioner of Agriculture (China)
- Knowledge Exchange - Nursing
  - Krasnoyarsk State Medical University (Russia)
- Pursuit of a Confucius Institute at DSU
  - Taiyuan University of Technology
- STEM Update

Collaboration/Cooperative/Articulation Agreements with NDUS Institutions and Other Entities

Dickinson State University has a long history of establishing collaborative agreements with other NDUS institutions to help provide program access to the state's students. DSU has articulation agreements for specific programs in which course work is used from each partner institution to satisfy degree requirements with every school in the System. These programs range from an online associate degree in liberal arts in cooperation with the **community colleges** to a recently signed agreement between the **University of North Dakota** and DSU that provides for a bridge program that leads to a Master's Degree in Business Administration.

Most notable of these partnerships is our relationship with **Bismarck State College** in which DSU delivers 17 baccalaureate programs to BSC utilizing the first two years of course work from BSC in transfer. This has been a very successful program, enrolling 360 students this fall, and is considered to be a model for collaborative partnerships with the University System.

Dickinson State University also currently offers via IVN a degree in University Studies and a Bachelor of Science degree at **Williston State College**. In addition, on-line coursework is offered in Agricultural Sales and Service, Equine management, Business Administration, Human Resource Management, Finance, and International Business.

Conversely, collaborative efforts with **North Dakota State University** provided for the delivery of key courses in agriculture that help complete DSU's Agricultural Studies degree on the DSU campus. Just recently, a collaborative program combining DSU courses with NDSU courses that will lead to an engineering degree from NDSU in four areas was created. This program will provide local internships for engineering students and a potential for future employment. DSU also works very closely with **Minot State University** to provide graduate continuing education credit for area teachers through in-service workshops and seminars provided through DSU's West River Teacher Center.

Dickinson State has also partnered with **tribal colleges** and currently has articulation agreements for transfer of two year degrees with Candeska Cikana Community College, Fort Berthold Community College, Turtle Mountain Community College, Sitting Bull College, and United Tribes Technical College. Indeed, a specialized cooperative partnership with Turtle Mountain Community College provides for the degree completion of Turtle Mountain students in DSU's Environmental Health Program, the only such program in the state.

DSU has fully embraced the concept of partnering with System schools and tribal colleges to provide educational services and access to these services that DSU could not provide alone.

DSU STEM Career Preparation: Building the Foundation P-16

2009/10 Update

The three main goals of the DSU STEM initiative are to articulate and align P-16 mathematics and science curriculum, increase content knowledge of P-16 educators, and to increase P-16 student knowledge of STEM content and career options through a variety of offerings designed to engage students in further study of STEM curriculum. All programs helped to establish and strengthen relationships with educators and business professionals, improving communication and enabling design and implementation of more effective programs.

As of June 30th, a math committee composed of 23 K-16 educators and administrators from 9 school districts and 3 partnering entities had met twice. Work began on aligning K-16 curriculum, in addition to establishing a strong network of experienced, knowledgeable professionals committed to improving student achievement and preparation.

P-16 educators had the opportunity to increase math and science content knowledge through 5 STEM funded offerings. Three workshops were presented to 88 K-12 educators during the WTRC/RESP teacher in-service on January 18th. Nineteen K-12 teachers attended the Math Institute presented at BSC in June and 10 K-10 teachers attended the Science Institute at DSU in June. All responding participants indicated the offering successfully increased their science and math content knowledge. Several also commented on the value of being able to collaborate with educators from different schools and expressed great appreciation for the opportunity.

Enhancements and extensions for P-16 students provided by DSU faculty and students and included: three different classroom demonstrations successfully engaged 257 4th-5th grade students in science and math investigations; four STEM funded DSU student tutors provided more than 300 hours of additional assistance to DSU students in math and science; dual credit opportunities in math and science were expanded; shadow opportunities were arranged upon request; the Department of Natural Sciences, along with 120 DSU students from multiple disciplines, hosted Science Olympiad (Science Day) for 450 6th -12th grade students. This annual event was enhanced this year by adding displays of current research opportunities and career options in STEM areas.

Measurable, Quantifiable Outcomes

A. Science and Mathematics Curriculum Articulation, Alignment, and Enhancement P-16 to better prepare students for further study or careers in STEM

Goal: A1) Articulate and align curriculum P-16, particularly looking at high school exit expectations and university entrance expectations in mathematics and science.

Outcomes:

1) Mathematics and Science curricular exit and entrance expectations will be closely articulated and aligned between high school exit and university entrance.
2) Mathematics and Science/critical thinking curriculums will be more closely aligned P-16.

A committee was formed consisting of P-16 educators and administrators from 9 SW ND K-12 school districts, RESP, RACTC, the Early Childhood Center and DSU to address the above goals. The Department Chair for Math and Computer Science, Dr. Paul Johanson, and three faculty members from the Departments of Mathematics/Computer Science and Teacher Education are participating in the Math Articulation and Alignment Committee. The committee, led by Karen Nelson, DSU K-116 Learning Strategist, had met twice as of June 30th, 2010. Brief overviews of the discussions are included.

- *March 1, 2010:* 1½ Hours of Discussion--Orientation Included: a brief overview of the history of collaborative groups, trends in education and related state and federal legislation; course goals, objectives and anticipated timeline; participants identified areas of opportunity and common obstacles.
- *April 19, 2010*: 1½ Hours of Discussion--Review of national and state initiatives relating to mathematics curriculum, student expectations (standards and benchmarks), K-12 *testing*, and higher education entry student expectations; national initiatives included a discussion of Core Standards, work of NCTM, anticipated *Race to the Top* and other funding enticements and how those impact the teaching of mathematics.

3) DSU faculty and students will offer at least eight STEM learning activities for P-12 teachers and students during the year.

- Fifteen STEM learning activities for P-12 teachers and students were offered during the 2009/10 year in addition to the work of the math Committee. It is important to note that these are just the activities funded by STEM. DSU faculty and students did additional group presentations relating to STEM areas.
  - 9 - K-12 classroom demonstrations were presented by DSU faculty and students
  - 1 - Science Day (Enhanced Science Olympiad)
  - 3 - 90 minute teacher workshops
  - 2 - Institutes: 1 6 day K-8 Science Institute and a 4 day 6-12 Math Institute (cosponsor)

4) Increase the number of students moving into STEM course of study from other disciplines.
5) Increase the potential pool of science and math teachers in DSU Teacher Education programs.
6) Increase students going into science and math-related fields of study.
7) DSU will revise basic introductory courses in math and science to align with the revised upgraded courses at the high school level.

B. STEM Curriculum Enhancements and Extensions for P-16 Teachers, Pre-service Teachers, Classroom Aides, and University Content Leader Students

Goal: B31) Increase content knowledge of P-16 teachers, pre-service teachers, classroom aides, and university content leader students through professional development in mathematics and in science through institutes, energy camp, and activities as listed in this implementation plan.

Outcomes:

1) The number of P-12 teachers participating in STEM professional development will increase by at least 30 each year.

- Data provided by DSU West River Teacher Center showed that in fiscal year 2007/08 - 59 teachers attended STEM related training, 22 in 2008/09 and 148 in 2009/10. 117 participants 2009/2010 were attending events funded or cosponsored by the STEM initiative. Participants in the Math and Science Institutes unanimously reported they had never attended STEM related professional development.

2) Participating educators will strengthen their content knowledge as measured by self evaluation instrument.

- There were 88 participants in the 90 minutes STEM workshops presented on January 18th, 2010. 100% agreed the new information provided was useful to them as teachers, was relevant to their classes, provided new ideas to implement in their classes, and would affect the students in their classes.

- Twenty-nine K-12 teachers participated in the Math and Science Institutes; 25 evaluations were returned. 100% strongly agreed or agreed that the event strengthened their knowledge in one or more areas of STEM and enabled and encouraged productive collaboration with educators from different schools. 96% (24/25) agreed that the event provided real-world application of key concepts.

C. STEM Curriculum Enhancements and Extensions for P-16 Students

Goal: C.1) P-16 students will increase their awareness/knowledge of STEM career options.
Outcomes:

1) Increase the number of students from participating school districts who declare mathematics, science and/or engineering as major areas of study when they attend college in North Dakota.

Goal: C.2) P-16 students will increase their content knowledge in science and in mathematics through curriculum enhancements and extensions.
Outcomes:

2) Decrease the number of students from participating school districts who enroll in remedial courses MATH 101 and 102 at Dickinson State University.
3) Increase the number of high school students taking upper level courses in mathematics and science within the participating school districts.
   - The Office of Extended Campus in partnership with the Departments of Natural Sciences and Math/Computer Science are working with and increasing number of area high schools to provide the following dual credit courses: Intro to Chemistry, Concepts of Biology, Earth Science, Pre-Calculus, Intro to Algebra, and Intro to Computers.

[redacted]oal: C.3) P-16 students will participate in STEM curriculum enhancements and extensions.

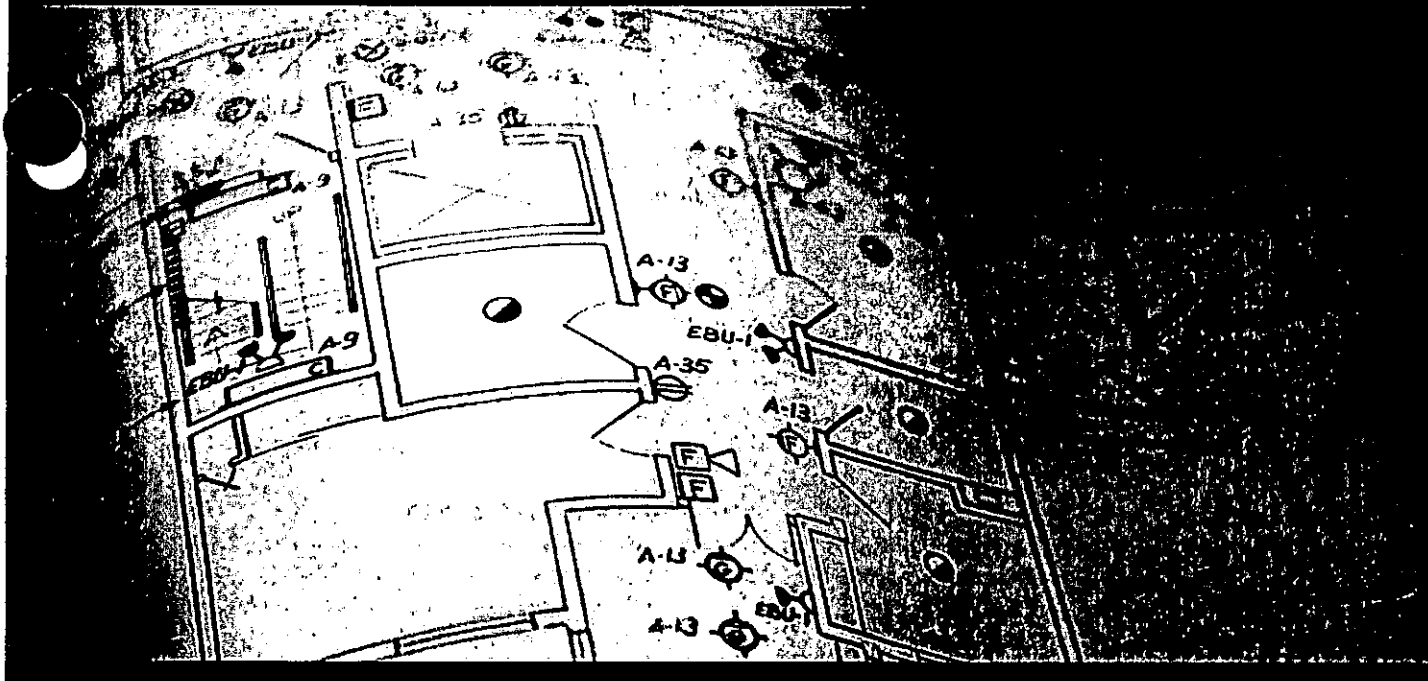
- Enhancements and extensions included: K-12 classroom demonstrations/presentations by DSU faculty and students; Science Day (enhanced Science Olympiad); peer tutoring, and production of educational vignettes.

Outcomes:

4) Student participation in STEM classes and activities will increase.
   - 152 DSU students and 707 SW ND K-12 students participated in the STEM funded/cosponsored activities for K-12 students.
   - DSU education students were challenged to develop STEM lesson plans to be used for future classroom demonstrations in the math methods course ELED 290X.
5) At least 20 6th-7th and 8th-9th grade students will attend the energy camp.

The "energy camp" was changed to an engineering camp to avoid overlap of the energy workshops provided to the K-12 teachers. Thirty-six 6th-9th students attended energy camp July 19th and 20th. Another camp is tentatively scheduled for June 7th and 8th, 2011. Instructors included 2 7th-8th grade teachers from Hagen Jr. High and a mechanical engineer from KLJ, a local engineering firm. Students participated in engineering activities, problem solving and conversation with engineers from the City of Dickinson, SolarBee, Fisher Industries, SWWA, Steffes Corporation and MI Swaco.

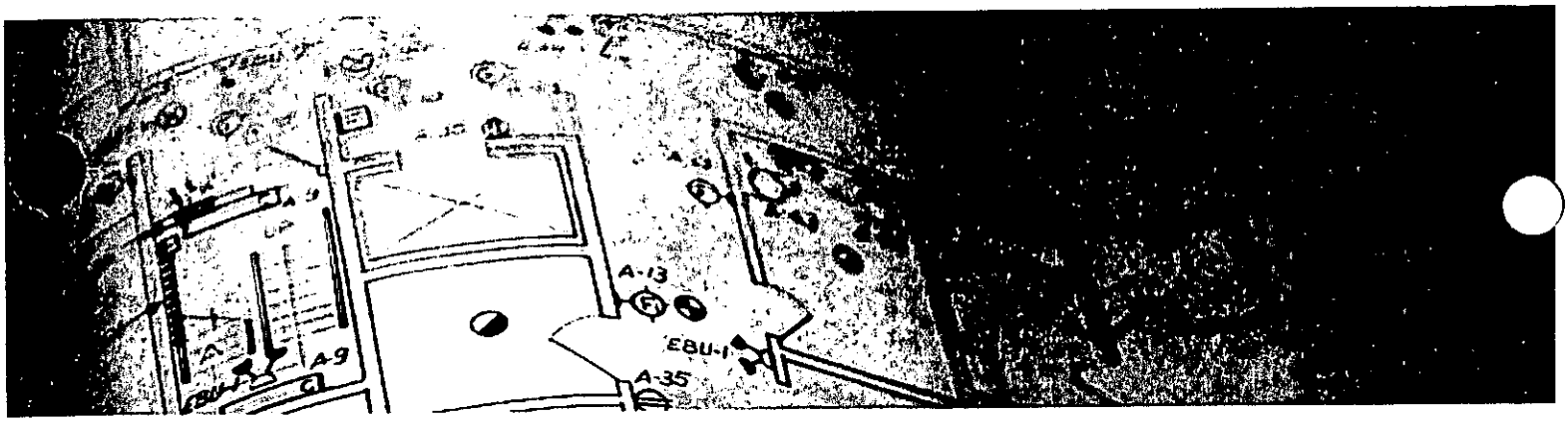
COLLABORATIVE ENGINEERING PROGRAM



NDSU

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www.ndsu.nodak.edu



Whether you're interested in a career in computer, electrical, industrial or manufacturing engineering, the Collaborative Engineering Program from Dickinson State University (DSU) and North Dakota State University (NDSU) can provide you with the education and experience you'll need to be successful.

CAREERS IN ENGINEERING

Engineering is the field of applying science and mathematics to develop solutions that have a practical end. Engineers design and manufacture machines, processes, systems and structures, including buildings, roads and bridges. In a sense, engineers are inventors. They dream up ideas and make them a reality for the rest of us. By utilizing science and math, they improve the quality of life for society. Engineering is a highly rewarding career for creative and innovative individuals around the world. And as you can imagine, there is a great deal of prestige involved with being an engineer. Since engineers are often directly responsible for creating a new product or service, they are in high demand in the corporate world and [redacted]nd fairly high salaries. Collectively, engineering graduates enjoyed [redacted]rcent boost in 2008, with average beginning salary offers of $50,536. *Source: National Association of Colleges and Employers*

ENGINEERING DEGREE PROGRAMS

The Collaborative Engineering Program offers the opportunity for students to study the following four engineering programs:

■ ELECTRICAL ENGINEERING

Electrical engineers work in one of the biggest engineering fields which includes all power systems, circuitry, microprocessors, computer chips, digital broadcasting and telephone switching systems.

■ INDUSTRIAL ENGINEERING

Industrial engineers create assembly line systems to help with manufacturing processes. They utilize energy, people, machines and information to help organize the manufacturing of a specific product. Industrial engineers must solve organizational problems and create an efficient production process.

■ MANUFACTURING ENGINEERING

Manufacturing engineers apply scientific principles to the production of goods. They are key team members in the production of a wide range of products – automobiles, airplanes, electronics, surgical instruments, foodstuffs, recreational equipment, etc. Manufacturing engineers design the [redacted]ses and systems to make products available when and where customers prefer, at the best possible price and in ways that are environmentally friendly.

■ COMPUTER ENGINEERING

Computer engineers, also called Web, IT, or software engineers, create programs for use on computer platforms or on the internet. They develop and design communication systems, maintain network stability and implement new user interfaces.

PROGRAM DESCRIPTION

Through the Collaborative Engineering Program, you will take your first two years of courses at DSU. This will prepare you for transfer to NDSU where you can complete the NDSU Bachelor of Science degree requirements in either computer, electrical, industrial or manufacturing engineering.

After successful completion of four semesters of undergraduate work at DSU, you will be accepted for transfer to NDSU if you have earned a transfer cumulative Grade Point Average (GPA) of:

- 2.3 for Electrical Engineering, or
- 2.0 for Computer Engineering, Industrial Engineering

For Manufacturing Engineering, you must also have earned the eq lent grade of C or better for each course to be awarded for transfer credit.

NOTE:
In most cases, students transferring in the fall semester should be able to complete NDSU's baccalaureate program within four semesters after arriving at NDSU. If NDSU believes that it is in the student's best academic interest to deliver the course work over a longer period of time, the course work may be extended for an appropriate length of time.

ADMISSION REQUIREMENTS

You will need to declare your intent to participate in the Collaborative Engineering Program when you enroll at DSU. At the same time, you will be required to apply for full admission to NDSU. Therefore, you should apply to both DSU and NDSU at the same time, and you must pay both schools' admission fees. Admission to the NDSU engineering program is separate from admission to either university and will be determined by the appropriate NDSU engineering department.

TUITION

Tuition charges will depend on the school which is delivering each course; courses offered by DSU will charge DSU tuition and courses offered by NDSU will charge NDSU tuition. In addition, program participants will be required to pay an engineering program fee each semester.

INTERNSHIPS
In addition to classroom learning, the Collaborative Engineering Program provides hands-on learning through summer internships with [redacted] companies. Internship opportunities will be arranged through the [redacted]U College of Engineering and the departments of the engineering [redacted]

COURSE FLEXIBILITY
For your convenience, many of the DSU courses are offered in multiple formats. You can take courses online, via the Interactive Video Network (IVN) or in the traditional classroom setting.

BACHELOR OF SCIENCE
Computer Engineering

1ST YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
ENGL 110 – College Composition I	3	X		X	
ASC 100 – Freshman Seminar	1	X		X	
MATH 165 – Calculus I	4	X		X	
CHEM 121 – General Chemistry I	4	X		X	
CHEM 121L – General Chem I Lab	1	X		X	
ECE 111 – Intro to ECE	3	X			X
ECE 275 – Digital Systems I	3	X			X
[redacted]L 120 – College Composition II	3		X	X	
[redacted]160 – Computer Science I	4		X	X	
M[redacted]H 166 – Calculus II	4		X	X	
MATH 327 – Linear Algebra	4		X	X	
ME 221 – Engineering Mechanics I	3		X		X
TOTAL CREDITS:		**19**	**18**		

2ND YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
MATH 265 – Calculus III	4	X		X	
MATH 208 – Discrete Mathematics	3	X		X	
PHYS 252 – University Physics II	4	X		X	
PHYS 252L – Univ. Phys II Lab	1	X		X	
EE 206 – Circuits I	4	X			X
ME 222 – Engineering Mechanics II	3	X			X
COMM 110 – Public Speaking	3		X	X	
CSCI 161 – Computer Science II	4		X	X	
MATH 266 – Intro to Differential Eqtns	3		X	X	
ECE 311 – Circuits II	4		X		X
General Education Elective	3		X	X	
TOTAL CREDITS:		**19**	**17**		

[redacted]e are typical schedules and subject to change. Please consult with an academic advisor when planning your class schedule. A cumulative GPA of 2.5 [redacted]gher is required for graduation.

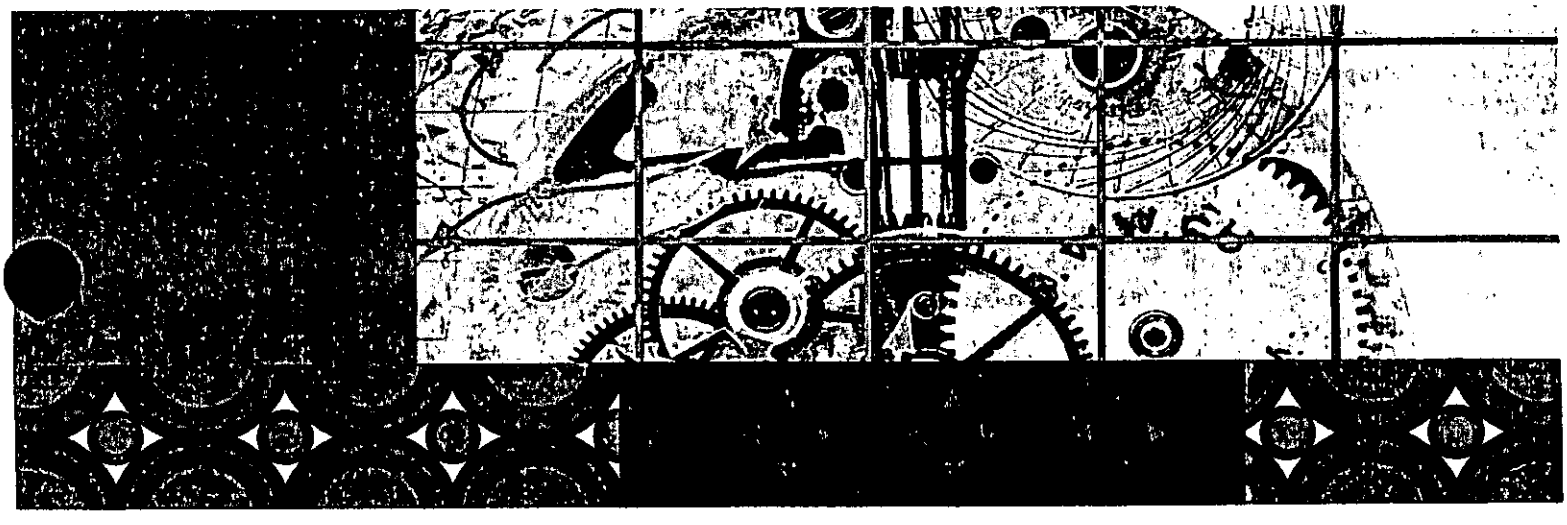
BACHELOR OF SCIENCE
Industrial Engineering

1ST YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
ENGL 110 – College Composition I	3	X		X	
ASC 100 – Freshman Seminar	1	X		X	
MATH 165 – Calculus I	4	X		X	
CHEM 121 – General Chemistry I	4	X		X	
CHEM 121L – General Chem I Lab	1	X		X	
CSCI 160 – Computer Science I	4	X		X	
ENGL 120 – College Composition II	3		X	X	
MATH 166 – Calculus II	4		X	X	
IME 111 – Introduction to IME	3		X		X
ME 212 – Fundamentals of Visual Comm	3		X		X
ME 221 – Engineering Mechanics I	3		X		X
TOTAL CREDITS:		17	16		

2ND YEAR:

RSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
M 110 – Public Speaking	3	X		X	
MATH 265 – Calculus III	4	X		X	
ME 222 – Engineering Mechanics II	3	X			X
ME 223 – Eng Mechanics of Materials	3	X			X
EE 206 – Circuits I	4	X			X
HPER 100 – Fitness & Wellness	2	X		X	
MATH 266 – Intro to Differential Eqtns	3		X	X	
MATH 327 – Linear Algebra	4		X	X	
IME 311 – Work Station Design	3		X		X
IME 440 – Engineering Economy	3		X		X
Humanities or Fine Arts Elective	3		X	X	
TOTAL CREDITS:		19	16		



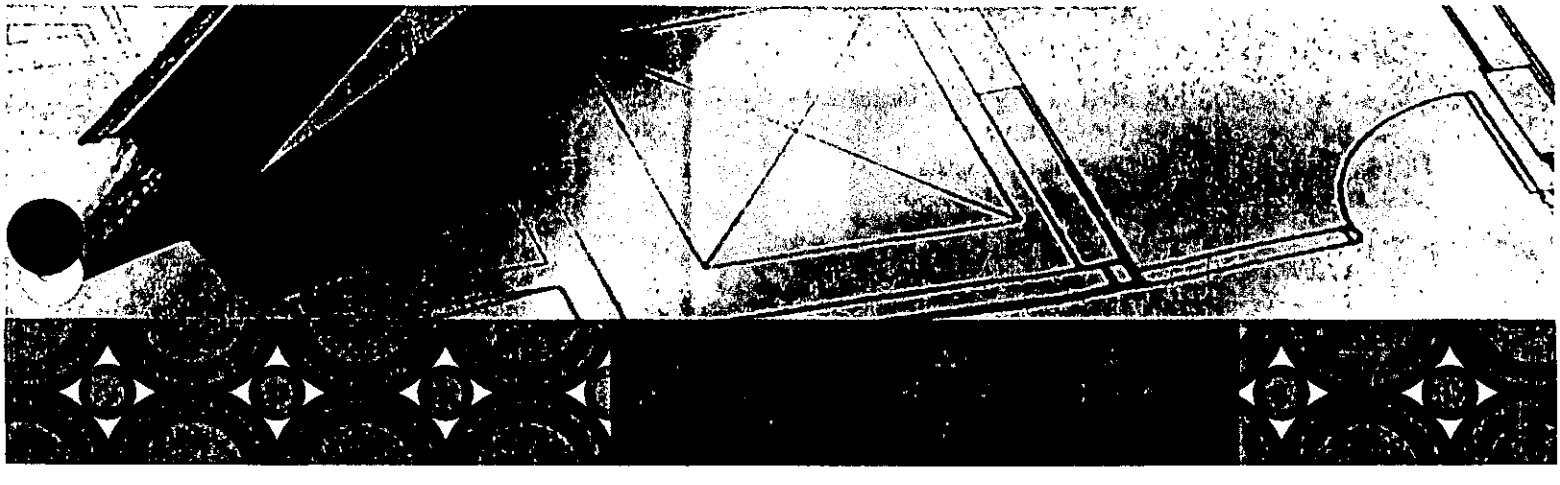
BACHELOR OF SCIENCE
Manufacturing Engineering

1ST YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
ENGL 110 – College Composition I	3	X		X	
ASC 100 – Freshman Seminar	1	X		X	
CSCI 160 – Computer Science I	4	X		X	
MATH 165 – Calculus I	4	X		X	
CHEM 121 – General Chemistry I	4	X		X	
CHEM 121L – General Chem I Lab	1	X		X	
ENGL 120 – College Composition II	3		X	X	
MATH 166 – Calculus II	4		X	X	
IME 111 – Introduction to IME	3		X		X
ME 212 – Fundamentals of Visual Comm	3		X		X
ME 221 – Engineering Mechanics I	3		X		X
TOTAL CREDITS:		**17**	**16**		

2ND YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
[illegible]M 110 – Public Speaking	3	X		X	
M[illegible]H 265 – Calculus III	4	X		X	
EE 206 – Circuits I	4	X			X
ME 222 – Engineering Mechanics II	3	X			X
ME 223 – Eng Mechanics of Materials	3	X			X
HPER 100 – Fitness & Wellness	2	X		X	
MATH 266 – Intro to Differential Eqtns	3		X	X	
MATH 327 – Linear Algebra	4		X	X	
CHEM 121 – General Chemistry II	4		X	X	
CHEM 121L – General Chem II Lab	1		X	X	
IME 311 – Work Station Design	3		X		X
IME 440 – Engineering Economy	3		X		X
TOTAL CREDITS:		**19**	**18**		



BACHELOR OF SCIENCE
Electrical Engineering

1ST YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM NDSU
ENGL 110 – College Composition I	3	X		X	
ASC 100 – Freshman Seminar	1	X		X	
MATH 165 – Calculus I	4	X		X	
CHEM 121 – General Chemistry I	4	X		X	
CHEM 121L – General Chem I Lab	1	X		X	
ECE 111 – Intro to ECE	3	X			X
ECE 275 – Digital Systems I	3	X			X
ENGL 120 – College Composition II	3		X	X	
MATH 166 – Calculus II	4		X	X	
MATH 327 – Linear Algebra	4		X	X	
ME 221 – Engineering Mechanics I	3		X		X
Humanities or Social Science Elective	3		X	X	
TOTAL CREDITS:		**19**	**17**		

2ND YEAR:

COURSE TITLE	CR	FALL	SPRING	OFFERED BY DSU	DELIVERED TO DSU FROM N'
MATH 265 – Calculus III	4	X		X	
PHYS 252 – University Physics II	4	X		X	
PHYS 252L – Univ. Phys II Lab	1	X		X	
EE 206 – Circuit Analysis I	4	X			X
ME 222 – Engineering Mechanics II	3	X			X
COMM 110 – Public Speaking	3		X	X	
MATH 266 – Intro to Differential Eqtns	3		X	X	
ECE 311 – Circuit Analysis II	4		X		X
HPER 100 – Fitness & Wellness	2		X	X	
Social Science Elective	3		X	X	
TOTAL CREDITS:		**16**	**15**		

FOR MORE INFORMATION, CONTACT:

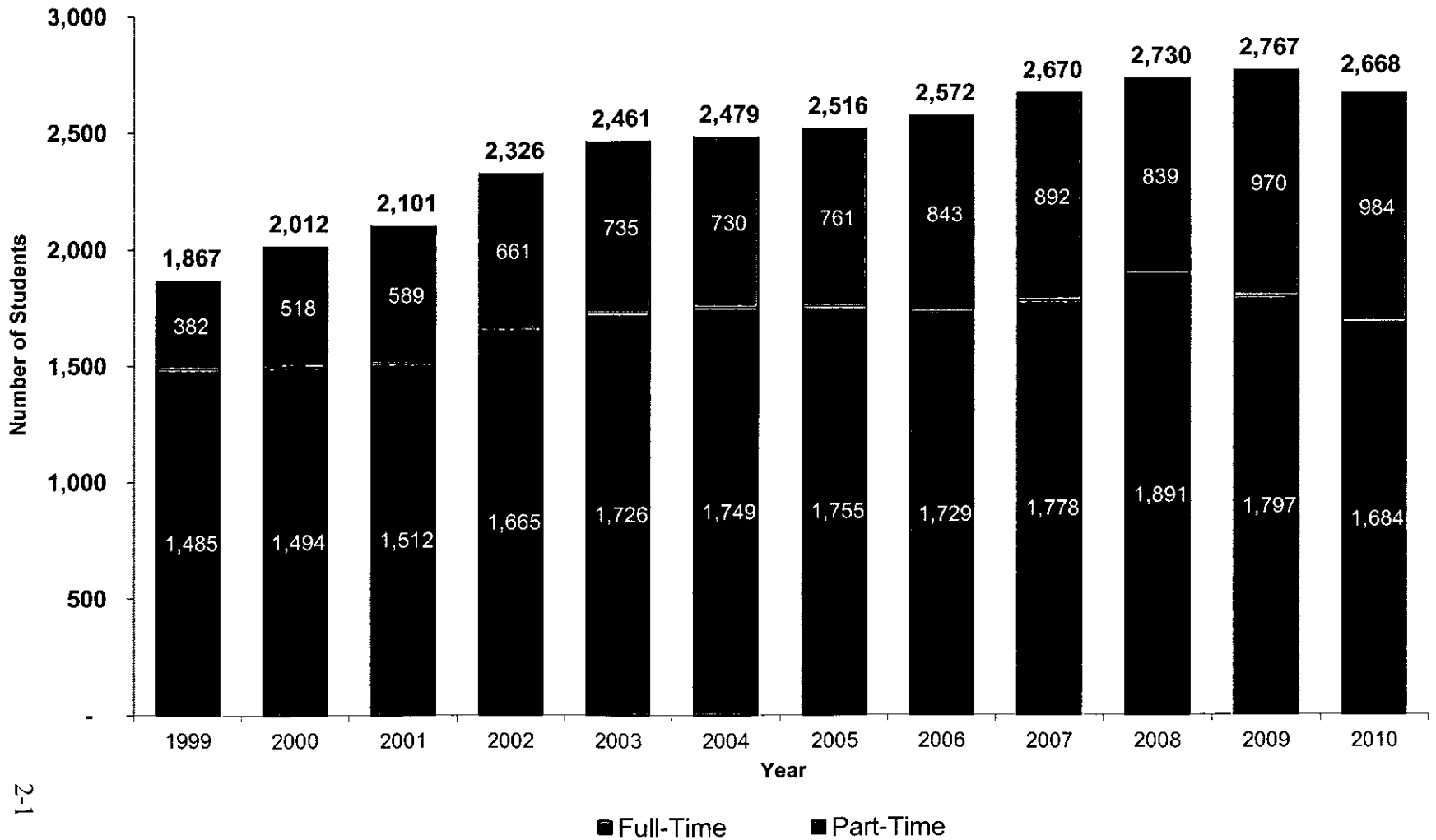
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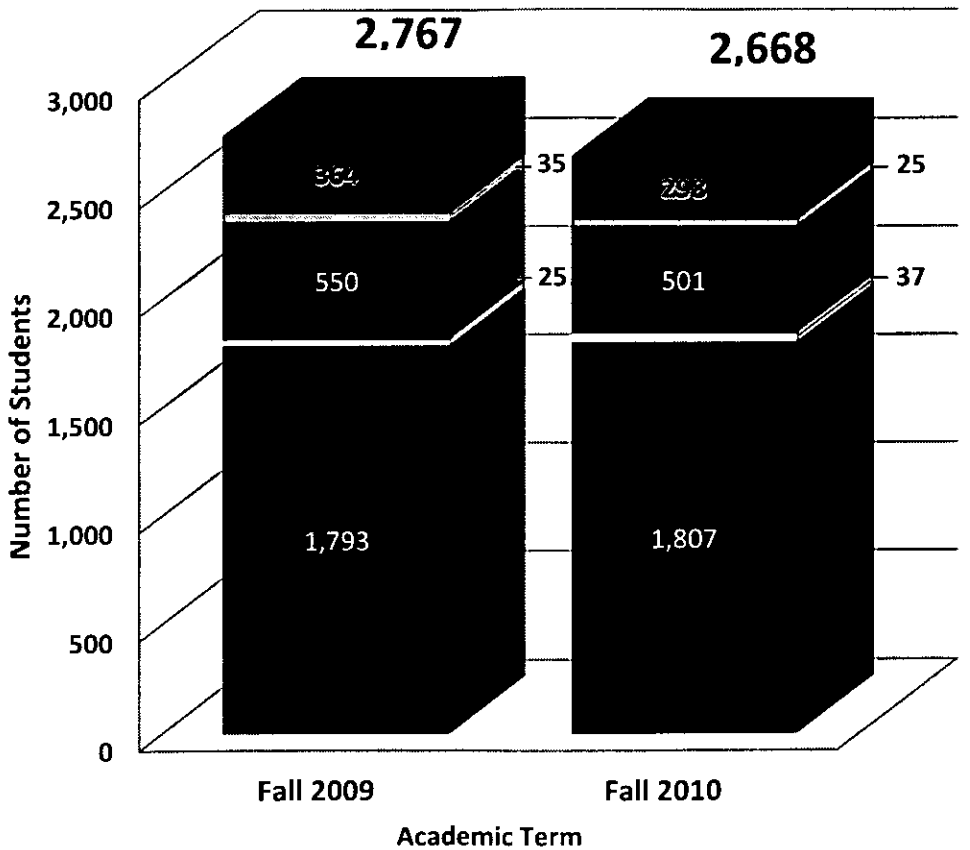
Enrollment Trends and Tuition Rates

- Comprehensive enrollment approach
  - Online
  - Bismarck
  - Williston
  - International
  - Dual Credit
  - Native American
  - Part-time Students
- 92% occupancy in campus housing
  - Normal capacity = 624
  - Current residents = 573

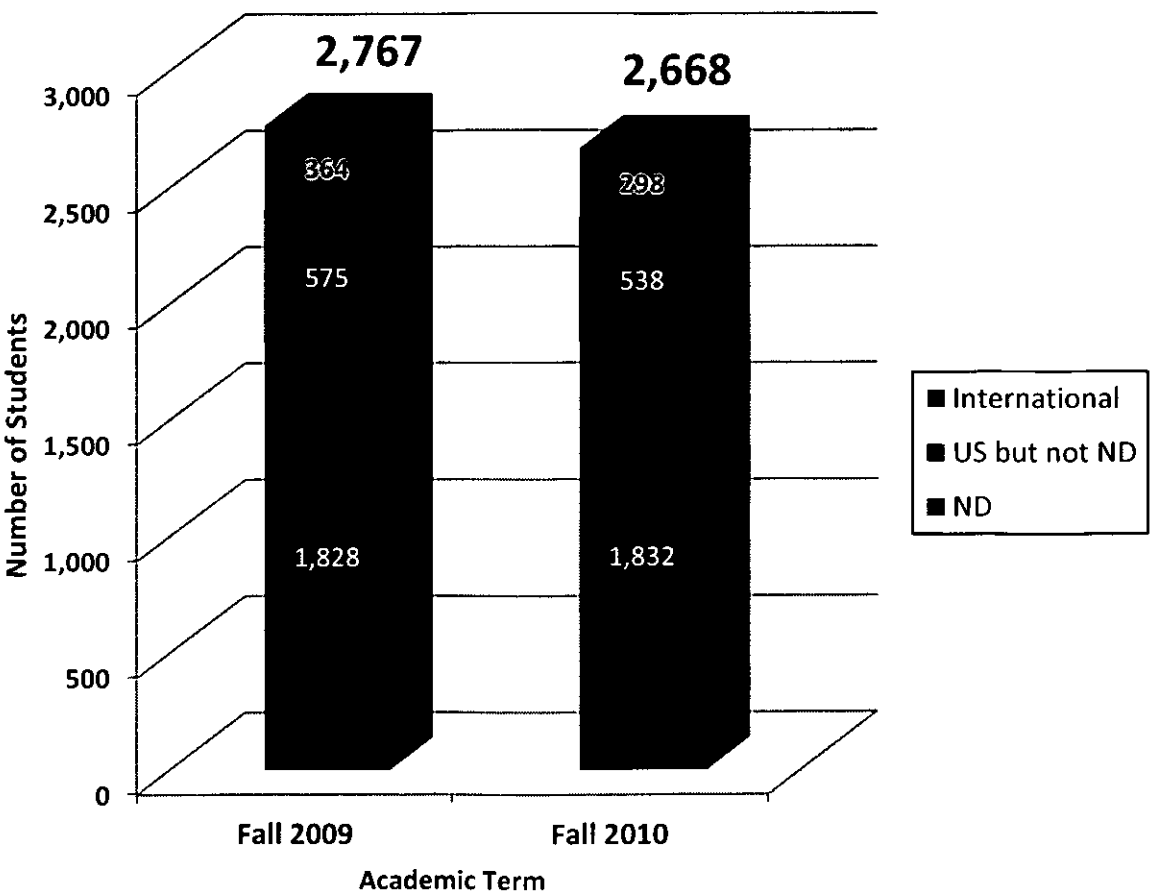
DSU Enrollment, Fall 1999-2010
Full-Time & Part-Time



DSU Enrollment
Fall 2009 and 2010



DSU Enrollment
Headcount by Place of Origin



DICKINSON STATE UNIVERSITY

Fee Schedule

Fall Semester Schedule 2010 - Term 1110

SEMESTER HOURS		1	2	3	4	5	6	7	8	9	10	11	12
RESIDENT FEES													
Tuition	30001-3000-460001	179.40	358.80	538.20	717.60	897.00	1,076.40	1,255.80	1,435.20	1,614.60	1,794.00	1,973.40	2,152.80
University Fee	22588-3040-460001	22.59	45.18	67.77	90.36	112.95	135.54	158.13	180.72	203.31	225.90	248.49	271.00
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Badlands Activitiy Center	22648 3040 460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		224.77	449.54	674.31	899.08	1,123.85	1,348.62	1,573.39	1,798.16	2,022.93	2,247.70	2,472.47	2,697.16
NON-RESIDENT FEES													
Tuition	30001-3000-460001	479.00	958.00	1,437.00	1,916.00	2,395.00	2,874.00	3,353.00	3,832.00	4,311.00	4,790.00	5,269.00	5,748.00
University Fee	22588-3040-460001	22.59	45.18	67.77	90.36	112.95	135.54	158.13	180.72	203.31	225.90	248.49	271.00
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Badlands Activitiy Center	22648 3040 460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		524.37	1,048.74	1,573.11	2,097.48	2,621.85	3,146.22	3,670.59	4,194.96	4,719.33	5,243.70	5,768.07	6,292.36
MINNESOTA FEES													
Tuition	30001-3000-460001	190.75	381.50	572.25	763.00	953.75	1,144.50	1,335.25	1,526.00	1,716.75	1,907.50	2,098.25	2,289.00
University Fee	22588-3040-460001	22.59	45.18	67.77	90.36	112.95	135.54	158.13	180.72	203.31	225.90	248.49	271.00
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Badlands Activitiy Center	22648 3040 460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		236.12	472.24	708.36	944.48	1,180.60	1,416.72	1,652.84	1,888.96	2,125.08	2,361.20	2,597.32	2,833.36
MONTANA & CONTIGUIOUS STATES													
Tuition	30001-3000-460001	224.25	448.50	672.75	897.00	1,121.25	1,345.50	1,569.75	1,794.00	2,018.25	2,242.50	2,466.75	2,691.00
University Fee	22588-3040-460001	22.59	45.18	67.77	90.36	112.95	135.54	158.13	180.72	203.31	225.90	248.49	271.00
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Badlands Activitiy Center	22648 3040 460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		269.62	539.24	808.86	1,078.48	1,348.10	1,617.72	1,887.34	2,156.96	2,426.58	2,696.20	2,965.82	3,235.36
WUE & MHEC RATES													
Tuition	30001-3000-460001	269.10	538.20	807.30	1,076.40	1,345.50	1,614.60	1,883.70	2,152.80	2,421.90	2,691.00	2,960.10	3,229.20
University Fee	22588-3040-460001	22.59	45.18	67.77	90.36	112.95	135.54	158.13	180.72	203.31	225.90	248.49	271.00
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Badlands Activitiy Center	22648 3040 460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		314.47	628.94	943.41	1,257.88	1,572.35	1,886.82	2,201.29	2,515.76	2,830.23	3,144.70	3,459.17	3,773.56
DISTANCE EDUCATION													
Tuition	30001-3000-460001	179.40	358.80	538.20	717.60	897.00	1,076.40	1,255.80	1,435.20	1,614.60	1,794.00	1,973.40	2,152.80
Access Fee	22545-2060-460001	66.82	133.64	200.46	267.28	334.10	400.92	467.74	534.56	601.38	668.20	735.02	801.84
Technology Fee	22552-3040-460001	6.00	12.00	18.00	24.00	30.00	36.00	42.00	48.00	54.00	60.00	66.00	72.00
Connect ND Fee	22612-3020-460001	6.75	13.50	20.25	27.00	33.75	40.50	47.25	54.00	60.75	67.50	74.25	81.00
NDSA Fee	22620-3040-460001	0.03	0.06	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	0.33	0.36
		259.00	518.00	777.00	1036.00	1295.00	1554.00	1813.00	2072.00	2331.00	2590.00	2849.00	3108.00
DUAL CREDIT													
Tuition	30001-3000-460001	179.40	358.80	538.20	717.60	897.00	1,076.40	1,255.80	1,435.20	1,614.60	1,794.00	1,973.40	2,152.80
University Fee	22588-3040-460001	2.85	5.70	8.55	11.40	14.25	17.10	19.95	22.80	25.65	28.50	31.35	34.20
Student Gov. Fee	22569-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Badlands Activity Center	22648-3040-460001	5.00	10.00	15.00	20.00	25.00	30.00	35.00	40.00	45.00	50.00	55.00	60.00
Connect ND Fee	22612-3020-460001	6.74	13.48	20.22	26.96	33.70	40.44	47.18	53.92	60.66	67.40	74.14	80.88
NDSA Fee	22620-3040-460001	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.11	0.12
		199.00	398.00	597.00	796.00	995.00	1,194.00	1,393.00	1,592.00	1,791.00	1,990.00	2,189.00	2,388.00

Schedule has been updated to reflect approve Mn rates.

North Dakota University System
INSTITUTIONAL CHARGES
2010-11 Academic Year

Institution/ Branch	Key**	TUITION: Resident Full Time	Resident Part Time [1]	Nonresident Full Time	Nonresident Part Time [1]	SD, MT, Saskatchewan, and Manitoba Full Time	SD, MT, Saskatchewan, and Manitoba Part Time [1]	Minnesota Full Time	Minnesota Part Time [1]	FEES* Full Time	FEES* Part Time [1]	ROOM [2] Double	ROOM [2] Single	BOARD 5 Day	BOARD 7 Day
BSC*	a	(6)	112.14	(6)	299.41	(6)	140.18	(6)	146.07	$ 664.84	$ 26.40	$2,082[3]	$2,943[3]		2,796-12 meals 2,961-17 meals
DCB	a	3,120	130.00	4,680	195.00	SD & MT 3,901	162.50	4,382	182.58	736.72	30.70	1,768	2,472	2,688-15 meals	N/A
				All Canadian Provinces →		3,120	130.00								
DSU*	a	4,306	179.40	11,496	479.00	5,382	224.25	4,578	190.75	1,088.72	45.36	1,690	2,398	2,784-10 meals (Incl $100 flex cash) 2,784-15 meals	$3,028-19 meals
LRSC*	a	3,065	127.71	3,065	127.71	3,065	127.71	3,065	127.71	842.72	28.03 [4]	1,860	2,450		2,500-12 meals 3,040-17 meals 3,500 Premium Plus
		International Stdnts →		7,662	319.28										
MaSU	a	[5] 4,268	177.85	6,403	266.78	5,335	222.31	4,537	189.04	1,669.22 [5]	69.55	1,676	2,316	N/A	1,308-5 meals 2,614-10 meals 2,778-14 meals
				All Canadian Provinces except Saskatchewan & Manitoba		→ 6,403	266.77								
		International Stdnts →		11,396	474.85										
MiSU*	a	[5] 4,476	186.52	4,476	186.52	4,476	186.52	4,476	186.52	1,161.14	48.38	1,685[3]	2,948[3]		2,976-10 meals 3,180-14 meals
	b	5,920	246.68	5,920	246.68	5,920	246.68	5,920	246.68	Same as undergraduate fees					3,214-19 meals
NDSCS*	a	(7)	112.25	(7)	299.69	(7)	140.31	(7)	146.07	544.62	22.69	1,786	2,488		2,490-10 meals 2,588-14 meals
	g	(7)	112.25	(7)	112.25	(7)	112.25	(7)	112.25	Same as undergraduate fees					3,240-19 meals
	h	(7)	112.25	(7)	112.25	(7)	112.25	(7)	146.07	Same as undergraduate fees					
NDSU*	a	5,639	234.95	15,055	627.30	8,458	352.42	6,002	250.08	1,021.56	42.57	3,040	3,440	N/A	3,490 Basic plan 3,850-Elite plan
	b	6,048	251.98	16,147	672.78	9,071	377.97	7,415	308.96	Same as undergraduate fees					Difference in plans relates to # guest passes & dining $'s
	I			(8) Newly enrolled Mn pharmacy students-Fall 2006				6,002	250.08	Same as undergraduate fees					
UND*	a	5,652	235.50	15,091	628.80	8,478	353.26	6,002	250.08	1,282	53.42	2,350	2,980	N/A	1,044-3 meal off campus
	b	6,080	253.32	16,233	676.35	9,119	379.97	7,415	308.96	Same as undergraduate fees					1,580-6 meal off campus
	c	(9)	227.54	(9)	607.55	(9)	341.32	(9)	341.32	Same as undergraduate fees					3,288 Block plan 125
	d	24,119	1,004.94	44,644	1,860.15			25,640	1,068.33	Same as undergraduate fees					3,386 Block plan 155
	d			(10) Newly enrolled Mn Med Students-Fall 2006 and beyond →				26,532	1,105.48	Same as undergraduate fees					3,600 Unlimited plan
	e	11,147		15,423		15,423		11,147		Same as undergraduate fees					3,780 Unlimited plan plus
	f	10,174	423.92	14,243	593.44	12,616	525.65	10,174	423.92	Same as undergraduate fees					
VCSU	a	(11)	147.76	(11)	394.50	(11)	184.70	(11)	157.08	1,642.72 [12]	68.45	1,612	2,550	2,400-10 meals 2,716-15 meals	N/A
WSC*	a	(13)	100.68	(13)	100.68	(13)	100.68	(13)	100.68	838.20	32.76	1,765	2,625	2,592-10 meals 2,752-15 meals	N/A

* Additional fees are charged for a number of specific programs at BSC, DSU, LRSC, MiSU, MiSU-BC, NDSCS, NDSU, UND and WSC. These program fees are not included in the tuition and/or fee amounts in this schedule.

** Key: a=Undergraduate, b=Graduate, c=Law, d=Medicine, e=Physical Therapy (schedule reflects full-time flat rate. Summer students pay 50%), f=Occupational Therapy, g=Special rates given to NDSCS nonresident and contiguous state/province students who live on campus with a meal plan, h=NDSCS business & industry ptsp programs (with formal signed contracts) which serve multi-state areas, I=NDSU newly enrolled MN pharmacy students, Fall 2006 and beyond

In addition to the rates listed in this table, other special rates exist for other student categories such as WICHE/WUE students and non-resident dependents and spouses of NDUS campus graduates.
(Note: This schedule does not include tuition rates for all programs, but covers the major programs offered.)

(1) Per credit hour for less than 12 hours per semester, except at BSC, LRSC, NDSCS, VCSU and WSC (see footnotes 4, 5, 6, 7, 10 & 12)

(2) Other living arrangements such as married and family housing, hi-rises, suites, mobile home parks, and 3-4 person apartments are also available on the campuses.

(3) The rates listed for BSC and MiSU represents the average single and double room rates of the dormitories. These campuses charge different rates for different dormitories.

(4) The part-time rate for fees at LRSC is based on 16 credit hours per semester, except the "Connect ND" & "NDSA" fees, which are capped at 12 credit hours per semester.

(5) MaSU and MiSU charge the per credit (part-time) rate for 1-11 credit hours and for additional credits over 18, and the full-time rate for 12-18 credit hours. MaSU's fees include TabletPC computer and technology fees ($950/year) for guaranteed continuous access to a TabletPC, backpack, up-to-date software, integrated technology in classrooms, network and printer access and enhanced, high-speed wireless Internet access throughout campus

(6) BSC charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 13 credit hours per semester, except the Wellness Center, "Connect ND" & "NDSA" fees which are capped at 12 credit hours per semester.

(7) NDSCS charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester.

(8) Newly enrolled Mn pharmacy students, Fall 2006

(9) UND charges the per credit (part-time) tuition rate for all credit hours for Law. Mandatory fees are capped at 12 credit hours per semester.

(10) Newly enrolled Minnesota students in Law and Medicine (professional) are no longer eligible for ND/Mn reciprocity rate

(11) VCSU charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester

(12) Includes notebook computer ($798) and technology ($200) fees for guaranteed continuous access to a notebook computer, case, software license fees, insurance for damage or loss, integrated technology in classrooms, and enhanced, high-speed wireless network and Internet access throughout campus

(13) WSC charges the per credit (part-time) tuition and fee rate for all credit hours except for the 14th, 15th and 16th credits, which are at no charge "Connect ND" & "NDSA" fees are capped at 12 credit hours per semester

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Unique Challenges

- Workforce recruitment and retention
  - National market
  - Local energy development
- Fluctuating Costs
  - Utilities
  - Fuel – transportation and availability
  - Community Housing
- Facilities to support quality improvement
  - Library, computer labs
  - Extended learning offerings – IVN classrooms, Bismarck and Williston enrollments
  - Deferred maintenance
- Emergency preparedness
- Student affordability

Efficiencies/Operational Changes

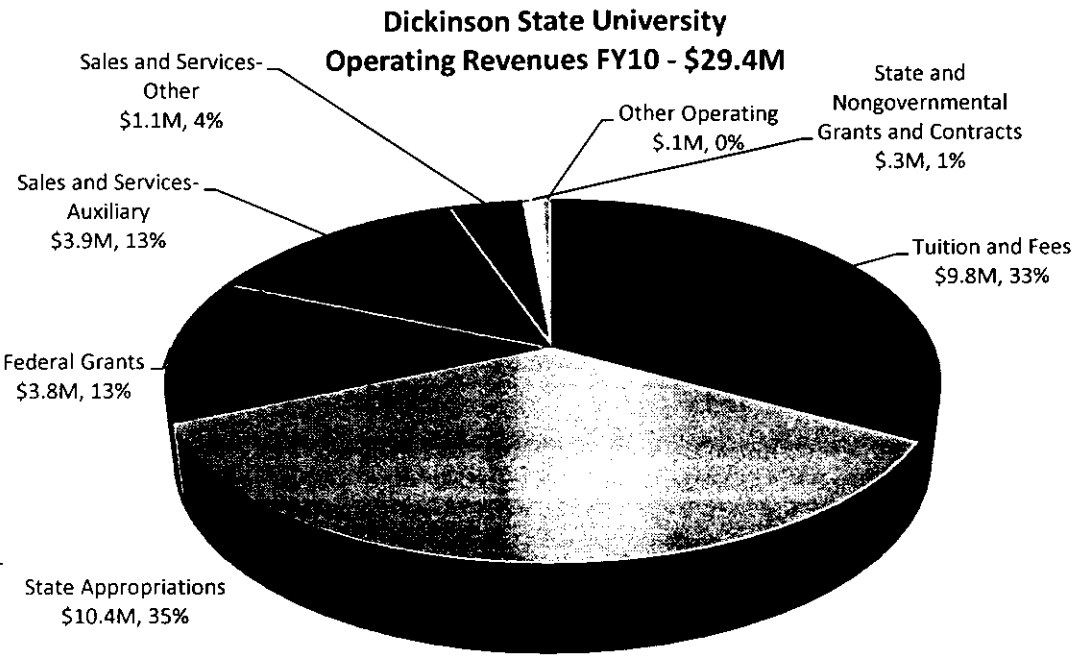
- Debt Retirement-Energy Conservation Project (Interest Savings of $141,755)
- Drilled On-Campus Water Wells – Irrigation Systems
- Expansion of Building HVAC Automated Control Systems
- Energy Conservation Measures
  - Extra-Ordinary Repair Projects
  - Stickney Hall Renovation (Windows/Tuckpointing)
- Maintain/Upgrade Infrastructure Supporting Use of Alternate Heating Fuels – Natural Gas, #2 Heating Fuel, #6 Heating Fuel
- Implemented Practices to Capitalize on Interruptible Utility Rates
- Utilize Technology to Provide Self-Service Functions

Budget Overview

- Operating Revenue and Expenses – FY 2010
- Support for the NDUS 2011-13 Biennial Budget Request/Executive Recommendation
- Breakdown of DSU's Base Funding Increase – Executive Recommendation
- Extraordinary Repairs

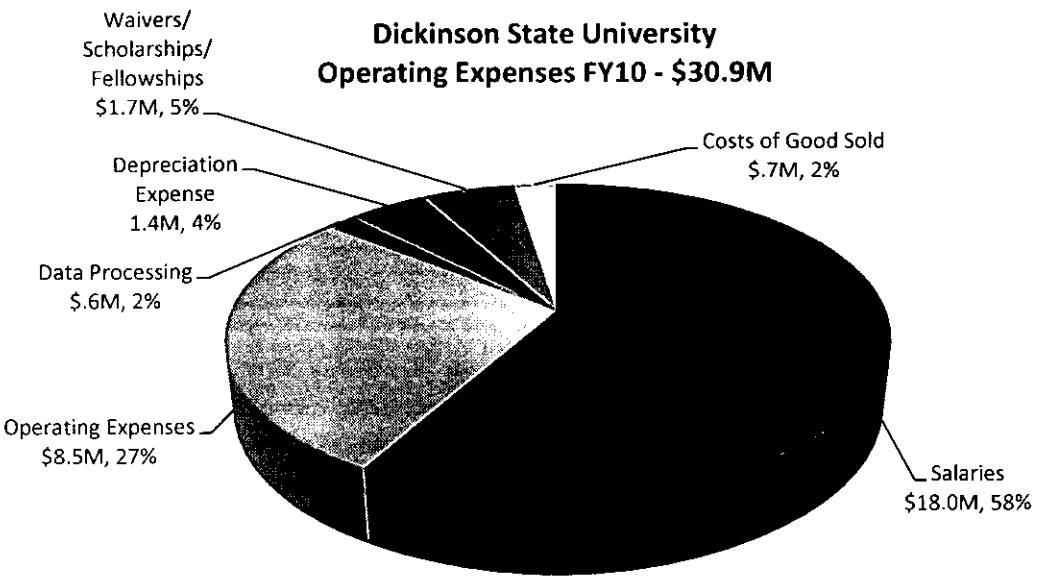
Operating Revenues		
Tuition and Fees	9,758,798	33%
State Appropriations	10,412,028	35%
Federal Grants	3,809,483	13%
Sales and Services Auxiliary	3,904,462	13%
Sales and Services-Other	1,099,777	4%
State and Nongovernmental Grants and Contracts	318,373	1%
Other Operating	112,605	0%
Total	$29,415,526	100%

Operating Revenues do not include non-operating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "non-operating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.



Source: FY2010 NDUS audited financial statements

Operating Expenses		
Salaries	18,013,372	58%
Operating Expenses	8,497,908	27%
Data Processing	591,353	2%
Depreciation Expense	1,368,182	4%
Waivers/Scholarships/Fellowships	1,701,191	5%
Costs of Good Sold	767,799	2%
Total	$30,939,805	100%



Source: FY2010 NDUS audited financial statements

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

NDUS Campuses, NDUS Office, Medical Sch[redacted] Forest Service
Comparison of SBHE General Fund Request to Execu[redacted]ecommendation (HB 1003)

(1)	(2) SBHE 2011-13 Prioritized GF Revised Request	(3) Executive Recommendation	(4) Recommendation Over (Under) Budget Request	(5) Comments	(6) SBHE Objective
A. Base Funding Request:					
09-11 Adjusted Appropriation Excluding SOMHS and Forest	$ 490,159,508	$ 490,159,508	$ -		
09-11 Adjusted Appropriation Including SOMHS and Forest	$ 534,560,101	$ 534,560,101	$ -		
Section I. Campuses & NDUS Office (SOMHS and Forest Service excluded from Section I)					
1 Capital bond payments	$ 540,722	$ 540,722	$ -	Previously issued state bonds in support of capital projects	2.1, 4.3
2 100% of Parity or cost to continue (Revised Oct 2010)	41,252,405	30,262,967	(10,989,438)	Based on 3.0% annual salary increase (SBHE 4.5%); health insurance at $886.62, an increase of $60.96 or 7.4% over last biennium; utilities increases; operating inflation NOT funded $3,374,211) - (excludes SOMHS and Forest Service).	2.1
3 Equity (Revised Oct 2010)	14,111,341	9,408,448	(4,702,893)	Total $10 million ($9.4 M campuses and $.6 SOMHS) to address peer funding differentials and required minimum equity distribution (excludes $591,552 SOMHS)	2.1
4 College affordability (Revised Oct 2010)	4,881,145	6,069,339	1,188,194	Freeze tuition at two-year campuses and limits increases to 2.5% per year at four-year campuses (excludes $571,224 SOMHS)-based on parity assumptions noted above;	1.6
5 Facility and Infrastructure Regular Repair and Maintenance (Revised May 2010)	4,441,130	4,441,130	-	Consistent with 1/10 SBHE capital budget changes provides increased funding equivalent to 15% of OMB formula (goal is 100% of formula)	2.1
6 Technology infrastructure pool	4,300,000	-	(4,300,000)	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. For example, licensing, maintenance, off-site hosting, limited personnel support, consulting in support of new technologies, applications or services. Also be used to assist with CND upgrade costs to hold down potential CND student fee costs.	1.4, 4.3
7 Technology Maintenance	3,527,000	3,527,000	-	Northern Tier Network (N. Tier), a higher education research and educational optical wave network, helps facilitate local, regional, national and global collaboration $1.87M Northern Tier Network (NTN) operating costs [Revised from $2.4 million]; $1,006,000 NDUS share of State Data Network Upgrade for 18 months, campus end-circuit upgrades, and NDUS portion of Internet I upgrade; $651,000 NDUS portion of CND cost increase for disk and processor capacity.	2.1
8 New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	1,000,000	(2,000,000)	To be allocated by SBHE for new or expanded programs that meet the following criteria: 1.) addresses ND workforce needs; 2.) student demand; 3.) consistency with SBHE strategic plan; 4.) compatibility with campus mission, etc.,	1.1, 1.2, 1.3, 3.1
9 KSU Vet. Med and ConnectND position funding	1,100,000	1,100,000	-	Address projected student loan trust fund income shortfall to sustain ConnectND campus solutions positions ($590,000) and PSEP-KSU Vet. Med students ($510,000)	2.1, 4.3
10 Facilities Project Management	208,000	-	(208,000)	1.0 new facilities project management position to provide capital project oversight and assistance to campuses and NDUS Office	4.1, 4.2, 4.3
11 Student Mental Health Services	715,140	715,140	-	A plan to begin to address student mental health needs: $703,140 Licensed Mental Health Counselors 5.5 FTE (1 ea @ DSU, LRSC, WSC, DCB & MaSU; .5 @ VCSU); and $12,000 after hours service	1.4
12 Bismarck HE Center	780,000	-	(780,000)	Center is currently used by the following campuses to facilitate program delivery in Bismarck/Mandan area: MISU, UND, DSU and BSC. Cover operating costs for Center to offset current payments made by campuses from student fee revenues	1.4, 1.5, 4.3
13 EPSCoR	1,650,000	1,650,000	-	Research matching funds provides est. FF of $19.7 million, an increase of $2.23 M over 09-11; without increased $1.65 million match, FF estimated at $15.96 million, a reduction of $1.51 M from 09-11. Provides total state general funds of $8.7 million.	3.6
14 Employee Retirement Contributions	2,284,933	2,249,366	(35,567)	Consistent with PERS proposal, increase Defined Benefit and Contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee, for all state-funded NDUS employees. See corresponding increase in priority #4.	2.1
15 Statewide Nursing Consortium	1,607,270	1,607,270	-	Funding to expand statewide nursing consortium outreach: $550,000 simulation equipment for each program; $542,645 simulation technicians for each program (6.25FTE); $400,000 electronic health records at 5 program sites: $114,625 to continue consortium administrative staff costs 0.7FTE	1.4, 3.2, 4.3, 4.4
Professional Liability Insurance	(300,000)	(300,000)	-	Decrease in professional liability insurance request, due to anticipated fund balance and estimated insurance premium costs	
Sustain on-campus security - WSC	***110,000***		***(110,000)***	***Although not included in the original budget request, the SBHE recently authorized WSC to seek $110,000 in 2011-13 base funding, to sustain on-campus security. (Emergency Commission approved request for $55,000 for Nov 2010 - June 2011.)***	
Completion-based funding		***5,000,000***	***5,000,000***	***Included in executive recommendation, not in the SBHE budget request***	
Connect ND Database Upgrade		***616,000***	***616,000***	***Included in executive recommendation, not in the SBHE budget request***	
Subtotal	$ 84,209,086	$ 67,887,382	$ (16,321,704)		
Base Appropriation with Incr	$ 574,368,594	$ 558,046,890	$ (16,321,704)		
Section 2. Student Financial Aid					
Student Financial Asst. Programs Indian Scholarship program	$ 192,975	$ 192,975	$ -	$192,975 Indian Scholarship program increase; $800-->$1200 for 240 students;	1.1,1.6, 2.1, 3.2
Student Financial Asst. Programs Career Technical Education & Academic Scholarship Program	7,000,000	(3,000,000)	(10,000,000) 1/	$7.0 million Career and Technical Education and Academic Scholarship-estimated amount required to continue to grow program to serve four classes for four year scholarship - **Reduced $3M base GF funding, and added $10M continuing appropriation from Land & Minerals Trust Fund**	1.1,1.6, 2.1, 3.2
Adult Learning	300,000		(300,000)	Funding to support financial aid for adult learners taking less than six credit hours per semester, plus other tools and resources to ensure successful student return to college and completion	1.2, 1.3
Subtotal	$ 7,492,975	$ (2,807,025)	$ (10,300,000)		

NDUS Campuses, NDUS Office, Medical Sch[redacted]Forest Service
Comparison of SBHE General Fund Request to Execu[redacted]commendation (HB 1003)

	(1)	(2) SBHE 2011-13 Prioritized GF Revised Request	(3) Executive Recommendation	(4) Recommendation Over (Under) Budget Request	(5) Comments	(6) SBHE Objective
Section 3. UND School of Medicine & Health Sciences						
	09-11 Adjusted Appropr.-SOMHS	$ 40,890,401	$ 40,890,401	$ -		
1	Parity, Equity, Affordability (Rev Oct 2010)	4,528,772	3,235,218	(1,293,554)	Funds Parity ($2,072,442), Equity ($591,552), Affordability ($571,224) NOT included above	2.1, 1.6
2	Resident Positions	2,170,806	-	(2,170,806)	Increase number of resident positions per year by 17 for three years starting 7/1/12; 2013-15 est. cost increase required=$9.4 million	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
3	Sustain RuralMed program- Funded tuition scholarship to encourage students into family medicine rural practice	175,600	-	(175,600)	RuralMed Program: Base $600,000 + $298,300 est 09-11 carryover (est as of 12/21/10) = $898,300 available for 2011-13. This will provide sufficient funds for continued funding of existing students, plus an additional 8 scholarships per year in FY12 and FY13.	1.1, 2.1
4	Medical Students	857,600	-	(857,600)	Increase number of medical students per year by 16 for four years starting 7/1/12 (program expansion contingent on $28.89 M facility addition); 2013-15 est. cost increase required=$3.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
5	Master's in Public Health	1,215,219	1,215,219	-	Offer new master's in conjunction with NDSU-request $1,067,5000 not specifically included above (3.0 faculty members, two staff positions and related operating)	1.5, 3.1, 4.3
6	Allied Health Students	402,000	-	(402,000)	Increase number of allied health students per year by 30 for three years starting 7/1/12 (program expansion contingent on $28.89 M facility addition); 2013-15 est. cost increase =$1.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
7	Geriatrics Training	1,151,810	1,151,810	-	Expanded training in geriatrics (2.0 FTE positions and related operating)	1.5, 3.1
	Employee Retirement Contributions	163,370	160,149	(3,221)	SMHS portion of Board priority #14, described in Section 1.	2.1
	Subtotal	$ 10,665,177	$ 5,762,396	$ (4,902,781)	Includes Parity, Equity and Affordability	
	Base Appropriation with Incr	$ 51,555,578	$ 46,652,797	$ (4,902,781)		
Section 4. Forest Service						
	09-11 Adjusted Appropr.-Forest	$ 3,510,192	$ 3,510,192	$ -		
1	Parity (Revised Oct 2010)	359,844	254,524	(105,320)	Parity	2.1
2	Program Enhancement-10% base funding increase	351,019	175,510	(175,509)	Funded 5% increase with priority projects determined by the State Forester (SBHE request was 10%)	2.1
	Employee Retirement Contributions	17,623	16,986	(637)	Forest Service portion of Board priority #14, described in Section 1.	2.1
	Facility and Infrastructure Regular Repair and Maintenance	-	4,905	4,905	Consistent with 1/10 SBHE capital budget changes provides increased funding equivalent to 15% of OMB formula (goal is 100% of formula)	4.1, 4.2, 4.3
	Subtotal	$ 728,486	$ 451,925	$ (276,561)	Includes Parity	2.1
	Base Appropriation with Incr	4,238,678	3,962,117	(276,561)		
Total Base Increases		$ 103,095,724	$ 71,294,678	$ (31,801,046)		
B.	**One-time Funding Request:**					
1	Special assessments pay-off	$ 4,302,624	$ 4,302,624	$ -	Pay Off outstanding balance: BSC, UND, NDSU, NDSCS, MaSU, VCSU (est. savings = $2.4 million); biennial payments $881,980	2.1
2	Mental Health Services	156,000	156,000	-	A comprehensive plan to address student mental health needs: provider and intervention team training and other	1.4
3	State Forest Service-Emerald Ash Borer	500,000	250,000	(250,000)	To allow State Forest Service to provide assistance to ND communities with tree removal and replacement, based on a 1:1 community match (Funded 1/2 request)	2.1
4	Comprehensive Career Planning	600,000	-	(600,000)	To provide for comprehensive P-20 career planning services with the NDUS	1.1, 1.4, 3.2
5	Technology infrastructure	3,200,000	-	(3,200,000)	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. Examples include one-time licensing and for matching funds to build technology infrastructure to support systemwide solutions and provide incentives to institutions to share and collaborate.	1.4, 4.3
6	Emergency Preparedness/Security	2,000,000	-	(2,000,000)	Funding to address building and infrastructure improvements to enhance security and emergency preparedness for students, faculty and staff	2.1
7	Capital and infrastructure Emergency Contingency Fund	2,500,000	-	(2,500,000)	Funds to be allocated to address emergency needs related to capital facilities and infrastructure	2.1
	Total One-time Funding Increase Request & Recommendation	$ 13,258,624	$ 4,708,624	$ (8,550,000)		
Total GF Incr Request/Recommendation		$ 116,354,348	$ 76,003,302	$ (40,351,046)		
Plus Land & Mineral Trust Fund			$ *10,000,000*	$ *10,000,000* 1/	*$7.0 million Career and Technical Education and Academic Scholarship-estimated amount required to continue to grow program to serve four classes for four year scholarship - Reduced $3M base GF funding, and added $10M continuing appropriation from Land & Minerals Trust Fund*	
Plus Permanent Oil Trust Fund			$ *300,000*	$ *300,000*	*Tribal Community College Grants to Non-beneficiary Students*	
Total "State" Incr Request/Recom		$ 116,354,348	$ 86,303,302	$ (30,051,046)		

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

Dickinson State University

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 24,228,226	$ 24,228,226	$ -
Base Adjustments	(3,409,387)	(3,409,387)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	20,818,839	20,818,839	-
Prioritized SBHE Needs Based Request:			
Parity	1,956,054	1,358,928	(597,126)
Equity	710,365	472,867	(237,498)
College Affordability	48,911	48,128	(783)
Facility and Infrastructure Regular Repair and Maintenance	25,388	25,388	-
Student Mental Health Services	120,570	120,570	-
Bismarck Higher Education Center	-		-
Employee Retirement Contributions	114,124	112,299	(1,825)
Statewide Nursing Consortium	-		-
Sustain On-campus Security - WSC			
Total Requested Increase in GF Base Funding	2,975,412	2,138,180	(837,232)
Total Base General Fund Request & Recommendation	23,794,251	22,957,019	(837,232)
One-time Budget Requests:			
Pay-off Special Assessments	-		-
Total One-time Budget Request & Recommendation	-	-	-
2011-13 Small-Medium Projects	1,719,000		(1,719,000)
2011-13 State-funded Projects	-	8,800,000	8,800,000
Total 2011-13 General Fund Request & Recommendation	$ 25,513,251	$ 31,757,019	$ 6,243,768

2011-2013 BIENNIAL BUDGET INCREASE (EXECUTIVE RECOMMENDATION)
DICKINSON STATE UNIVERSITY

BASE FUNDING INCREASE:

PARITY/COST TO CONTINUE		
Cost to Continue FY11 Salary Increases	$ 390,772	
Health Insurance Increase – 3.7%/year	204,744	
Compensation Package – 3.0%/year	745,946	
Est. Utility Cost Increase	17,466	
TOTAL PARITY/COST TO CONTINUE		$1,358,928
STUDENT MENTAL HEALTH SERVICES		
1FTE Mental Health Counselor		$120,570
EQUITY		
Long Term Financing Plan: 51% to 56% Peer Benchmark		$472,867
COLLEGE AFFORDABILITY		
Student Share Retirement Increase: Max Tuition Increase 2.5%/year		$ 48,128
EMPLOYEE RETIREMENT CONTRIBUTIONS		$ 112,299
EXTRAORDINARY REPAIRS BASE – 15% OMB FORMULA		$ 25,388
TOTAL BASE FUNDING INCREASE (EXECUTIVE RECOMMENDATION)		$2,138,180

Extraordinary Repairs

- Base Funding: $383,690
- Request to Reach 15% of OMB Formula: $25,388
- Total Extraordinary Repairs Request: $409,078

NDUS
Summary of 2011-13 OMB Building and Infrastructure Formula

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11
						10% of Formula		15% of Formula		20% of Formula	
	Building Amt Generated by the Formula 1/	Infrastructure Amt Generated by the Formula	Total Amt Generated by OMB Formula	Base Funding	% OMB Building & Infrastructure Formulas	10% of OMB Formula	Incr./Decr. Over current base funding	15% of OMB Formula	Incr./Decr. Over current base funding	20% of OMB Formula	Incr./Decr. Over current base funding
BSC	2,094,474	690,010	2,784,484	243,481	8.7%	278,448	34,967	417,673	174,192	556,897	313,416
LRSC	861,481	174,296	1,035,777	43,662	4.2%	103,578	59,916	155,367	111,705	207,155	163,493
WSC	933,734	384,938	1,318,672	86,475	6.6%	131,867	45,392	197,801	111,326	263,734	177,259
UND	21,984,435	7,426,005	29,410,440	2,300,545	7.8%	2,941,044	640,499	4,411,566	2,111,021	5,882,088	3,581,543
NDSU	14,097,740	4,117,222	18,214,962	1,692,226	9.3%	1,821,496	129,270	2,732,244	1,040,018	3,642,992	1,950,766
NDSCS	5,172,632	1,576,564	6,749,196	753,332	11.2%	674,920	-	1,012,379	259,047	1,349,839	596,507
DSU	2,380,666	346,520	2,727,186	383,690	14.1%	272,719	-	409,078	25,388	545,437	161,747
MaSU	1,935,637	457,646	2,393,283	208,994	8.7%	239,328	30,334	358,992	149,998	478,657	269,663
MiSU	5,083,026	914,438	5,997,464	596,870	10.0%	599,746	2,876	899,620	302,750	1,199,493	602,623
VCSU	2,107,930	614,195	2,722,125	258,416	9.5%	272,213	13,797	408,319	149,903	544,425	286,009
DCB	626,488	143,561	770,049	109,725	14.2%	77,005	-	115,507	5,782	154,010	44,285
Total	57,278,243	16,845,395	74,123,638	6,677,416	9.0%	7,412,364	957,052	$ 11,118,546	$ 4,441,130	14,824,728	8,147,312

1/ Buildings < 5 yrs = 0; Buildings > 5 years = 2% x building value x 2

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Capital Projects

- Stoxen Library
  - Executive Recommendation: $8,800,000
  - Renovation and Addition
  - Staged Project
- Small-to Medium Size Projects (Prioritized <= $250,000): $1,719,000

Stoxen Library Renovation/Addition Project
Legislative Background Information

Senate Bill No. 2003
Sixty First Legislative Assembly (2009-2011)

SECTION 6. CONTINGENT APPROPRIATION – DICKINSON STATE UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $8,800,000, or so much of the sum as may be necessary, to Dickinson State University for the purpose of the renovation and construction of the Dickinson State University Stoxen library, for the biennium beginning July 1, 2009, ending June 30, 2011. Dickinson State University may spend this funding only if actual general fund revenues for the period from July 1, 2009 through December 31, 2009, exceed estimated general fund revenues for that period by at least $25,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2009 legislative session.

SECTION 12. CAPITAL ASSETS – DICKINSON STATE UNIVERSITY. The sum of $2,000,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 8 of section 1 of this Act, may be used for development of a campuswide master plan, an asbestos survey and removal and schematic design for Stoxen library, other campus repairs, and payoff of energy or construction loans.

Stoxen Library
Renovation and Addition (Staged Project)

- Addition
  - $10,560,000 (Stage I)
  - 40,000 square feet @ $264/square foot
  - Attached to the east side of the current library facilities
- Renovation
  - $5,834,400 (Stage II)
  - 27,429 square feet @ $213/square foot
- New Home for TR Center
  - Comprehensive digital TR library
  - Opportunity for tourists and scholars



Stoxen Library

Enhanced Services to Students/Other Patrons

- Adequate space for library holdings and services
  - Consolidate current holdings in one location
  - Computer stations and labs – access to online holdings
  - Room for growth in library collection
- Academic Success Center
  - Tutoring, ESL, Writing Center, and other services
- Office of Extended Learning
  - Major area of enrollment growth
  - Highly dependent on technology services

Stoxen Library
Theodore Roosevelt Center

- Components
  - Rare books and print materials collection
  - Virtual library kiosk, reading rooms, offices
  - Exhibit space for TR and western North Dakota artifact collections
  - **This Center represents an economic opportunity for western North Dakota**
- Partnerships
  - Library of Congress
  - Theodore Roosevelt National Park
    - National Park Service Centennial Grant
  - Harvard Houghton Library

IV. B. Legislative Requests for 2011 – 2013 Biennium

PRIORITY #1 : STOXEN LIBRARY RENOVATION/ADDITION
CATEGORY: Major Renovation/Addition
PROJECTED COST ESTIMATE: $16,394,400
RECOMMENDED SOURCE OF FUNDING: State General Fund
BIENNIUM: 2011-2013 - $10,560,000 BIENNIUM: 2013-2015 - $5,834,400

1. PROJECT NARRATIVE

Built in 1960 when the headcount enrollment of the institution was 647 students, Stoxen Library can no longer appropriately address the needs and expectations of a diverse student body numbering 2,767 students during the Fall 2009 semester nor the increasing demands of the general citizenry within the vast area we serve. Dickinson State University is proposing a staged renovation/addition project consisting of the construction of a $10,560,000 addition to Stoxen Library during the 2011-2013 biennium followed by a $5,834,400 renovation of the existing facility during the 2013-2015 biennium.

The institution is restricted in its efforts to enhance services and the learning environment within Stoxen Library as the result of inadequate and inflexible space. Asbestos is prevalent throughout the facility making even minor modifications expensive thus usually compromising the projects. The facility does not adequately address ADA issues limiting the freedom of handicapped individuals to access resources.

Dickinson State University considers it essential that we transform our 1960 facility into a twenty-first century learning commons providing for a facility where learning is the primary activity and where the focus is on facilitating the social exchanges through which information is transformed into the knowledge of an individual. The "one-stop shop" model of the Learning Commons is efficient and effective, providing help and learning support when and where needed in a variety of areas. It provides unique and flexible learning spaces supporting individual and collaborative work in close proximity to expert support.

The presence of on-site technical support will further complement efforts to link print and electronic resources. Computerized workstations equipped with a variety of information management software in the midst of the print collection will provide access to broad-ranging information resources. The learning commons environment will also foster the improvement of services provided to extended campus patrons as information delivery processes are customized through the collaborative efforts of professional staff functioning in close proximity to one another.

The Learning Commons proposed is a technology rich environment that can accommodate different learning styles and needs while supporting both traditional and emerging methods of research and learning. The centralization of the learning resources of Stoxen Library along with Extended Learning (and the West River Teacher Center), and the Academic Success Center provides the most efficient use of space and alleviates the painfully inadequate space situation which currently exists. The Theodore Roosevelt Honors Leadership Program contributes to the Learning Commons in its emphasis that education is not just information acquisition but also a cultivation of the growth of the whole person. The addition of the Theodore Roosevelt Center to the Learning Commons provides a unique opportunity for Dickinson State University and southwestern North Dakota to

become a national point of destination for scholars and tourists that will enhance not only the academic environment, but the economic growth of the community.

As Dickinson State University continuously strives to increase academic rigor and infuse research within the curriculum, information literacy is essential. The proposed learning commons will provide for appropriate space and infrastructure in support of dedicated personnel committed to serving the students and the general public by providing enhanced learning opportunities. The flexibility provided through the proposed facility will enrich the campus environment, equip students with a quality education, provide readily accessible resources in support of service area demands, and promote information literacy activities fostering quality live-long learning.

STATE BOARD OF HIGHER EDUCATION POLICY 902.1 CRITERIA:

Project Description: 40,000 square foot addition onto the east side of existing Stoxen Library.

Cost of Construction Inclusive of Furnishings: $10,560,000, General Fund
: $264/sq. ft.; Architect/RS Means Index

Associated Operating Costs: Biennial

Personnel:	1 – Distance Education Library Coordinator	$100,350
	1 – Library Associate – Theodore Roosevelt	100,350
	1 – Library Associate – Data Base Services	74,000
	1 – Computer Lab/Help Desk Coordinator	84,600
	1 – Computer Technician/Technical Support	118,000
	2 – Custodial Positions @ $35,300 annually	141,200
	Total Personnel Cost Request: General Fund	$618,500
Operating Cost:	40,000 sq. ft. x $3.50/sq. ft. annually representing cost associated currently with Type I and Type II general fund supported facilities: $140,000 annually.	$280,000
TOTAL ASSOCIATED BIENNIAL OPERATING COSTS:		$898,500

HULSING & ASSOCIATES architects

100 South State Avenue
Dickinson, ND 58601
Phone: 701-225-6871
Fax: 701-225-0003

Registered Architects
Janet Prchal, AIA
Brian Gregoire, AIA

Affiliated Offices
Dennis Hulsing, AIA
Jeff Feist, AIA
Robert Ritterbush, AIA
Tim Mischel, AIA

B.2. Cost Projection Increase Documentation

March 22, 2010

Alvin Binstock
Vice President of Business Affairs
Dickinson State University
291 Campus Drive
Dickinson, ND 58601

RE: Stoxen Library Addition and Renovation

Dear Mr. Binstock:

We have reviewed the cost estimate for the Stoxen Library Addition and Renovation project that was prepared in 2008 and are providing the following cost increases projecting a possible construction start in 2011.

The attached information was based upon "R.S. Means Building Construction Cost Data" and our knowledge of the local bidding market.

Sincerely,

Janet Prchal

Janet Prchal, AIA
Hulsing and Associates Architects

HULSING & ASSOCIATES architects

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Tim Mischel, AIA

Original Cost Estimate

2008 Cost Estimate - Phase I (Addition)

$183.34	x	40,000 sf =	$7,333,600.00
Equipment, furnishings, and A/E Fees	+	20%	
			$8,800,000.00

2008 Cost Estimate - Phase II (Renovation)

$147.72	x	27,429 sf =	$4,051,812.00
Equipment, furnishings, and A/E Fees	+	20%	
			$4,862,000.00

Projected Cost Increase

2011 Cost Projection - Phase I (Addition)
(20% Three-Year Inflation Rate Increase)

$220.00	x	40,000 sf =	$8,800,000.00
Equipment, furnishings, and A/E Fees	+	20%	
			$10,560,000.00

2011 Cost Projection - Phase II (Renovation)
(20% Three-Year Inflation Rate Increase)

$177.26	x	27,429 sf =	$4,862,065.00
Equipment, furnishings, and A/E Fees	+	20%	
			$5,834,400.00

BKV GROUP

Architecture
Interior Design
Engineering

Boarman
Kroos
Vogel
Group
Inc.

222 North Second Street
Minneapolis, MN 55401
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www.bkvgroup.com
EOE

January 13, 2011

Alvin Binstock
291 Campus Drive
May Hall Room 105
Dickinson, ND 58601
Alvin.binstock@dsu.nodak.edu

Re:
Project: Dickinson State University - Stoxen Library
BKV Comm. No.: 1821.01

Dear Mr. Binstock,

This letter is to provide a summary of the cost estimate for the Stoxen Library Addition and Renovation project, projecting a possible construction start of November 2011. Any change or delay in the anticipated construction bid period will likely result in the need for a re-confirmation of construction costs to account for any change in market conditions or escalation.

The cost information was derived by an outside third party construction estimation team utilizing as the basis the schematic design documents and specifications prepared by BKV Group in December 2010, and subsequent discussions.

The estimate is based upon proceeding with the project (Renovation and Addition) as a single design effort and single bid effort, to be bid according to requirements of prime contracting established in the North Dakota Century Code.

The cost estimate includes hard construction costs and soft costs (to include equipment, furnishings, and A/E fees) is as follows:

Cost Projection for Building Renovation, with Nov. 2011 Bid $6,143,678

Cost Projection for Building Addition, with Nov. 2011 Bid $10,557,508

Total Combined Cost Estimate
$16,701,186

Back up information including a construction cost spreadsheet and a projection of overall project budget spreadsheet can be made available upon request. Please feel free to contact me at your convenience if I can provide any additional information.

Sincerely,
BKV Group

Cindy McCleary, AIA LEED AP
Partner

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B.3. Stoxen Library Renovation/Addition Project: Information/Concerns

Historical Information:

- Stoxen Library was **constructed in 1960** which makes the facility 50 years old.
- The **seating capacity** in 1960 was 200 students with the institution having a headcount enrollment of 647. The library currently has a seating capacity of 176 with the Fall 2009 headcount enrollment being 2,767 students. The 2008-09 gate counts documented 215,116 patrons. Projected 2009-10 patron count is 242,601.
- At the time of original construction (1960), the institution had **library holdings** totaling 28,000 volumes. Library holdings currently exceed 160,000 volumes.

Space Concerns:

- There is inadequate space to properly display library holdings. Of the library's 160,000 volumes, 17,000 volumes are held in a remote area in the basement of a residence hall. Access to these holdings is very restricted with volumes being retrieved by library staff only upon demand.
- Special collections cannot be properly displayed and secured; therefore, access to these valuable holdings is limited.
- There is an extreme shortage of "quiet" study areas. The few spaces that do exist double as viewing rooms which creates concerns since the small rooms are adjacent to one another and are not soundproof.
- There is an absence of space to appropriately address receiving, storage, and general workspace needs.
- In an effort to provide patron access to as many volumes as possible, the distance between the stacks has been reduced allowing for more volumes to be displayed but limiting access to any patron confined to a wheelchair.
- Lack of appropriate space is severely limiting the development of a "learning commons" intended to further bring together campus entities that complement each other contributing toward enhanced learning opportunities.

Mechanical/Electrical Concerns:

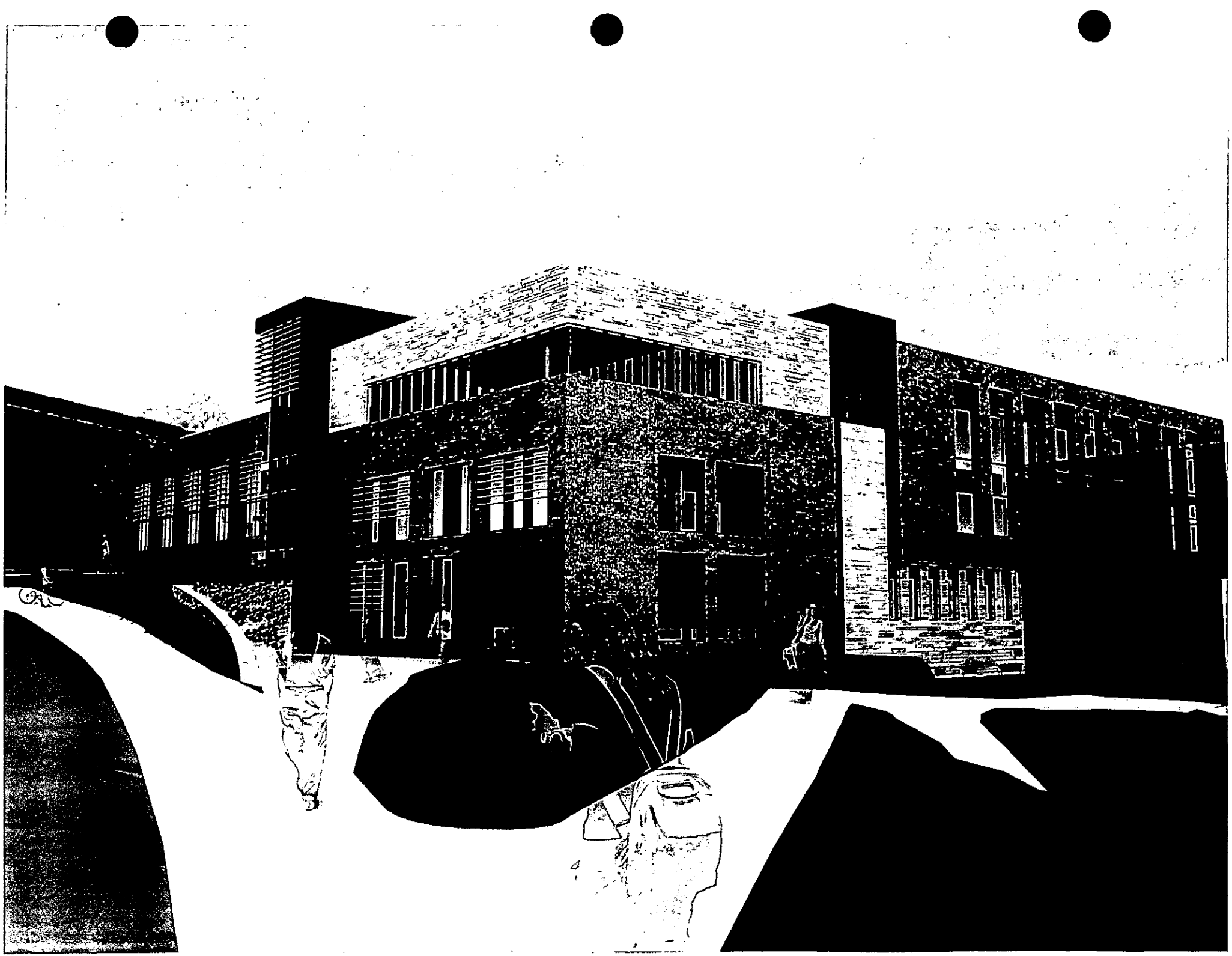
- The modified, aged HVAC systems are inadequate to address current needs. It is difficult to maintain an environment conducive to learning when the HVAC controls and systems are not able to provide heating/cooling temperatures in a consistent manner. Air quality is a concern due to a lack of appropriate ventilation.
- The electrical service within the facility is limited making it difficult to infuse technology into the learning environment. Inadequate lighting exists in several areas as modifications are made to enable additional services.

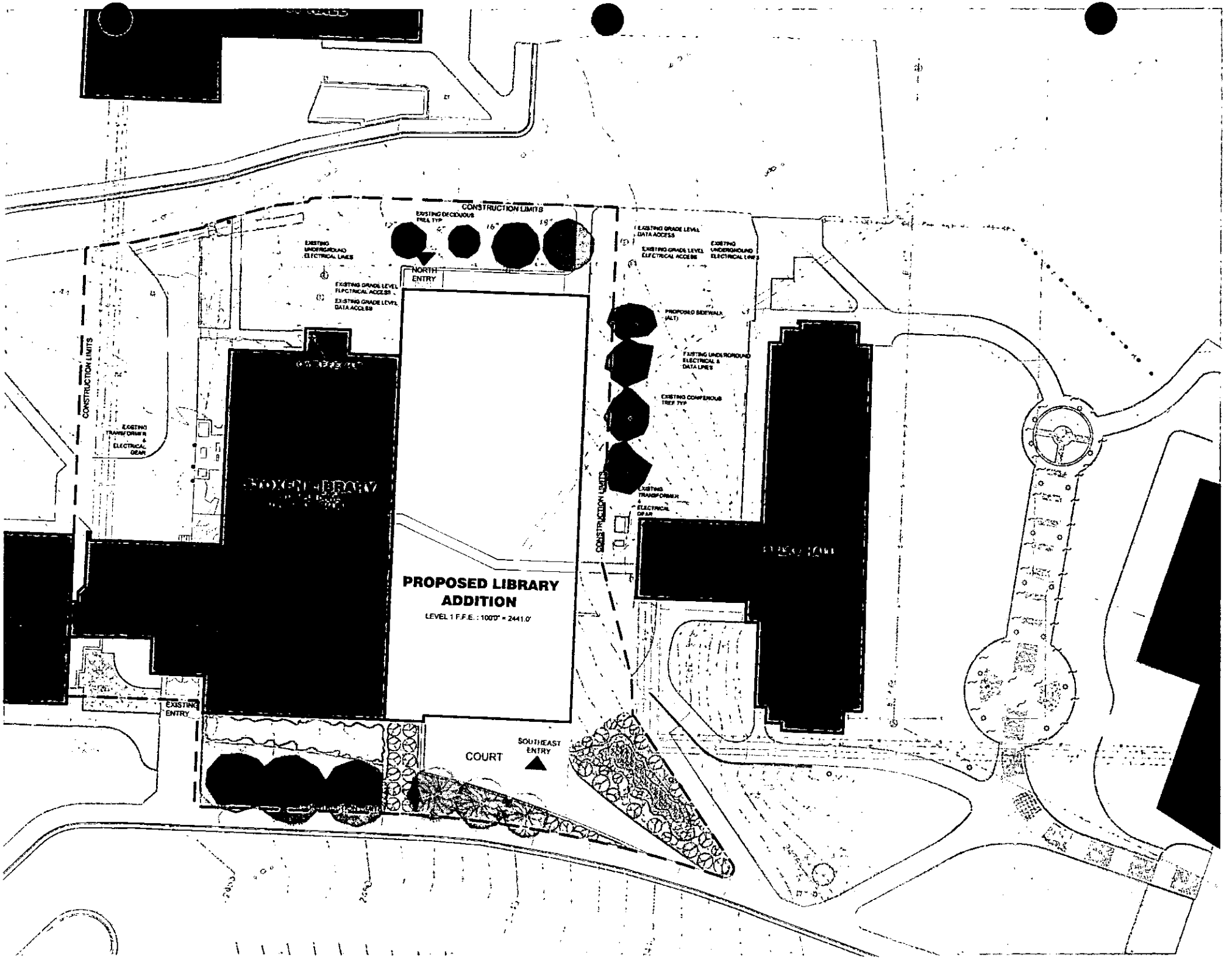
- ❖ Restroom facilities are very inadequate. There is one small restroom on the main floor restricted to staff due to its location. The small, public restroom on the lower level was renovated recently to provide handicapped accessibility. As a result, the restroom is now a single unisex restroom attempting to serve the needs of our patrons.

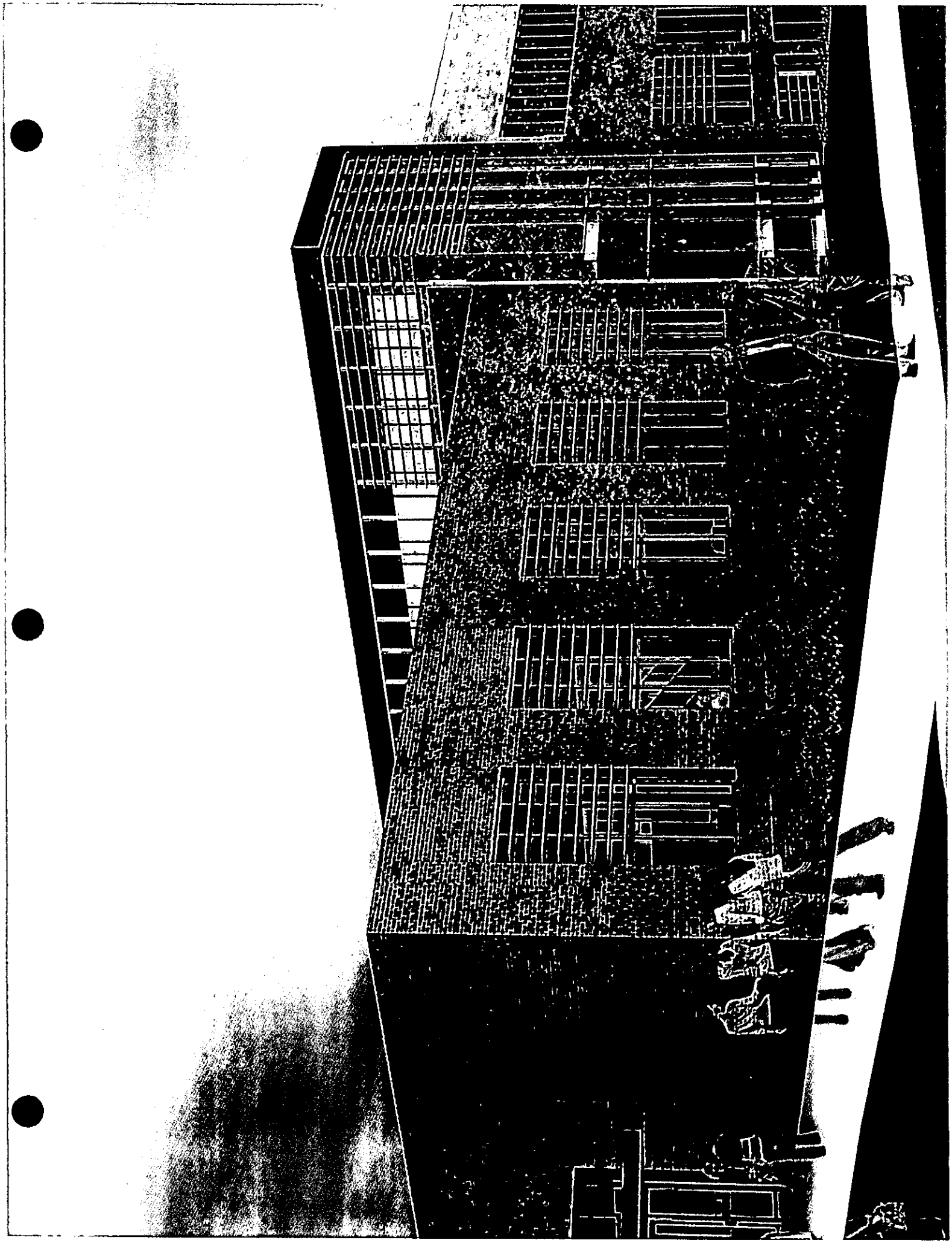
General Concerns:

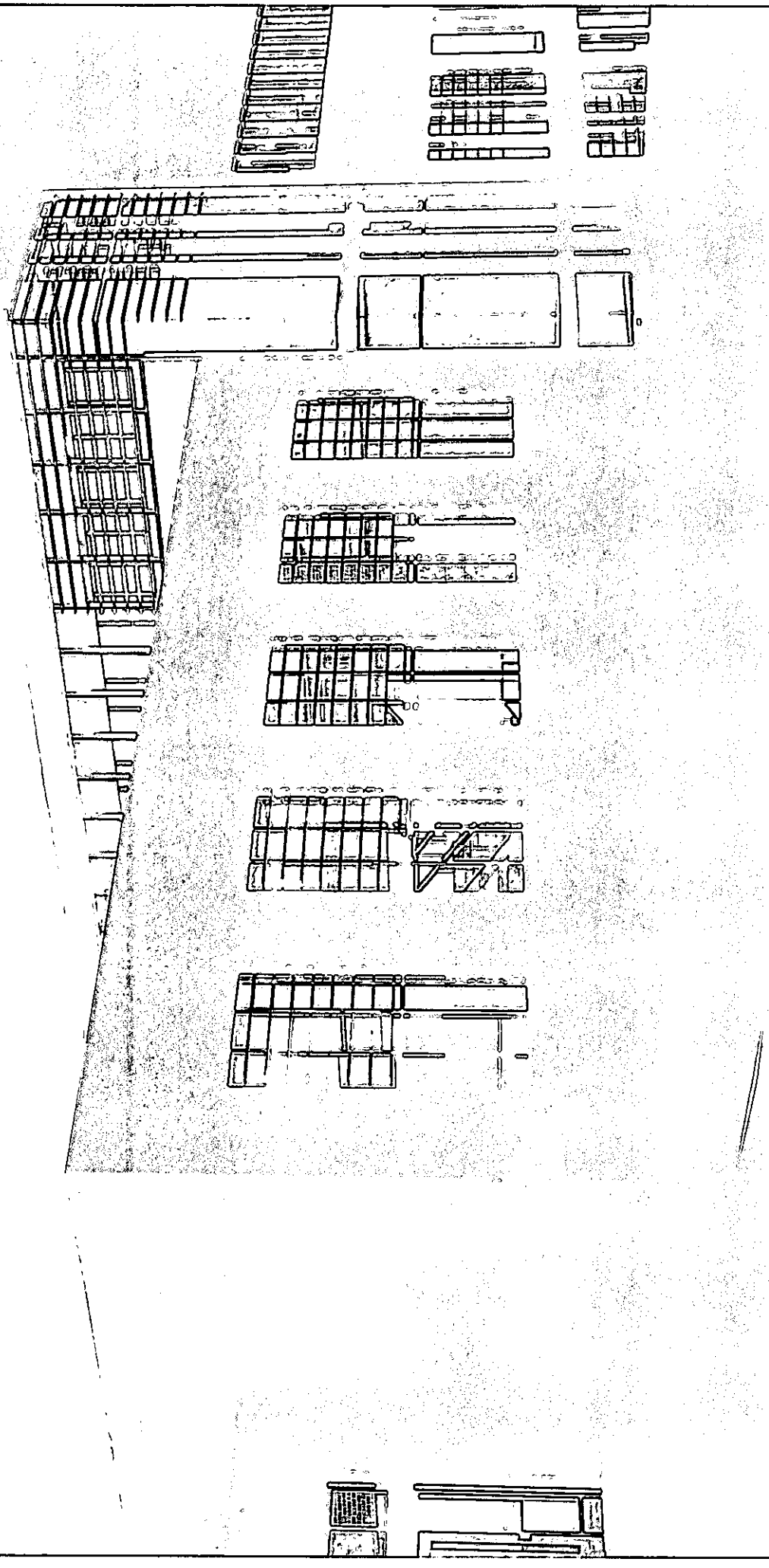
- ❖ Built in 1960, the facility is laden with asbestos making it difficult and expensive to make even minor modifications.

- ❖ The facility is not handicapped accessible. The existing elevator serving three levels (lower level, main level, balcony) was designed as a freight elevator and as such is not ADA compliant. The location of the freight elevator is not conducive to patron access.

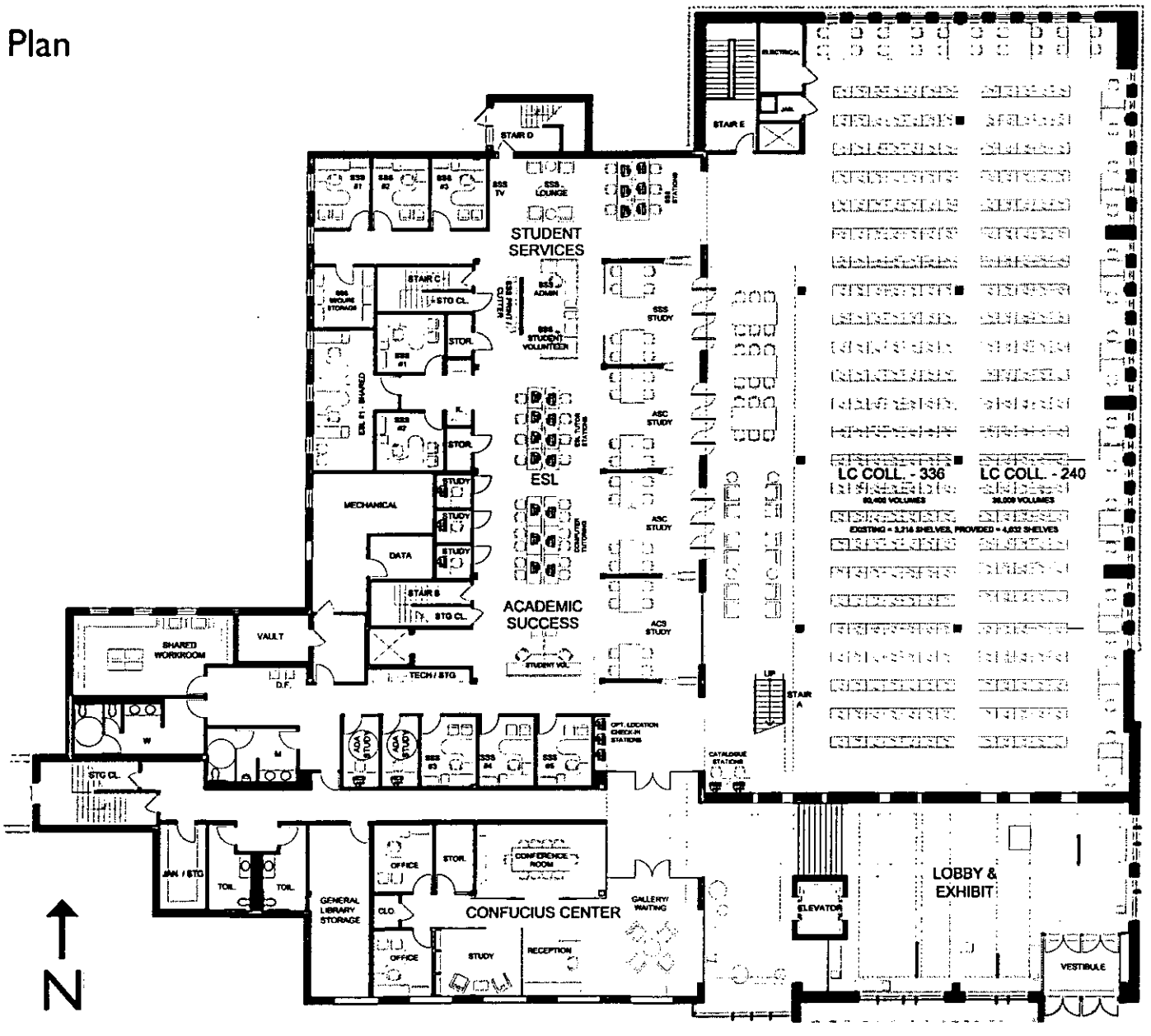



CONSTRUCTION LIMITS
EXISTING DECIDUOUS TREE TYP
EXISTING UNDERGROUND ELECTRICAL LINES
EXISTING GRADE LEVEL ELECTRICAL ACCESS
EXISTING GRADE LEVEL DATA ACCESS
NORTH ENTRY
PROPOSED SIDEWALK (ALT)
EXISTING UNDERGROUND ELECTRICAL & DATA LINES
EXISTING CONIFEROUS TREE TYP
EXISTING TRANSFORMER & ELECTRICAL GEAR
CONSTRUCTION LIMITS
PROPOSED LIBRARY ADDITION
LEVEL 1 F.F.E. : 100'0" = 2441.0'
EXISTING ENTRY
COURT
SOUTHEAST ENTRY

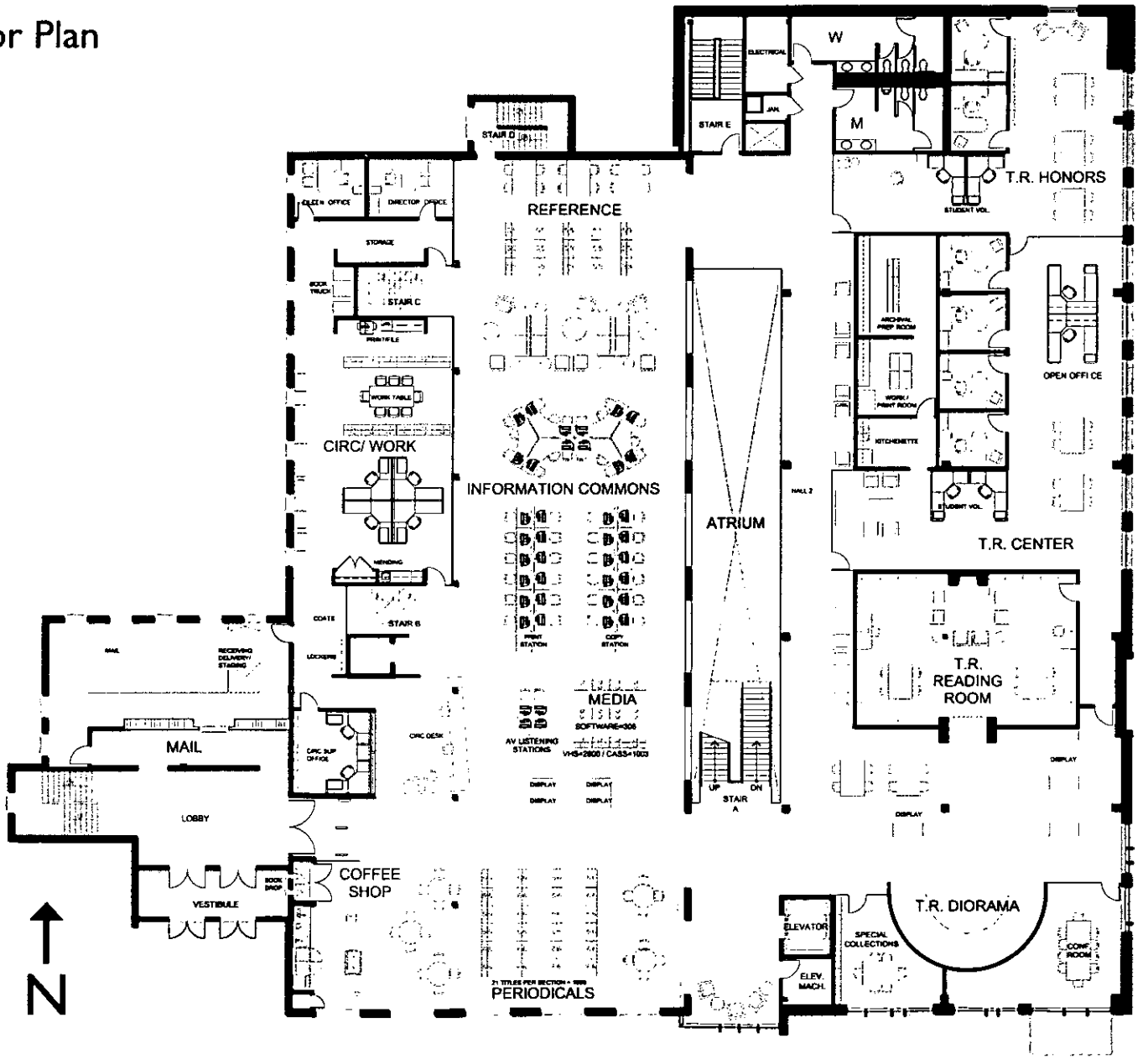




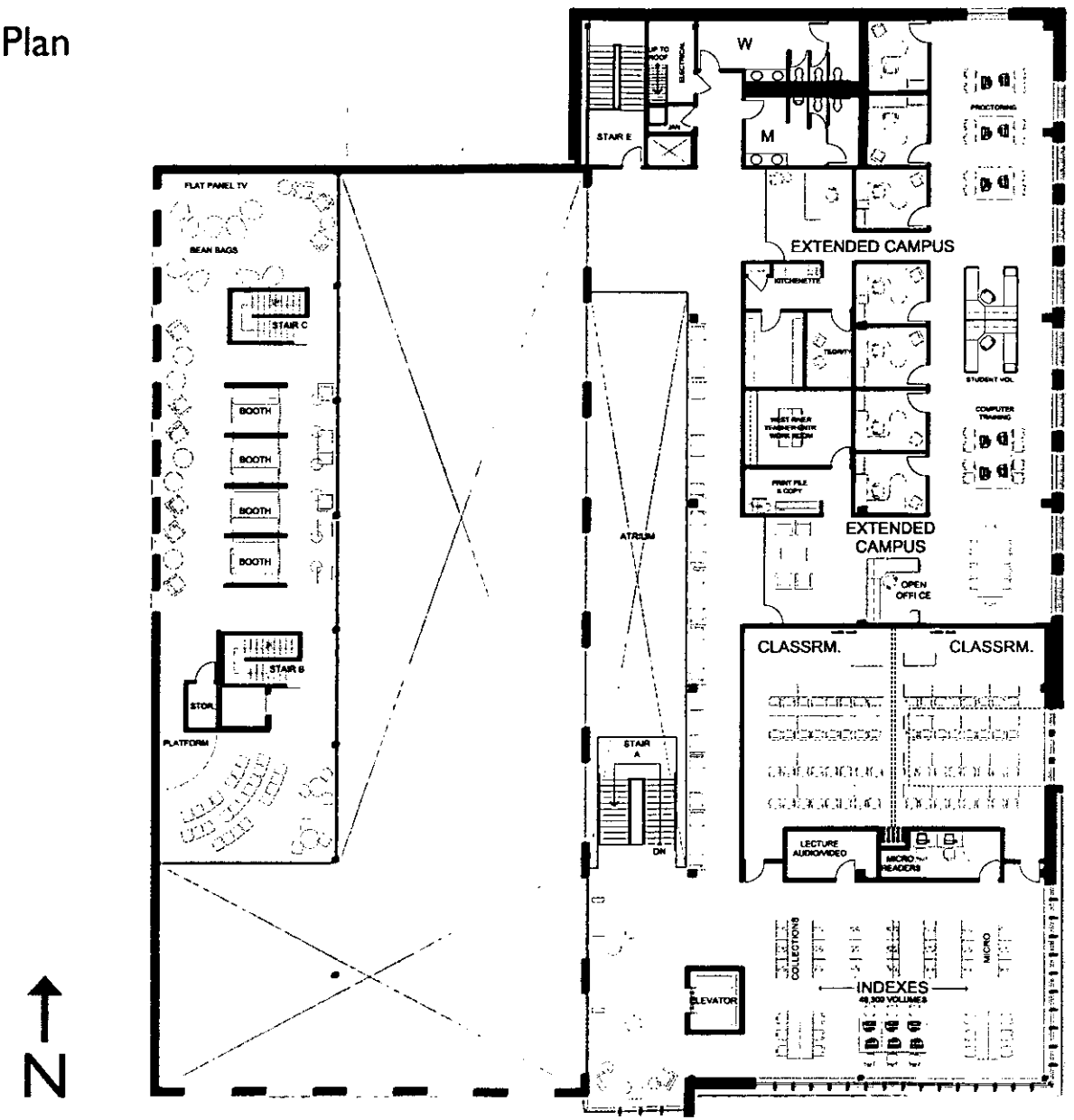
First Floor Plan



Second Floor Plan



Third Floor Plan



Small-to Medium Size Projects

- Project Description:
  - Heating distribution – Tunnel Repairs necessitated by surface water deterioration of concrete ceilings/walks. $250,000
  - Main Campus Water Service Loop providing for improved water service in support of fire hydrant/protection and general service demands. 250,000
  - Pavement/Lighting Project (Stage II) in support of refurbishing the West Campus Parking Lot complimenting Stage I planned for 2010-2011. 250,000
  - Pavement/Lighting Project (Stage III) and final stage in support of refurbishing the West Campus Parking Lot complimenting stages I & II. 250,000
  - Scott Gym Bleacher Replacement addressing operating, safety, and ADA issues. 230,000
  - Scott Gym HVAC Upgrades providing for an improved learning/athletic facility environment with associated operating efficiencies. 239,000
  - Carpet/Flooring replacement projects throughout campus addressing deferred maintenance/health and safety issues. 250,000

Total DSU $1,719,000

Required Reporting's

- Use of 2007-2009 Capital Asset Carryover Funds
- Use of One-Time Deferred Maintenance Funds (2009-2011)
- Use of One-Time Capital Project Funds (2009-2011)
- Use of "Other" One-Time Funds (2009-2011)
- Budget to Actual Expenditure Report (2009-2011)

Projects funded with 2007-2009 Carryover funds

As of 1-3-2011

Total Carryover	**$269,103***
Delong Hall to Murphy Hall Sidewalk	$36,600
Strom Center Re-Roof	$68,982
Tuck pointing Murphy Hall	$12,779
Chimney Tuck Pointing and Repair	$29,394
Tuck Pointing Klinefelter Hall	$32,277
Agriculture Building Re-Roof	$47,786
Total	$227,818

- *All of the 2007-2009 carryover had been expended, however on 11-29-2010, $41,285 of general fund carryover that had been used to fund the Badlands Activity Center Fencing was returned to the state general fund. Philanthropic funds raised by the DSU Foundation were used to fund the project in lieu of state general funds.*

Dickinson State University
Use of One-Time Deferred Maintenance Funds
2009-2011 Biennium
$1,662,172

Project Category	Expended FY 2010	Expended FY 2011 (1-4-11)
Building Exterior	$61,907	$170,277
Mechanical/Elec. Upgrades	$49,145	$595,018
Interior Finishes		$178,783
Structural Repairs		
Paving & Area Lighting		
Utilities/Infrastructure		
Misc. Small Projects		
Total	$111,052	$944,078

Dickinson State University
Use of One-Time Capital Project Funds
2009-2011 Biennium
$2,000,000

Project Description	*Expended FY 2009	Expended FY 2010	Expended FY 2011 (1-4-11)
Campus Master Plan		$114,422	
Stoxen Library Schematic		667	$144,976
Pay off of Energy Conservation Bonds	$1,271,888		
Total	$1,271,888	$115,089	$144,976

* *Expended before the end of the 2007-2009 biennium authorized by an emergency clause attached to the appropriation bill.*

Dickinson State University
Use of Other One-Time Funds
2009-2011 Biennium

Source of Funds	Appropriated Amount	Expended FY 2010	Expended FY 2011 To Date	Project/Description of Use
Permanent Oil Trust Fund	$350,000	$175,000	$87,500	Roughrider Scholarship Program
General Fund	$750,000	$379,078	$114,238	Theodore Roosevelt Center

Roughrider Scholarship Program:

The Roughrider Scholarship Award Program is designed to provide renewable scholarships to students who can demonstrate academic success, leadership skills, or special talent in specifically targeted areas. (Reference enclosed application form)

Theodore Roosevelt Center:

The Theodore Roosevelt Center at Dickinson State University aims to investigate, interpret, and thus enhance the understanding of Theodore Roosevelt's contributions to American life. Situated on the edge of the Badlands where TR lived on and off for a decade, the Center is uniquely positioned to network with organizations in the region and throughout the country to accomplish its mission.

The work of the Center is anchored in three major initiatives:

1) An annual national symposium on some aspect of TR's life and work. Since 2006, this event has grown from 372 to 681 participants, from as many as 28 states.
2) A comprehensive digital library presenting Roosevelt's letters, diaries, presidential papers, photographs, and other documents. These items, scattered in discrete collections at the Library of Congress, Harvard University, and elsewhere, will never be gathered physically at one location. In collaboration with these organizations, the Center is gathering Theodore Roosevelt's works into a unified online collection with search capabilities and interpretive displays to engage both scholars and the general public.
3) Publications, both in print and online. Through books, essays, and other publications for both scholarly and public audiences, the Theodore Roosevelt Center will analyze and promote the legacy of the 26th president of the United States.

Funding is being utilized in support of:

- Salaries for 4½ FTE staff (including 3 new, skilled professional positions)
- Acquisition of items for the Theodore Roosevelt Digital Library from Harvard College Library - beginning with items in their collections written by TR himself
- Purchase, implementation, and maintenance of software and storage space to house the Theodore Roosevelt Digital Library, including storage and service contract with ND ITD
- Web site development to make the Digital Library accessible and searchable by the public
- Student internships, giving students a window into digital collections development and management
- Equipment for scanning items at DSU and at other sites

Dickinson State University

Roughrider Scholarship Award

The Roughrider Scholarship Award Program is designed to provide renewable scholarships to students who can demonstrate academic success, leadership skills, or special talent in specifically targeted areas.

- **The Roughrider Scholarship Award is:**
  - a $500 or $1000 annual scholarship *($250 or $500 per semester)*
- High school graduates and community college transfer students who have been recommended by counselors, principals, recruitment staff, faculty, activity directors or coaches are eligible for consideration.
- The Roughrider Scholarship for incoming freshmen is renewable for *up to eight consecutive semesters.*
- The Roughrider Scholarship for students who have completed one year of higher education at another institution is renewable for *up to six consecutive semesters.*
- The Roughrider Scholarship for incoming community college transfer students is renewable for *up to four consecutive semesters.*
- The Roughrider Scholarship will be renewed each semester, subject to the recipient meeting the following qualifications:
  - To maintain the Roughrider Scholarship, students must *complete 12 Dickinson State University credit hours per semester and 24 Dickinson State University credit hours per academic year.*
  - To maintain the Roughrider Scholarship, students must *maintain a 2.3 GPA during their first semester* of attendance at Dickinson State University.
  - To maintain the Roughrider Scholarship, students must *maintain a Dickinson State University cumulative 2.5 GPA* after completing their first academic year and each semester thereafter.
  - To maintain the Roughrider Scholarship, students must be in good disciplinary standing. These scholarships will be revoked immediately when it is determined that students have been placed on disciplinary probation. The scholarships may be revoked when students are placed on disciplinary warning, at the discretion of the Vice President for Student Development.
- Scholarships will be awarded on a funds available basis.

Students in all academic and activity areas may apply for the Roughrider Scholarship.

Dickinson STATE UNIVERSITY

For more information contact Office of Enrollment Services:
1-800-279-HAWK ext. 2175, 701-483-2175
www.dickinsonstate.edu • dsu.hawks@dickinsonstate.edu

Dickinson State University					
Comparison of FY2010 Budget to Actual for FY ending 6-30-10	***FY2010 Operating Budget***				
FY2010 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	8,802,607	784,245	5,482		9,592,334
Academic Support	1,738,434	719,797			2,458,231
Student Services	1,109,488	864,598			1,974,086
Institutional Support	1,700,346	1,254,712			2,955,058
Physical Plant (including utilities)	1,470,781	2,125,351	45,062		3,641,194
					-
					-
					-
Non capitalized equipment is included in the operating category					-
SUBTOTAL	14,821,656	5,748,703	50,544		20,620,903
					-
					-
					-
					-
					-
					-
Non capitalized equipment is included in the operating category					-
Total Appropriation (GF and tuition) for FY10	14,821,656	5,748,703	50,544		20,620,903
Actual Expenditures to Date, thru 6/30/2010	14,753,554	4,149,213	50,544		18,953,311
Remaining FY10 Balance	68,102	1,599,490			1,667,592

Comparison of FY2011 Budget to Actual through (most recent date available)	***FY2011 Operating Budget***				
FY2011 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Instruction	9,355,278	708,807			10,064,085
Academic Support	1,876,482	682,273			2,558,755
Student Services	1,129,956	672,777			1,802,733
Institutional Support	1,867,573	963,861	29,466		2,860,900
Physical Plant (including utilities)	1,531,996	1,907,382	18,000		3,457,378
					-
					-
					-
Non capitalized equipment is included in the operating category					-
	15,761,285	4,935,100	47,466		20,743,851
					-
					-
					-
					-
					-
					-
Non capitalized equipment is included in the operating category					-
Total Appropriation (GF and tuition) for FY11	15,761,285	4,935,100	47,466		20,743,851
Actual Expenditures to Date, thru 11/30/2010	5,557,203	1,842,315	29,466		7,428,984
Remaining FY11 Balance	10,204,082	3,092,785	18,000		13,314,867

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				1,662,172	1,662,172
Capital Assets (Line 50)				1,111,802	1,111,802
Capital Assets Carryover (Line 51)				269,103	269,103
Total Capital Assets (Incl Major Capital Projects)	-	-	-	3,043,077	3,043,077
Actual Expenditures, 7/1/2009-6/30/2010				572,156	572,156
Remaining 2009-11 Balance as of 6/30/2010	-	-	-	2,470,921	2,470,921
Actual Expenditures 7/1/2010-11/30/2010				744,188	744,188
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	1,726,733	1,726,733

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Dickinson State University

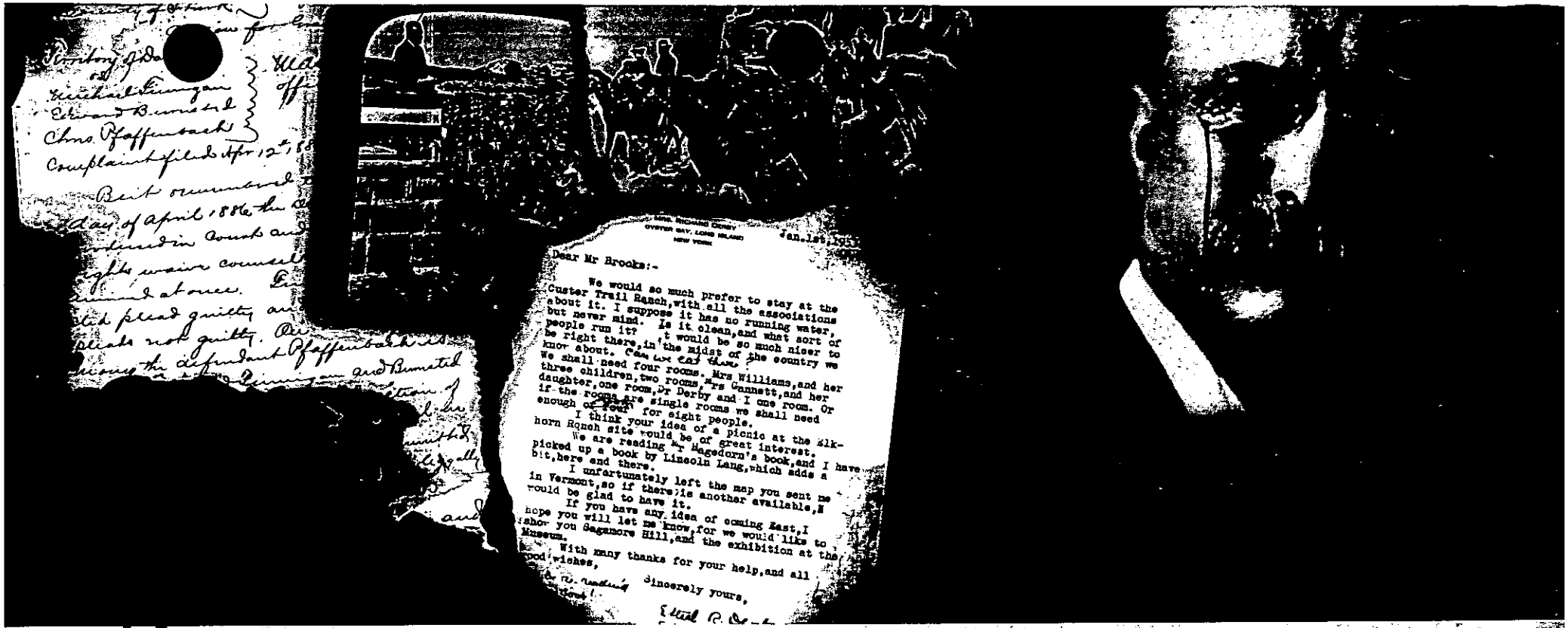
Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,322,465	2,880,857	12,540		4,215,862
Auxiliary Sales and Services	696,402	2,843,119	48,241		3,587,762
Other Nonappropriated Funds*	812,400	1,620,896	119,160		2,552,456
Total Nonappropriated Budget for FY10	2,831,267	7,344,872	179,941	-	10,356,080
Actual Expenditures thru 6/30/2010	3,045,378	8,672,789	179,941		11,898,108
Remaining FY10 Balance	(214,111)	(1,327,917)	-		(1,542,028)

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,057,813	2,987,855	68,883		4,114,551
Auxiliary Sales and Services	820,628	3,001,174	17,941		3,839,743
Other Nonappropriated Funds	846,054	1,877,253	9,620		2,732,927
Total Nonappropriated Budget for FY11	2,724,495	7,866,282	96,444	-	10,687,221
Actual Expenditures thru 11/30/2010	1,093,616	3,938,080	96,444		
Remaining FY11 Balance	1,630,879	3,928,202	-		10,687,221

2009-11 Nonappropriated Capital Assets					
Deferred Maintenance 09-11 (Line 54)					-
Capital Assets (Line 50)					-
Capital Assets Carryover (Line 51)					-
Total Capital Assets (Inc Major Capital Projects)	-	-	-	-	-
Actual Expenditures, 7/1/2009-6/30/2010					-
Remaining 2009-11 Balance as of 6/30/2010	-	-	-	-	-
Actual Expenditures 7/1/2010-11/30/2010					-
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	-	-

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Situated on the edge of Theodore Roosevelt's beloved Badlands, Dickinson State University is committed to analyzing and promoting the legacy of the 26th President of the United States. The Theodore Roosevelt Center, established and approved by the State Board of Higher Education in September 2009, will include a physical museum, reading room, and convening center, as well as the most comprehensive digital collection of Roosevelt documents and exhibits available anywhere.

NATIONAL PARTNERSHIPS - Theodore Roosevelt Digital Library

Roosevelt's papers and artifacts are scattered in collections around the country. In partnership with the Library of Congress, the National Park Service, Harvard University, and others, the Center is scanning these items and gathering them into one online collection: the Theodore Roosevelt Digital Library.

Progress to date:

- We have digitized the entire Library of Congress *Theodore Roosevelt Papers* – approximately 250,000 documents/items are being cataloged by Theodore Roosevelt Center staff, interns, and trained volunteers to make them searchable in the digital library.
- We have partnered with Theodore Roosevelt National Park and five other National Park Service sites to digitize their Theodore Roosevelt documents and artifacts.
- We have negotiated an agreement with Harvard College Library to digitize items written by Theodore Roosevelt, as well as correspondence, photographs, diaries and other items in Harvard's possession.

FUNDING SOURCES

The work of the Theodore Roosevelt Center is [illegible] support from private, corporate, state and federal entities.

- State of North Dakota appropriation of $[illegible] (2007-09 biennium) and $750,000 (2009-11 biennium)
- $600,000 Congressionally-directed [illegible] U.S. Department of Education (2010)
- $500,000 NEH Challenge Grant [illegible] federal funds over [illegible]
- More than $100,000 in [illegible]
- More than $[illegible]

PUBLICATIONS AND SYMPOSIA

The Theodore Roosevelt Center publishes print and online materials and convenes symposia and other events analyzing TR's life and legacy.

- *Theodore Roosevelt and the Dakota Badlands: An Historical Guide* by Clay S. Jenkinson
  - First edition published 2006; second edition published 2008
- Annual national symposium that focuses on the life and achievements of Theodore Roosevelt. Symposia feature top TR scholars in the nation including:
  - Douglas Brinkley, author of *The Wilderness Warrior: Theodore Roosevelt and the Crusade for America*
  - H.W. Brands, author of *TR: The Last Romantic*
  - Kathleen Dalton, author of *Theodore Roosevelt: A Strenuous Life*
  - Candice Millard, author of *River of Doubt: Theodore Roosevelt's Darkest Journey*
- Theodore Roosevelt Association 2011 Annual Meeting

OUTREACH - Interactive Kiosks

Interactive touch-screen kiosks presenting the Theodore Roosevelt Center's web site, including the completed Theodore Roosevelt Digital Library, are [illegible] Theodore Roosevelt National Park [illegible] Dickinson [illegible] Medora, North Dakota and beyond.

[illegible] Dickinson



THEODORE

Roosevelt

CENTER

DISCOVERIES AND DEVELOPMENTS 2010

Theodore Roosevelt Center

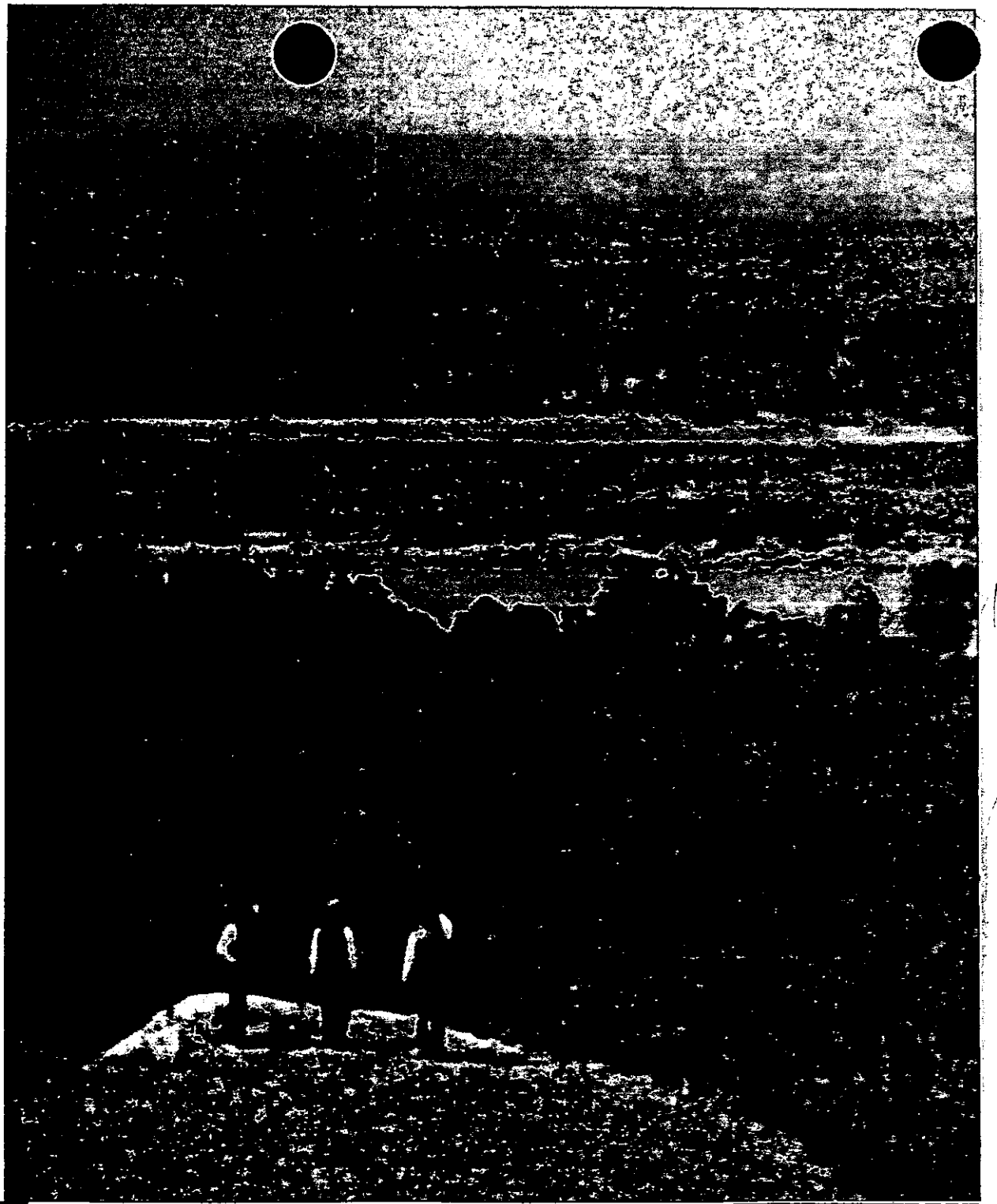
The Theodore Roosevelt Center at Dickinson State University has begun a fascinating journey toward becoming one of the nation's centers of presidential scholarship. The Center's purpose is to discover and digitize every document related to Theodore Roosevelt, to publish those discoveries electronically, and to interpret Roosevelt's life and achievement based on a more comprehensive examination of the Roosevelt archives than has ever been practicable before. To date, the Center has in its possession more than half a million image files.

The goal is simple. Using the best technologies and standards of our time, the TR Center will create a single, unified archive of Roosevelt's papers. And this archive will be accessible to anyone with Internet access, free and instantaneously, around the world. The Center's work will deepen, enrich, and, at times, alter the accepted understanding of the 26th President of the United States.

Early Discoveries

On these pages are several discoveries made by the TR Center staff in its early work. The discoveries range from film to photos to family letters, and present a sample of the items that will soon be available to university students, K-12 school children, professional and amateur historians, tourists, and Roosevelt lovers everywhere.

Right: View overlooking Roosevelt's Maltese Cross Ranch, as seen in a newly discovered 1919 film



Discovery: A 1919 Film About Roosevelt's Dakota Badlands

Fully 90 years ago, Hermann Hagedorn produced what still may be regarded as the best documentary film ever made of the badlands country of North Dakota. The TR Center discovered this film in the Library of Congress collection.

The film, *Through the Roosevelt Country*, consists of footage of Roosevelt's two ranches, the Maltese Cross and the Elkhorn; Medora and the ghost town of Little Missouri in 1919; and interviews with many of Roosevelt's Dakota contemporaries: William Merrifield, Sylvane and Joe Ferris, Dutch Wannigan, Margaret Roberts, Bill Dantz, and the Eaton brothers. In this stunning silent film, viewers can see the faces, including expressions, of the men and women of Roosevelt's badlands circle as never before. Hagedorn also worked with local ranchers to organize a "roundup" for the film; to stage a trail ride along one of the steep ridges of the badlands; and to choreograph a horse riding demonstration that was part rodeo and part Wild West show.

To contextualize Hagedorn's documentary, the TR Center intends to make a "film about the film" to be premiered at the 2011 national meeting of the Theodore Roosevelt Association at Dickinson State University. This film will include voice-overs so viewers can "hear" Roosevelt's badlands contemporaries speak. Additional narrative about those featured in the film will be added, using information recently gleaned from documents in the Houghton Library at Harvard University. The "film about the film" also will show how the range has changed and how the Little Missouri River has shaped the landscape in the years between 1919 and today.

"The film, Through the Roosevelt Country, *consists of footage of Roosevelt's two ranches, the Maltese Cross and the Elkhorn; Medora and the ghost town of Little Missouri in 1919; and interviews with many of Roosevelt's Dakota contemporaries."*



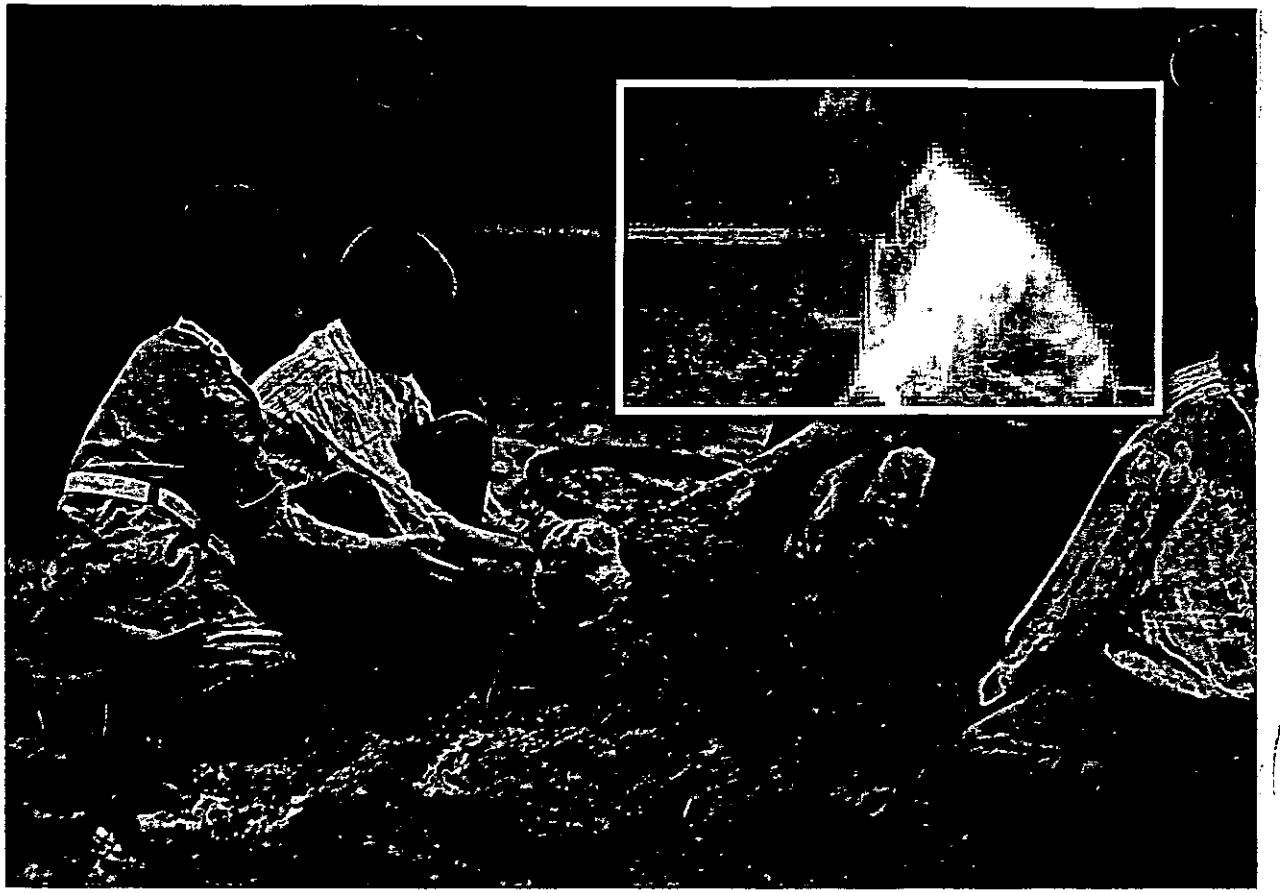
Joe Ferris points out the room above Ferris General Store where TR stayed when visiting Medora

Margaret Roberts, one of TR's contemporaries in the badlands

Still photos extracted from *Through the Roosevelt Country*



"These informal family photos, chiefly of Archie and Quentin, Roosevelt cousins, and long-suffering dogs, are especially intimate."



Discovery: Edward Curtis Photograph Collection

In 1904, Edward Curtis came to the attention of President Theodore Roosevelt when he won the "Prettiest Children in America" contest, a national portrait contest sponsored by *Ladies Home Journal* in which there were more than 18,000 entries. Roosevelt invited Curtis to come to Sagamore Hill to photograph the Roosevelt children.

Curtis' formal portraits of each member of the Roosevelt family were published in a special edition of *McClure's Magazine* in 1905. They are outstanding photographs, but they conform to the rather stiff portraiture conventions of the Victorian-Edwardian era. He also took a series of highly informal photographs of several of the Roosevelt children at Sagamore Hill. Those photographs were not intended for publication. The informal family photos, chiefly of Archie and Quentin, Roosevelt cousins, and long-suffering dogs, are especially intimate. In some, such as the one above, Curtis even placed himself in the photograph as the Roosevelt boys played in the sand at Oyster Bay.

During the last 20 years, some of Edward Curtis' Roosevelt family photographs were scanned by the Library of Congress in response to requests by scholars, museums, and publishers—at whatever resolution was then regarded as appropriate. Until Dickinson State University began its systematic digitization of the Library of Congress Theodore Roosevelt Papers, no previous effort had been made to digitize the Curtis collection in its entirety. The difference in quality can be clearly seen by comparing "primitive" scans (see inset above) with the work of the TR Center, which employs the highest digital standards.

Discovery: The Quentin Roosevelt Letters

As part of the TR Center's work with the National Park Service, Sagamore Hill National Historic Site made available to the Center a cache of letters written by Quentin Roosevelt (1897-1918) during the last year of his life.

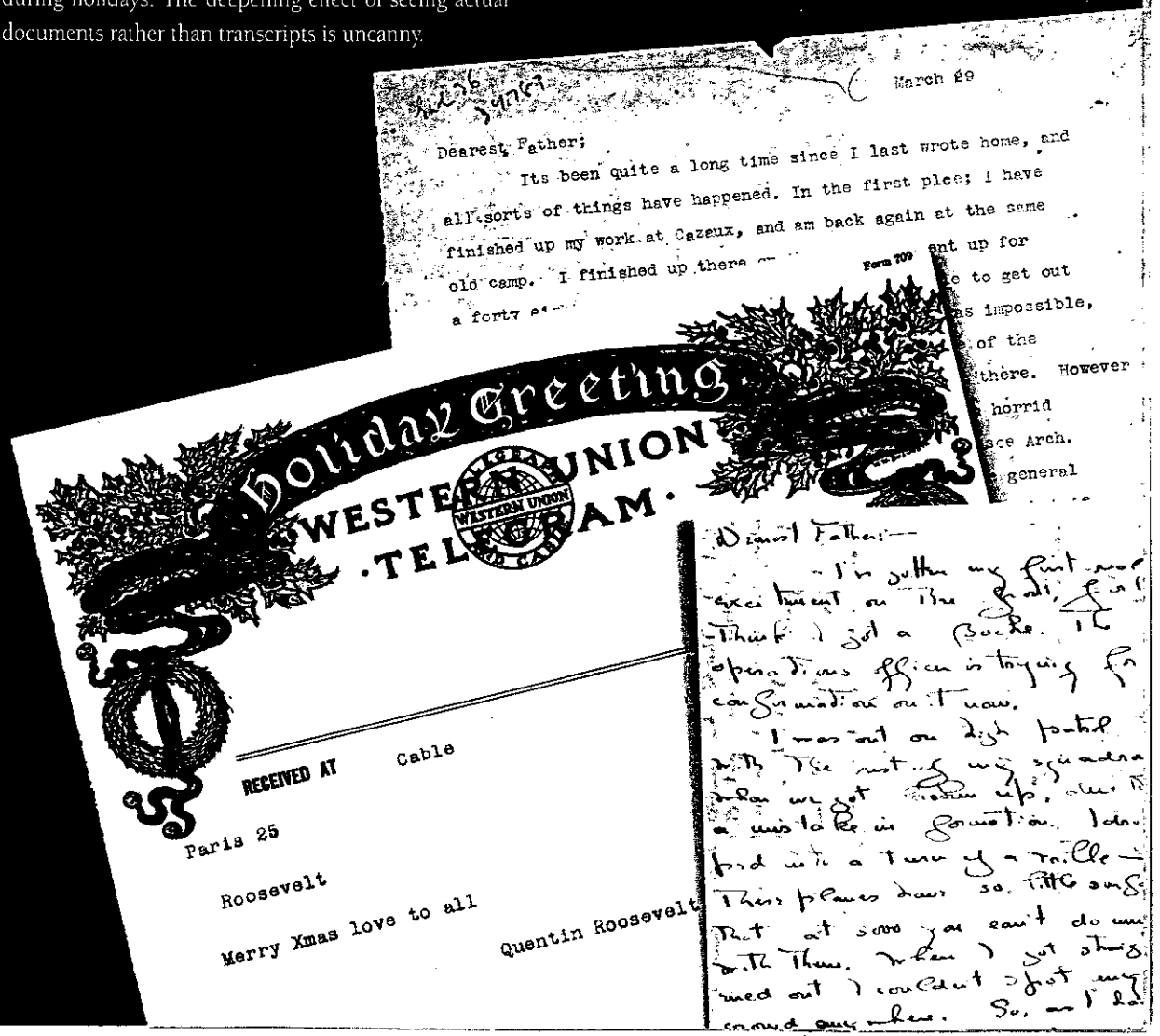
Theodore Roosevelt believed in national service more than perhaps any other president and, during World War I, insisted that all four of his sons join the expeditionary forces in Europe. Ted, Kermit, Archie, and Quentin all served in the war. None of them took safe desk jobs behind the scenes. All distinguished themselves. All four were wounded. Quentin did not come home.

Quentin Roosevelt was a fighter pilot at the dawn of aerial warfare. He was shot down over France on July 14, 1918. His death was a shattering blow to the Roosevelt family, principally TR, who put on a good face but privately felt he might have pushed his youngest son too hard and brought on his death.

The letters Quentin wrote to his family during the last year of his life are just what one might expect from a son of Theodore Roosevelt. They are chatty, politically opinionated, full of the youthful illusion of immortality, occasionally fatalistic, and often apologetic in the way of young men who don't write to their mothers enough. They tell the story of the youngest boy in a family of extraordinarily high expectation. Quentin sometimes fears that he doesn't measure up to his three older brothers, and those brothers occasionally reinforce that anxiety.

The Quentin Roosevelt letters are fascinating even in a straightforward transcript, but they are profoundly moving when embraced in their original form. The electronic revolution enables us to see Quentin's typing skills, his interlineations, the sometimes quavering quality of his handwriting, and the telegrams he sent during holidays. The deepening effect of seeing actual documents rather than transcripts is uncanny.

"...during World War I, TR insisted that all four of his sons join the expeditionary forces in Europe... Quentin did not come home."



March 29

Dearest Father;

Its been quite a long time since I last wrote home, and all sorts of things have happened. In the first plce; I have finished up my work at Cazeux, and am back again at the same old camp. I finished up there — ent up for a forty e[illegible] e to get out s impossible, of the there. However horrid ce Arch. general

Holiday Greeting

WESTERN UNION TELEGRAM

RECEIVED AT Cable

Paris 25

Roosevelt

Merry Xmas love to all

Quentin Roosevelt

Dearest Father:—

I'm sitting my first real excitement on the ground, for I think I got a Boche. If operations [illegible] is trying for confirmation on it now.

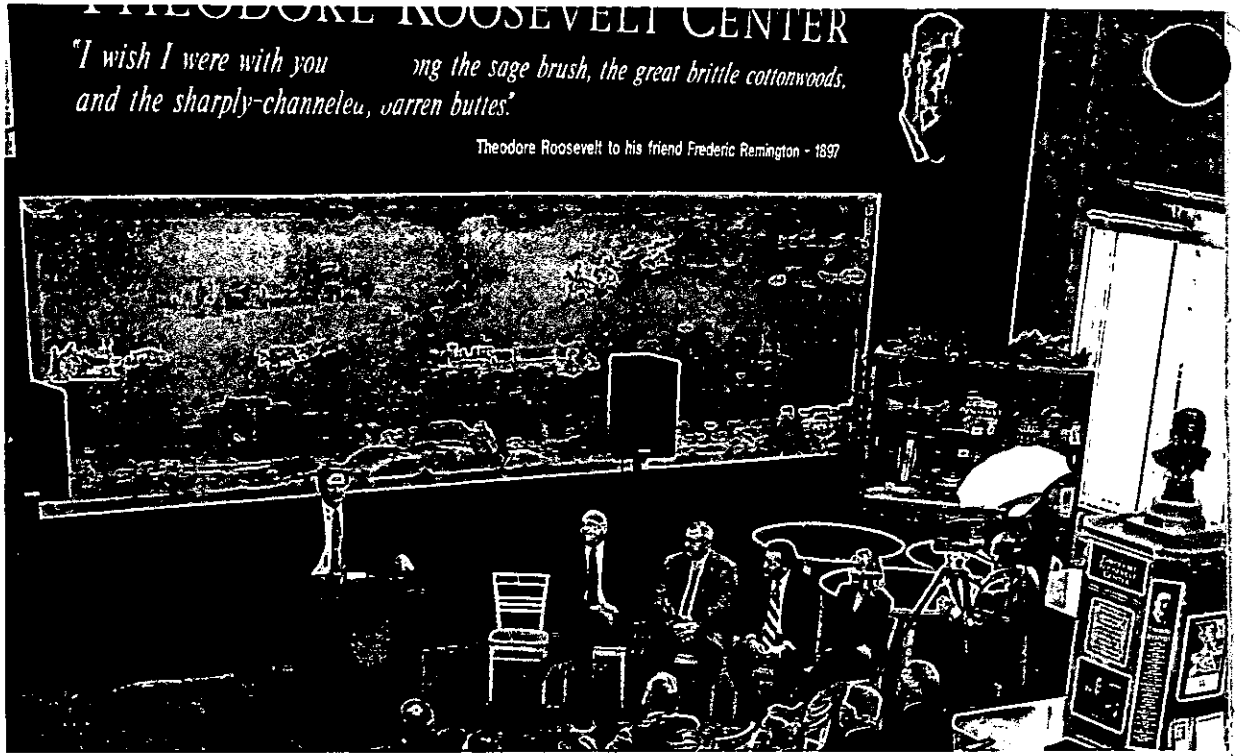
I was out on a light patrol with the rest of my squadron when we got [illegible] up, also in a mix-up in formation. I dove [illegible] with a burst of a couple of [illegible] These planes dive so fast and [illegible] But at some you can't do much with them. When I got altogether out I couldn't shoot very [illegible] around anywhere. So, as I had

...E THE DATE

Fifth Annual

Theodore Roosevelt Symposium

September 16-18, 2010



Right: North Dakota Governor John Hoeven announces the state funding for expansion of DSU's Stoxen Library, the home of the TR Center.

Recent Developments

The Theodore Roosevelt Center is attracting attention not only locally, but throughout the state and nation. Significant partnerships forged recently will help to secure the Center's future and ensure the broadest impact of its work.

The National Endowment for the Humanities has awarded a $500,000 Challenge Grant to the Theodore Roosevelt Center. The grant will allow the Center to create an endowed chair in Theodore Roosevelt studies. This prestigious post will enhance research and teaching on TR, both at Dickinson State University and nationally. The grant will also fund the acquisition of books and other publications to create an extensive TR research library to augment the collection of secondary scholarship by the Center. As a Challenge Grant, the award requires the Center to raise matching funds of $1.5 million over five years. The Center launched this fundraising campaign in January 2010.

Through the efforts of U.S. Senator Byron Dorgan, the 2010 budget for the U.S. Department of Education includes $600,000 in funding for the TR Center, to be administered through the Fund for the Improvement of Post-Secondary Education (FIPSE). While these federal funds cannot be used to match the NEH grant, they will enable the Center to maximize the value of the project for students at Dickinson State University, as well as for all students of history and the humanities.

Harvard College Library, which holds the second largest collection of TR's papers after the Library of Congress, has agreed to add their materials to the Theodore Roosevelt Digital Library. A pilot project to digitize everything in their holdings written by TR himself will begin in 2010.

In light of these developments, the national Theodore Roosevelt Association has endorsed the digitization project and has agreed to hold its 92nd annual meeting in conjunction with the Center's annual Theodore Roosevelt Symposium in October 2011.

Recognizing how the Center's national reach will impact the state, the North Dakota legislature has provided Dickinson State University with $8.8 million to fund the expansion of Stoxen Library, where the Theodore Roosevelt Center is housed. The expansion will afford 5,000 square feet for the Center, which will include Roosevelt exhibits, special collections, and a public reading room.

To learn more or to become involved, please contact the Center or return the attached response card.

Theodore Roosevelt Center Staff



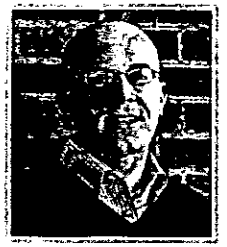
Clay S. Jenkinson, Theodore Roosevelt Humanities Scholar, has devoted most of his professional career to public humanities programs, including lectures, symposiums, documentary film-making, and first-person interpretation of historical characters. He made his North Dakota debut appearance as Theodore Roosevelt at Dickinson State University in the spring of 2005, at the inception of the TR Center. A Rhodes and Danforth scholar, Jenkinson studied English language and literature at the University of Minnesota and Oxford University. Jenkinson's creative vision guides the development of the Center's public and scholarly humanities work.



Joseph Jones, Theodore Roosevelt Center Research Historian, earned his doctorate in American studies at Michigan State University. Specializing in environmental history, he is the recipient of numerous fellowships and grants from organizations including the Smithsonian Institution, the American Historical Association, and the Franklin & Eleanor Roosevelt Institute. Jones conducts historical research and develops contextual materials and exhibits related to the life and times of Theodore Roosevelt. He is currently working on a book manuscript comparing the politics of national forest creation in the eastern U.S. of the TR and FDR administrations.



Krystal Thomas, the Theodore Roosevelt Digital Library Coordinator, holds a master's degree in information science from the University of Michigan, where she specialized in archives and records management. Thomas' experience in digital projects includes the Smithsonian Institution Archives, Gettysburg College, and the University of Michigan Sindecuse Museum of Dentistry. Thomas works with organizations and individuals contributing materials and oversees the standards for the digital library.



Grant Carlson, Theodore Roosevelt Digital Library Assistant, holds a master's degree in library and information science from Kent State University and a bachelor's degree in history and political science. As an intern with the Danish Immigrant Museum Family History and Genealogy Center in Iowa, Carlson created finding aids and scanned and cataloged images to create a digital collection. Carlson catalogs acquired materials in the digital library, including the Library of Congress Theodore Roosevelt Papers, and coordinates the work of other staff and volunteers on the collection.



Sharon Kilzer, Theodore Roosevelt Center Project Manager, is a Dickinson State University alumna with degrees in business administration and business education. She also holds a master's degree in theology and Christian ministry from Franciscan University of Steubenville. Bridging the worlds of education and executive administration, Kilzer identifies and coordinates the resources to bring the TR Center vision to reality.

THEODORE Roosevelt CENTER

Name: _____

Address: _____

City: _____

State: _____ **Zip:** _____

Ph: _____ **Cell:** _____

Email: _____

Outright Gift $ _____

Pledge of $ _____ **to be paid over** _____ **years.**

First payment of $ _____ **will be made on** _____.

Please make checks payable to: ***DSU Foundation***

CREDIT CARD INFORMATION

❑ **Visa** ❑ **MasterCard** ❑ **Discover** ❑ **AmExp**

Credit Card # _____

Vcode: _____ **ExpDate:** _____

Signature: _____

Call 701.483.2814 or email sharon.kilzer@dickinsonstate.edu

NEH Challenge Grant Match



Sylvane Ferris, TR's ranch foreman – still photo extracted from *Through the Roosevelt Country*

Historic photos courtesy of the Library of Congress; Quentin letters courtesy of Sagamore Hill National Historic Site, National Park Service

© Theodore Roosevelt Center 01-10

"The Theodore Roosevelt Center is doing for TR what Princeton is doing for Wilson. Dickinson State University is the Princeton of the West."

Kathleen Dalton, author of *Theodore Roosevelt: The Strenuous Life*

"The Theodore Roosevelt Association heartily endorses the digitizing project of the Theodore Roosevelt Center at Dickinson State University and eagerly awaits the fruition of this comprehensive national archive...It is our hope that this endorsement will open doors for Dickinson State University and the Roosevelt Center so that scholars, educators, students and just about any person wanting to make an inquiry will have a central comprehensive and definitive archive at their disposal."

Tweed Roosevelt, Chairman, Theodore Roosevelt Association

"You and your colleagues have made considerable progress... We propose that a pilot for the digitization of materials in Harvard's Theodore Roosevelt Collection begin with every item in the collection written by TR himself... letters, diaries, speeches, notes, and drafts of publications composed by TR during a period from his youth to the eve of his death."

Dr. William P. Stoneman, Florence Fearrington Librarian of Houghton Library, Harvard College Library

— THEODORE ROOSEVELT CENTER —

Dickinson State University
291 Campus Drive
Dickinson, ND 58601
701.483.2814
www.dickinsonstate.edu
www.theodorerooseveltcenter.org

HB1003
Williston State College
1/18/11
attachment # 3

NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)
	Williston State College		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 9,845,383	$ 9,845,383	$ -
Base Adjustments	(2,000,497)	(2,000,497)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	7,844,886	7,844,886	-
Prioritized SBHE Needs Based Request:			
Parity	786,371	610,992	(175,379)
Equity	250,000	166,667	(83,333)
College Affordability	272,792	214,161	(58,631)
Facility and Infrastructure Regular Repair and Maintenance	111,326	111,326	-
Student Mental Health Services	120,570	120,570	-
Bismarck Higher Education Center	-		-
Employee Retirement Contributions	32,006	31,494	(512)
Statewide Nursing Consortium	-		-
Total Requested Increase in GF Base Funding	1,573,065	1,255,210	(317,855)
Total Base General Fund Request & Recommendation	**9,417,951**	**9,100,096**	**(317,855)**
One-time Budget Requests:			
Pay-off Special Assessments	-		-
Total One-time Budget Request & Recommendation	-	-	-
2011-13 Small-Medium Projects	1,539,000		(1,539,000)
2011-13 State-funded Projects	11,754,000	-	(11,754,000)
Total 2011-13 General Fund Request & Recommendation	$ 22,710,951	$ 9,100,096	$ (13,610,855)

Recommendation\[Exec Recom Compare to Request.xlsx]GF Compar-

P. 1

Equity
Comparison of 2011-13 Request to Executive Recommendation

	(1) Equity Request, $15 Million With $250,000 Minimum	(2) Executive Recommendation, $10 Million With $166,667 Minimum	(3) Difference
BSC	$817,201	$543,985	$ (273,216)
LRSC	329,202	219,139	(110,063)
WSC	250,000	166,667	(83,333)
UND	3,695,508	2,459,984	(1,235,524)
UND SMHS	888,659	591,552	(297,107)
Total-UND/SMHS	4,584,167	3,051,536	(1,532,631)
NDSU	7,059,068	4,698,999	(2,360,069)
NDSCS	250,000	166,667	(83,333)
DSU	710,365	472,867	(237,498)
MaSU	250,000	166,667	(83,333)
MiSU	250,000	180,142	(69,858)
VCSU	250,000	166,667	(83,333)
DCB	250,000	166,667	(83,333)
TOTAL	**$ 15,000,000**	**$ 10,000,000**	**$ (5,000,000)**

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Williston State College

Comparison of FY2010 Budget to Actual for FY ending 6-30-10

	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	2,654,988	242,547	-	-	2,897,535
Institutional Support	1,020,841	272,415	-	-	1,293,256
Student Services	418,078	35,809	-	-	453,887
Academic Support	-	-	-	-	-
Physical Plant	318,593	422,546	-	-	741,139
					-
					-
					-
					-
SUBTOTAL	4,412,500	973,317	0		5,385,817
					-
					-
					-
					-
					-
					-
					-
Total Appropriation (GF and tuition) for FY10	4,412,500	973,317	0		5,385,817
Actual Expenditures to Date, thru 6/30/2010	4,372,267	977,779			5,350,046
Remaining FY10 Balance	40,233	(4,462)	0		35,771

Comparison of FY2011 Budget to Actual through (11/30/10)

	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	2,636,618	262,062	-	-	2,898,680
Institutional Support	1,058,670	315,688	-	-	1,374,358
Student Services	496,286	67,137	-	-	563,423
Academic Support	-	-	-	-	-
Physical Plant	325,031	466,564	-	-	791,595
					-
					-
					-
					-
SUBTOTAL	4,516,605	1,111,451	0		5,628,056
					-
					-
					-
					-
					-
					-
					-
Total Appropriation (GF and tuition) for FY11	4,516,605	1,111,451	0		5,628,056
Actual Expenditures to Date, thru 11/30/2010	1,690,805	331,677			2,022,482
Remaining FY11 Balance	2,825,800	779,774	0		3,605,574

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				382,002	382,002
Capital Assets (Line 50)				18,075,000	18,075,000
Capital Assets Carryover (Line 51)		-			-
Total Capital Assets (Incl Major Capital Projects)	0	0	0	18,457,002	18,457,002
Actual Expenditures, 7/1/2009-6/30/2010				2,442,000	2,442,000
Remaining 2009-11 Balance as of 6/30/2010	0	0	0	16,015,002	16,015,002
Actual Expenditures 7/1/2010-11/30/2010				1,409,869	1,409,869
Remaining 2009-11 Balance as of 11/30/2010	0	0	0	14,605,133	14,605,133

* We had no appropriated or capital project carryover from the 07-09 biennium.

Williston State College

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	768,612	2,501,532			3,270,144
Auxiliary Sales and Services	352,405	1,369,329			1,721,734
Other Nonappropriated Funds*	766,423	1,497,320			2,263,743
Total Nonappropriated Budget for FY10	1,887,440	5,368,180	-	-	7,255,620
Actual Expenditures thru 6/30/2010	1,774,455	4,514,132			6,288,587
Remaining FY10 Balance	112,985	854,049			967,034

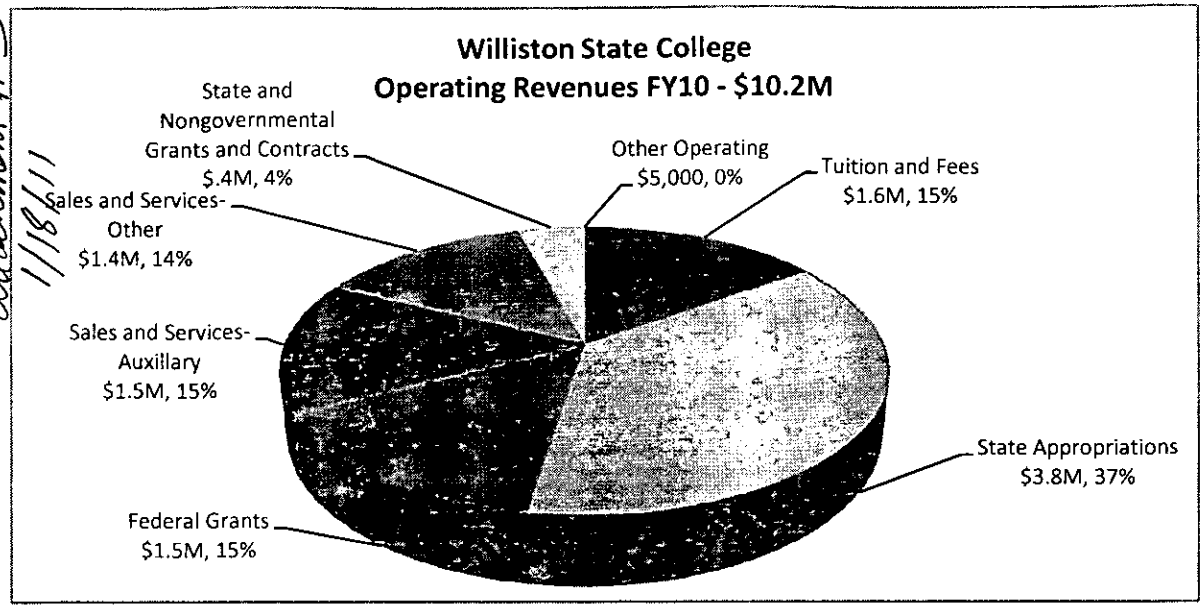
*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	974,368	2,618,770			3,593,138
Auxiliary Sales and Services	376,789	1,441,213			1,818,002
Other Nonappropriated Funds	1,090,911	1,612,682			2,703,593
Total Nonappropriated Budget for FY11	2,442,068	5,672,665	-	-	8,114,733
Actual Expenditures thru 11/30/2010	887,504	2,665,138			3,552,642
Remaining FY11 Balance	1,554,564	3,007,527	-	-	4,562,091

2009-11 Nonappropriated Capital Assets					
Deferred Maintenance 09-11 (Line 54)					-
Capital Assets (Line 50)					-
Capital Assets Carryover (Line 51)					-
Total Capital Assets (Incl Major Capital Projects)	-	-	-	-	-
Actual Expenditures, 7/1/2009-6/30/2010					-
Remaining 2009-11 Balance as of 6/30/2010	-	-	-	-	-
Actual Expenditures 7/1/2010-11/30/2010					-
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	-	-

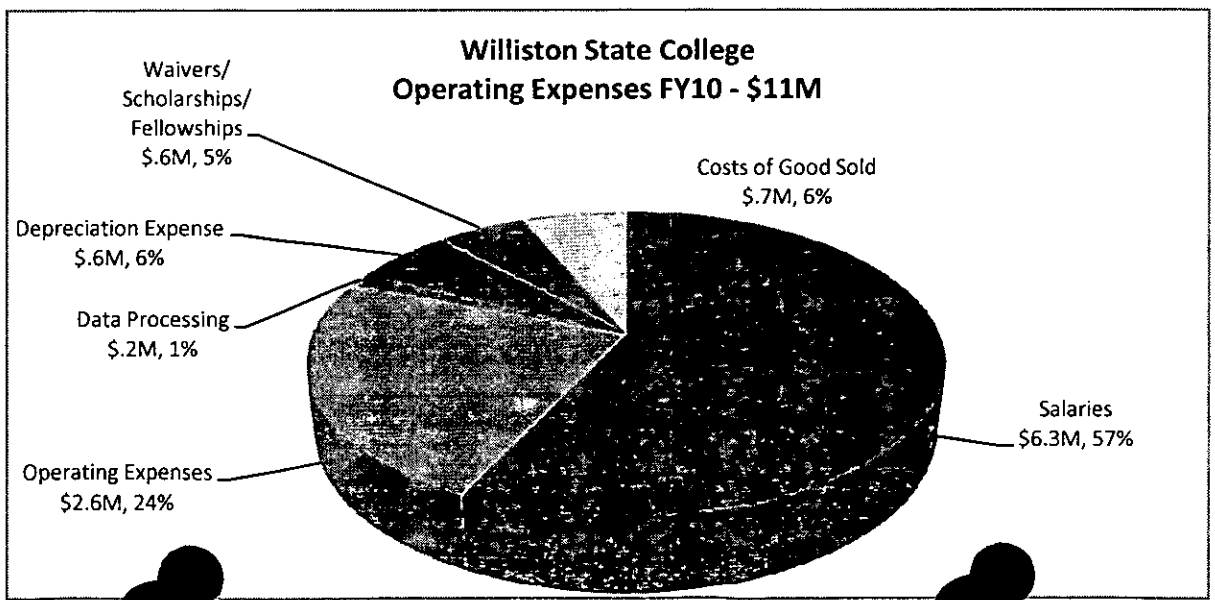
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HB 1003 Williston State College Attachment #3 1/18/11



Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

Source: FY2010 NDUS audited financial statements



Source: FY20 audited financial statements

Operating Revenues		
Tuition and Fees	1,555,418	15%
State Appropriations	3,768,932	37%
Federal Grants	1,523,469	15%
Sales and Services-Auxillary	1,485,199	15%
Sales and Services-Other	1,374,393	14%
State and Nongovernmental Grants and Contracts	426,016	4%
Other Operating	5,449	0%
Total	$10,138,876	100%

Operating Expenses		
Salaries	6,255,380	57%
Operating Expenses	2,610,713	24%
Data Processing	161,682	1%
Depreciation Expense	630,961	6%
Waivers/Scholarships/Fellowships	593,609	5%
Costs of Good Sold	700,512	6%
Total	$10,952,857	100%

HB1003 Williston State Col. Attachment #2 1/18/11

Good afternoon Chairman Skarphol and members of the Committee. My name is Deanette Piesik, Executive Director of the Northwest TrainND region at Williston State College.

The SBHE requested funding from the 2011-13 budget for additional training space for Train ND. The northwest region is experiencing extreme growth, as you are aware for the oil and gas industry. The space available for Train ND on the Williston State College campus does not meet the current and future needs of the oil and gas industry.

- For Fiscal Year 2011 (July 1, 2010 – December 31, 2010) employees receiving training is up 30 percent and the number of business has increased by 25%.
- Current training space limits the amount of classes we can provide as well as the size of classes. In addition it hampers the development of future classes. This year the Petroleum Safety and Technology Center will undergo a remodeling project of the high-bay space area to accommodate the new well control simulator.
- Drilling rigs in the state are averaging around 160. According to the ND Petroleum Council, each drilling rig results in approximately 120 indirect and direct jobs. Many of these employees will be required to complete some training program for their job.
- TrainND is developing technical training programs as requested by the oil and gas industry. At the current level of drilling, 1,800 wells will come on line each year and all of these wells will need to be maintained for their lifetime. One of the programs we are currently developing is the lease operator or pumper training. Also, as technology continues to improve, new skill sets will be required of these employees. TrainND will be the vehicle companies' use for this upgraded training.
- As we acquire additional equipment and simulators for training, space will be needed. Currently all hands-on training is delivered at the Petroleum Safety and Technology Center. Companies have donated over two million dollars in equipment and cash for that facility. As we expand on these programs we will need more space.
- All of the safety training is delivered at the Crighton Building on campus. The Crighton Building space is needed by current college credit programs. Expanding programs in auto and diesel are needed in Williston, by oil and non-oil companies..

In conclusion, TrainND requests the dollars to expand training spaces. Thank you for this opportunity to present information on Train ND. I will answer any questions at this time.

HB 1023
Williston State Coll.
Attachment 1
1/18/11

Williston State College: Institutional Needs

Capabilities

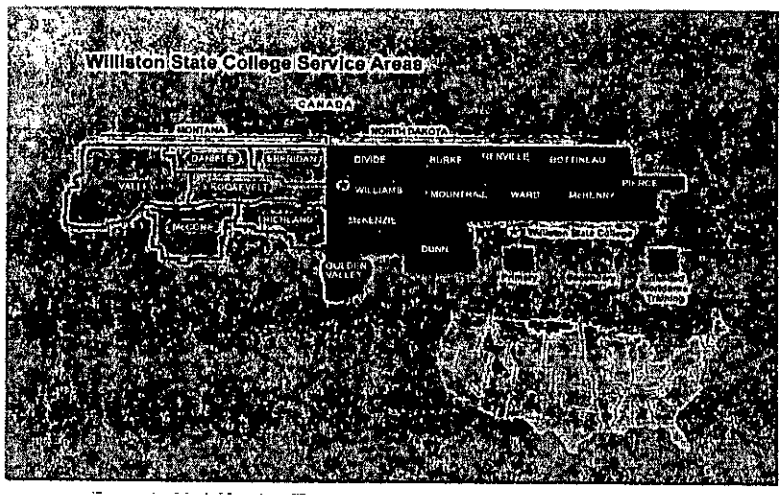
1. Address the demands of the State's fastest growing economy through expanded workforce development, e.g., serving an additional 1000 workers through TrainND and an additional 100 students through credit programs designed around the need of working adults
2. Serve as a regional leader to help transition and interpret events that have brought great changes, stresses, and opportunities to the Northwest part of our state
3. Provide a 21st Learning Environment to 21st Century Students
4. Expand Higher Education Access to a Rural and Isolated Population by Bridging a Knowledge Gap for Supervisors and Managers
5. Attract and Retain Quality Employees
6. Play a Key Role in Community initiatives to address quality of life issues, e.g., Housing, Safety, Wellness Center, etc.

WSC Multiple Missions and Uniqueness of Students

Mission	People Served 2010	People Served 2011 (Projected)
1. Community Education	**8200 Citizens**	**10,000 Citizens**
2. TrainND	**5212 Workers**	**6000 Workers**
	271 Businesses	**300 Businesses**
3. Transfer and Workforce Credit	**1299 Students**	**1310 Students**
4. Adult Education	**117 Students**	**130 Students**
Total People Served	**15,099**	**17,740**

Potential of Student Attendance in Absence of Your Institution

We are a rural and isolated junior college over two hours away in any direction from any other Higher Education Institution.



Does the size or location of your institution play a large role in the success of your institution?

Success is defined by meeting the needs of the community via the multiple missions. Size of institution plays a role in relationship to the size of the community. Our rural community is growing rapidly so our success has challenges related to a fast growing and fast changing community. The following external conditions, college conditions, and associated budget requests demonstrate how our location is playing a role in our ability to be successful.

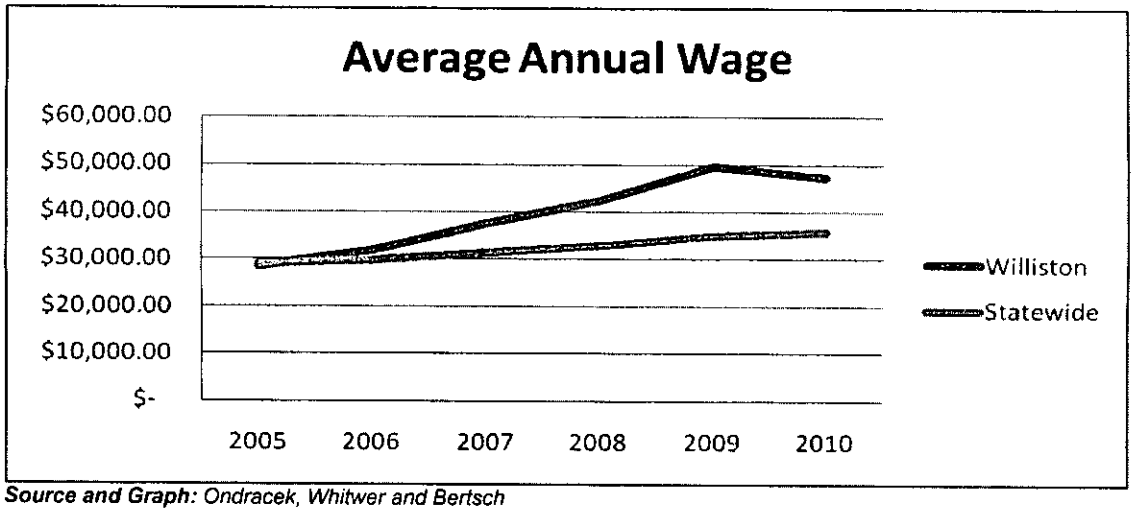
Future Mission Change and Resources Necessary to Make It Happen

External Conditions	*College Conditions*	*Budget*
Safety		
Crime and Traffic One year ago, people bragged about leaving the door unlocked; car running in the parking lot: No more. Traffic Incidents	**Campus Safety** 1. Squatters 2. Incidents and Follow Up 3. Unsafe Roads 4. No Campus Police	2010-2011 Emergency Security funding has been approved. Continued Security funding included in the State Board Budget. Capabilities: Will allow us to both safeguard our students and meet local industry demand for us to expand on campus activities for expanding workforce.
Lack of support services Increase in School District numbers without corresponding support services.	**No Support Services** 1. No Counselor 2. Multiple Campus Incidents	A counselor has been placed in board request. Capabilities: Address increasing social and emotional needs in a highly changing and increasingly stressful social climate.
Housing		
Lack of Available and Affordable Housing	**Faculty and Staff Housing Needs** Staff evictions, requests for additional housing, 7 additional mobiles purchased **Residence Hall Debt** Residence hall debt ($500,000 1st year payment with no resident income.) This extinguishes local funds. **Enrollment** Students cannot find available housing while residence hall is being built.	Multiple staff housing requests pending. We are working on joint powers agreement with school district to provide teacher housing (Mayville State University) to meet 2011 enrollment of 400 additional students.. Given construction progress in our community, I am deeply concerned, even though Resident Hall is on tract, of its not opening in Fall, 2011.

External Conditions	College Conditions	Budget

Workforce

Highest average wage in State	**Retaining employees** Faculty: Require additional $270,000 to catch up with High School Staff: Employees average 88% of the state average. **Enrollment** Many students opt for work given excellent workforce wages with few or no college level requirements.	We have significantly increased salaries to both faculty and staff. The State Board and the Governor's Office have requested significant salary increases. However, when one looks at the following chart, it is growing increasing difficult to retain and recruit employees.



Source and Graph: *Ondracek, Whitwer and Bertsch*

Williston Annual Wages Remain Above the Statewide Average
Unemployment Rates

Williams	1.8%
Mckenzie	2.6%
Divide	2.7%
Mountrail	2.4%

Source: Job Service ND, December, 2010

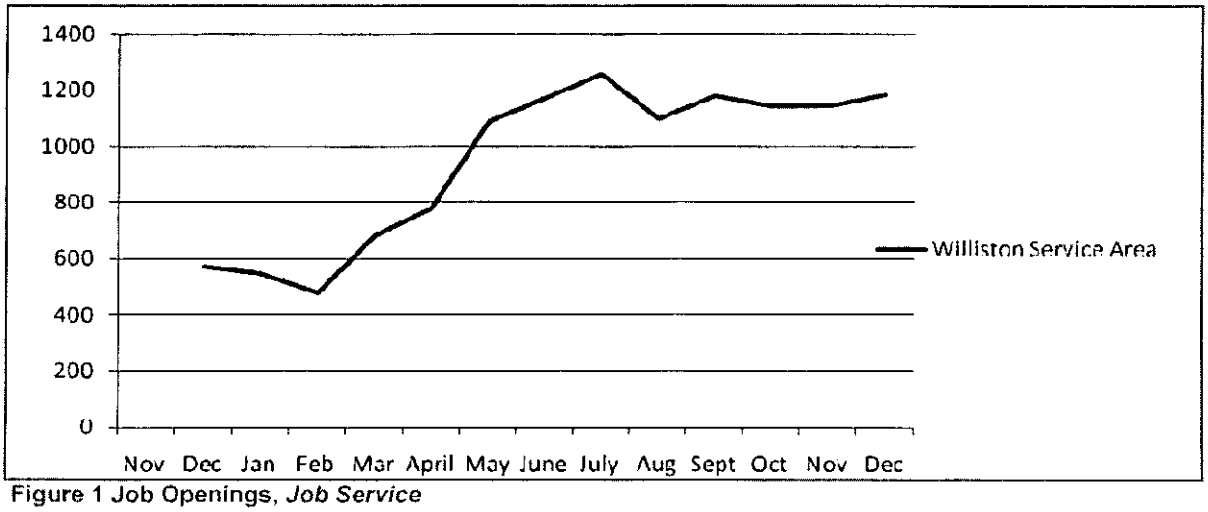


Figure 1 Job Openings, *Job Service*

Construction[1]		
Increased Construction Costs	**Capital Projects** 1. Science project placed on hold. 2. Multistory Career and Technical Education scaled down from three story to one story building (and still not completed due to labor shortage) 3. Residence hall downsized from 220 beds to 171 beds as a result of increase in building costs. Trailers utilized for off construction climate.	We are requesting dollars to complete the science project in the next biennium. We are fundraising to leverage dollars for state of the art materials for the CTE Building. We have utilized the Foundation so that the cost of the resident hall does not fall on the backs of our students.

[1] [1] A construction boom continues in Williston. The city's building permits for 2010 hit an all time high of $106.2 million, shattering the previous year's record of $44.6 million. The year's final numbers have not been released, but at the end of November, Williston ranked second in construction to Fargo. Bismarck and Minot were ranked third and fourth respectively. Building permits are required for new buildings, additions, renovations, electrical, plumbing, cooling and heating systems. "As far as we are concerned it is just chaos," says Doug Lalim, Building Department director. "We just have to react to it - it's hard to explain really."

Current Capital Projects

Western Star Career and Technical Education Center
Scheduled to be complete by Mid-April 2011.
Estimated total cost around $5,200,000.

$5,000,000 POTTF
$1,000,000 Other Funds
$6,000,000

Residence Hall
Scheduled to be complete by the end of July 2011.

$9,375,000 Revenue Bond
$500, 000 Foundation Loan
$9,875,000

Science Addition
$2.2 million was approved in previous biennium. $1.3 million was included in Governor's budget for completion of Science Addition.

$1,610,000 General Fund
$ 590,000 Other Local Funds
$2,200,000
$1,300,000 Requested from POTTF
$3,500,000

Deferred Maintenance
Our deferred maintenance allocation addressed the following needs:

1. Roof replacement of Stevens Hall
2. Repairs and renovations to the outer entrance of Stevens Hall
3. Repainting and re-carpeting of student lounge areas and faculty suites
4. Maintenance and repairs to our baseball field

Capital Projects Included in Current Funding Request

Front Entrance
Includes a horseshoe-shape entrance to campus, landscaping, moving parking to back, moving storage buildings to new location, and adding additional parking to enhance image of College in the community. Included in Governor's budget.

$1,000,000 Requested from POTTF
$ 500,000 Match from Local Funds
$1,500,000

TrainND
Construct addition to and two stand-alone bay shops for Workforce Training Center. Included in SBHE budget but not in Governors budget.

$700,000 from General Fund
$300,000 from TrainND Local Funds
$1,000,000
$1,200,000 Private and Other Funds
$2,200,000

Stevens Hall
Complete renovation of Stevens Hall on WSC campus. Number 8 on NDUS major capital projects list but not included in Governor's budget. With increased utility bills, College obtained grant for energy upgrade which would save taxpayers approximately $40,000 per year. The utility upgrade, renovation of a 44 year old library, upgrade of current campus wireless network are all placed on hold due to required asbestos mitigation (nearly $300,000).

$10,434,000

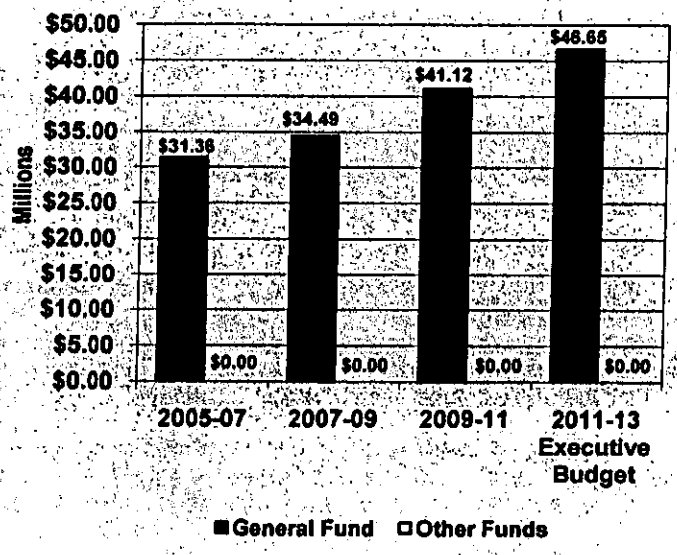
Prepared by the North Dakota Legislative Council staff for House Appropriations
January 19, 2011

Department 232 - University of North Dakota School of Medicine and Health Sciences
House Bill No. 1003

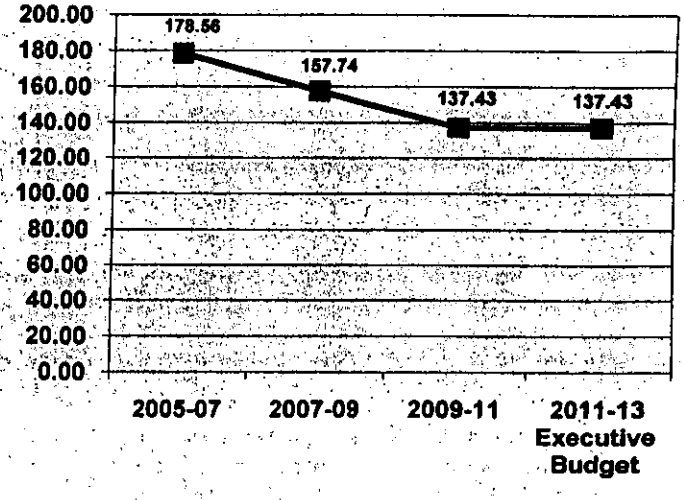
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	137.43	$46,653,406	$0	$46,653,406
2009-11 Legislative Appropriations	137.43[1]	41,115,401	0	41,115,401
Increase (Decrease)	0.00	$5,538,005	$0	$5,538,005

[1]The number of FTE positions for the 2009-11 biennium has been adjusted by (7.49), from 144.92 to 137.43, pursuant to Section 20 of Senate Bill No. 2003 (2009) 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.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$46,653,406	$0	$46,653,406
2009-11 Legislative Appropriations	40,890,401	225,000	41,115,401
Increase (Decrease)	$5,763,005	($225,000)	$5,538,005

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of $2,072,442 for the following:			
Costs to continue fiscal year 2011 salary increases	$650,253		$650,253
3 percent per year salary increases	1,241,267		1,241,267
Health insurance premium increases	180,922		180,922
Total	$2,072,442		$2,072,442
2. Provides equity funding of $591,552 (The executive recommendation includes $10 million for equity distributed among the 11 higher education institutions.)	$591,552		$591,552
3. Provides funding of $571,224 to address college affordability by limiting tuition rate increases to 2.5 percent annually for the 2011-13 biennium	$571,224		$571,224
4. Increases funding for employee retirement contributions	$160,758		$160,758
5. Adds funding to establish a master's in public health program	$1,215,219		$1,215,219
6. Adds funding for geriatrics training	$1,151,810		$1,151,810
7. Removes one-time funding provided in the 2009-11 biennium for an electronic medical records system	($225,000)		($225,000)

Other Sections in Bill

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - North Dakota University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

House Bill No. 1353 - School of Medicine and Health Sciences Advisory Council and funding - Provides for changes to the School of Medicine and Health Sciences Advisory Council, allocates tobacco settlement funding to a new health care programs trust fund, and provides a $34.7 million appropriation for a new health sciences facility and related program expansion at the School of Medicine and Health Sciences.

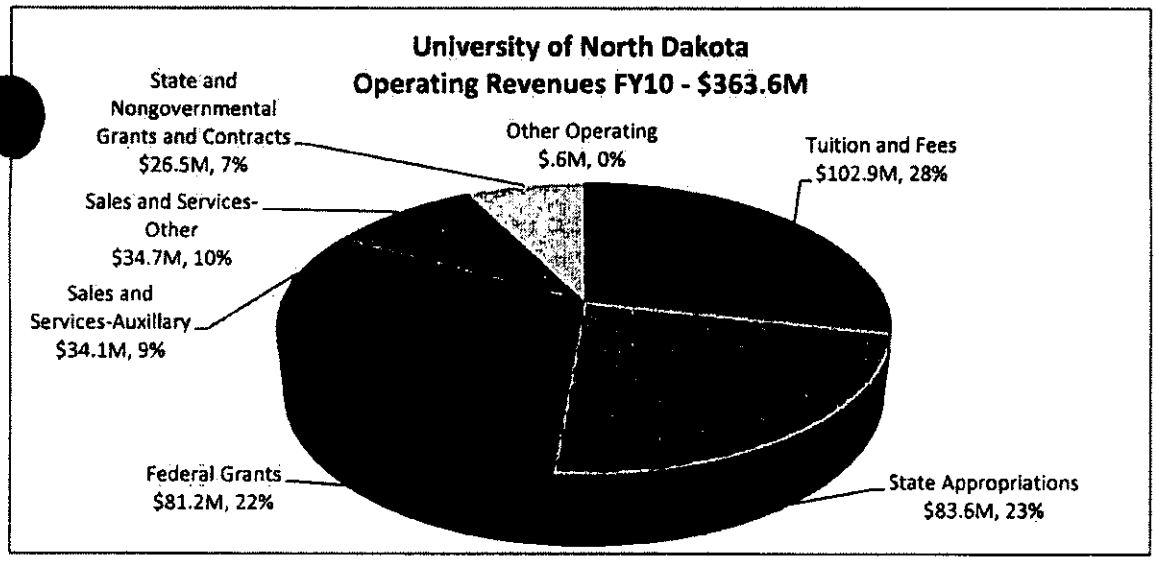
HB 1003
University of ND
1/19/11
attachment #1

UNIVERSITY OF NORTH DAKOTA

PRESENTATION TO THE NORTH DAKOTA HOUSE APPROPRIATIONS COMMITTEE

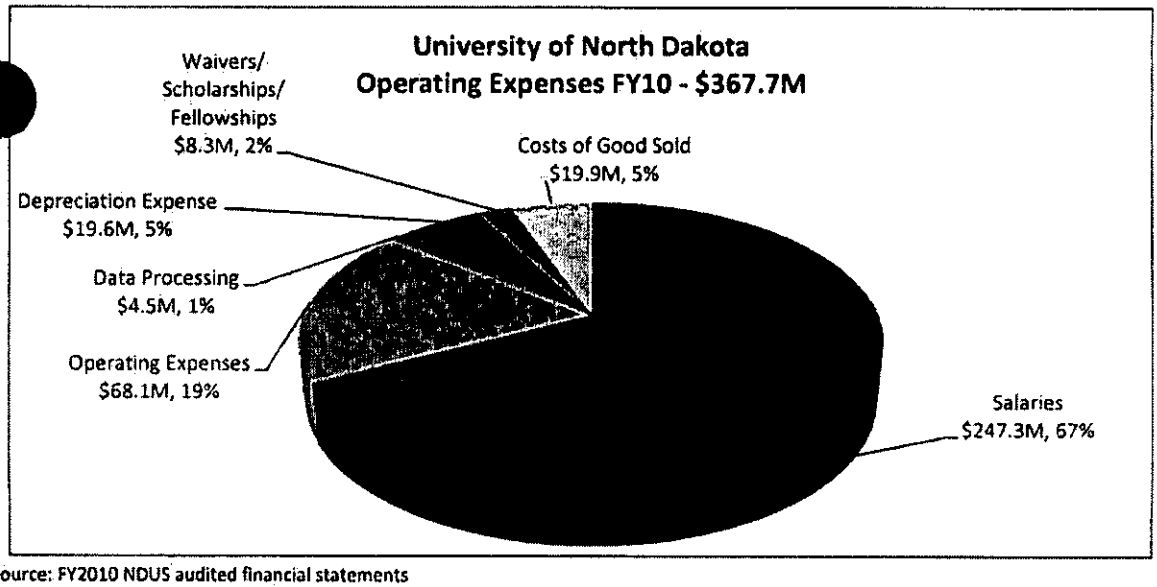
EDUCATION AND ENVIRONMENT DIVISION

JANUARY 19, 2011



Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

Source: FY2010 NDUS audited financial statements



Source: FY2010 NDUS audited financial statements

Operating Revenues: Overview

Revenue	Purpose	Source of Funds (Examples)	Uses of Funds (Examples)	Net Assets X Restricted by ◊ Designated for
Tuition and Fees	Support campus operations and supplement programs	• Student tuition • Student fees	• Tuition, and some fees, used to support core instructional mission • Student Government and other student activities • Revenue Bond debt service • Construct, repair and replace capital assets	X Bond covenants ◊ Core campus mission ◊ Specific courses or programs ◊ Student groups
Grants & Contracts	Perform contracted services to advance research, teaching and service programs	• Federal • State • Private	• Research • Training • Program development	X Grant or contact terms
Sales & Services - Auxiliary	Provide services such as housing, dining, bookstore and parking to students and constituents	• Room and board charges • Book/supply sales • Parking permits • Facility rental fees	• Daily operations • Debt service • Facility construction, repair & replacement	X Bond covenants ◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Building additions
Sales & Services - Other	Fund self-supporting programs or supplement programs partially funded from the general fund and/or tuition collections	• Grant and contract indirect cost recovery for administrative overhead • Continuing ed fees • Ticket sales • Workforce training fees • Service centers (e.g. print shop, facility services, etc.)	• Marketing/recruitment • Seed money for new grants • Continuing education activities/programs • Workforce training delivery • Other campus priorities	◊ Working capital ◊ Emergency reserves ◊ Major repairs ◊ Self-support programs
Other Operating Revenue	Provide financing to students to assist with college costs	• Interest Income-Loans • Loan late fees	• Loans to students • Loan center operations	X Federal/state policies ◊ Students

UND THE UNIVERSITY OF NORTH DAKOTA

	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
College of Aerospace Sciences	7,377,028	661,476	4,100		8,042,604
College of Arts & Sciences	20,307,128	1,077,808	141,394		21,526,330
College of Business and Public Administration	7,929,962	311,142			8,241,104
College of Education and Human Development	7,034,910	540,373	86,614		7,661,897
College of Engineering and Mines	4,845,768	296,351	47,741		5,189,860
College of Law	2,905,915	803,653			3,709,568
College of Nursing	3,962,746	199,053			4,161,799
Graduate School	808,934	201,571			1,010,505
VPAA-Academic Support	6,063,417	5,243,160	174,099		11,480,676
SUBTOTAL	**61,235,809**	**9,334,586**	**453,948**		**71,024,343**
Vice President of Research	308,114	133,748			441,862
VP Student and Outreach Services	7,104,851	1,935,993	131,334		9,172,178
President and Institutional Support	2,981,814	1,191,479	4,944		4,178,237
VP Finance and Operations (including utilities)	6,434,104	14,245,876	387,528		21,067,508
Fringe Benefits	22,784,819				22,784,819
SITS Pool	1,656,431	1,254,625	228,141		3,139,197
Consortiums	9,645	260,336			269,981
Total Appropriation (state and tuition) for FY10	**102,515,586**	**28,356,643**	**1,205,894**		**132,078,124**
Actual Expenditures to Date, thru 6/30/2010	102,515,586	28,356,643	1,205,894		132,078,124
Remaining FY10 Balance	**(0)**	**(0)**	**0**		**(0)**

	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
College of Aerospace Sciences	7,979,316	866,592	27,262		8,873,171
College of Arts & Sciences	20,994,349	1,388,183	37,070		22,419,603
College of Business and Public Administration	8,331,259	285,362			8,616,621
College of Education and Human Development	7,368,922	293,523	150,755		7,813,200
College of Engineering and Mines	5,258,744	178,728	60,608		5,498,079
College of Law	3,195,752	577,597			3,773,349
College of Nursing	4,784,849	429,929	28,979		5,243,757
Graduate School	1,215,463	75,501	55,550		1,346,514
VPAA-Academic Support	6,544,576	4,612,421	155,750		11,312,747
SUBTOTAL	**65,673,231**	**8,707,837**	**515,974**		**74,897,041**
Vice President of Research	329,820	59,768			389,589
VP Student and Outreach Services	8,438,153	2,183,381	74,241		10,695,774
President and Institutional Support	3,288,611	5,601,504	51,786		8,941,902
VP Finance and Operations (including utilities)	7,158,554	14,363,014	300,671		21,822,238
Fringe Benefits	24,348,636				24,348,636
SITS Pool	1,966,064	235,068			2,201,131
Consortiums					0
Total Appropriation (state and tuition) for FY11	**111,203,069**	**31,150,571**	**942,672**		**143,296,311**
Actual Expenditures to Date, thru 11/30/2010	39,099,959	9,073,008	264,218		48,437,185
Remaining FY11 Balance	**72,103,109**	**22,077,563**	**678,453**		**94,859,126**

UND THE UNIVERSITY OF NORTH DAKOTA

	Personnel	Operating	Equipment	Capital Assets	Total Budget
23050 Capital Assets - Line 50				7,700,545	7,700,545
23051 Capital Assets-Carryover - Line 51				1,565,182	1,565,182
23052 Capital Assets-Off System - Line 52				48,878,661	48,878,661
23053 Captial-Off System-Carryover				104,717,112	104,717,112
23054 Deferred Maintenance - Line 54				7,178,674	7,178,674
23055 Federal Stimulus Funds-2009				11,700,000	11,700,000
23073 1997 Flood Expeditures - Line 73		1,231,806			1,231,806
Total Capital Assets (Include Major Capital Projects)	**0**	**1,231,806**	**0**	**181,740,174**	**182,971,980**
Actual Expenditures, 7/1/2009-6/30/2010		1,231,806		6,672,862	7,904,668
Remaining 2009-11 Balance as of 6/30/2010		**0**	**0**	**175,067,312**	**175,067,312**
Actual Expenditures 7/1/2010-11/30/2010				5,183,479	5,183,479
Remaining 2009-11 Balance as of 11/30/2010	**0**	**0**	**0**	**169,883,833**	**169,883,833**

UND THE UNIVERSITY OF NORTH DAKOTA

Required Reporting to 2011 Appropriation Committees

07-09 Final Carryover

Capital Improvements/Projects	1,565,182.00
FY2010 Expenses	(1,558,637.57)
FY2011 Expenses as of 11/30/10	(5,387.11)
Unspent Appropriation	**1,157.32**

Project Completed

2007 Legislatively Approved	
Revenue Bonds - Major Capital Projects	4,000,000.00
Inactive - Wilkerson Dining Center	(4,000,000.00)
Available Balance	-
Other Funds Major Capital Projects	73,920,000.00
Inactive - SOMHS Lab & Adm	(9,800,000.00)
Inactive - Memorial Union	(4,500,000.00)
Inactive - Indoor Track Facility	(15,000,000.00)
Inactive - American Indian Center	(10,000,000.00)
Inactive - Earth Systems Sciences	(5,000,000.00)
Inactive - SMHS Bismarck FPC	(4,000,000.00)
Inactive - EERC Commercialization	(5,000,000.00)
Inactive - Allied Health Facility	(20,400,000.00)

Active Project - O'Kelly Hall-Ireland Laboratory Renovation	220,000.00
FY2010 Expenses	(181,150.69)
FY2011 Expenses as of 11/30/10	(19,481.43)
Projected Expenditures thru 06/30/11	(17,315.36)
Unspent Authorization	**2,052.52**

Project Completed

2007-09 Final tuition/misc income carryover	7,438,594.00
SITS Pool	(1,763,063.75)
OnLine and OnLine Grad	(989,534.76)
Credit Correspondence	(188,577.74)
MOU - Aerospace	(199,726.76)
FY2010 Expenses	(2,657,289.51)
*Available Balance as of 06-30-10	1,640,401.48
Expenses as of 11-30-10	(124,164.90)
Projected Expenditures thru 06/30/11	(1,516,236.58)
Available Balance	-

* For example - website redesign, SITS pool, retention initiatives, emergency preparedness, STEM Classroom, marketing/branding

UND THE UNIVERSITY OF NORTH DAKOTA

Required Reporting to 2011 Appropriation Committees

09-11 One-Time Funding

Deferred Maintenance	7,178,674.00
FY2010 Expenses	(1,423,649.67)
FY2011 Expenses as of 11-30-10	(624,399.06)
Projected Expenditures thru 06/30/11	(3,613,930.34)
Available Balance - Carryforward	**1,516,694.93**
Permanent Oil Trust	5,400,000.00
SMHS Bismarck Family Practice Clinic	
Expenses as of 06-30-10	(11,780.29)
Expenses as of 11-30-10	(226,192.33)
Projected Expenditures thru 06/30/11	(2,762,027.38)
Available Balance - Carryforward	**2,400,000.00**
Federal Funds - Major Capital Projects	11,329,000.00
Inactive - SMHS Forensic Pathology Facility	(129,000.00)
Education Building Renovation & Addition	11,200,000.00
Expenses as of 06-30-10	(1,178,856.49)
Expenses as of 11-30-10	(2,544,844.99)
Projected Expenditures thru 06/30/11	(5,576,298.52)
Available Balance - Carryforward	**1,900,000.00**
Estimated Income Appropriation	
ARRA Simulation Laboratory Initiative	500,000.00
Expenses thru 11-30-10	(289,639.87)
Projected Expenditures thru 06/30/11	(210,360.13)
Available Balance - ARRA Simulation Laboratory	-
Other Funds-Major Capital Projects	44,390,000.00
Inactive - COBPA Renovation and Addition	(20,500,000.00)
Inactive - Oxford House Relocation and Renovation	(750,000.00)
Inactive - Indoor Track and Football Practice Field	(19,500,000.00)
Inactive - EERC Storage and Support Building	(1,540,000.00)
Inactive - Starcher Emergency Generator System	(600,000.00)
Active Project - Hangar Addition & Renovation	1,500,000.00
FY2011 Expenses as of 11/30/10	(1,354,369.46)
Projected Expenditures thru 06/30/11	(145,630.54)
Available Balance	-

Anticipated closeout Nov, 2011

Anticipated closeout Nov, 2011

Completion date by 06/30/2011

2009-2011 Deferred Maintenance Summary

As of 11/30/2011

Fund #	Category	Original Budget	Adjusted Budget	Total Projected Biennium Expenditures	Remaining Budget
38610	Building Exterior	$ 1,738,174	$ 2,495,245	$ 2,212,745	$ 282,500
38611	Mechanical/Electrical Upgrades	$ 4,745,500	$ 4,224,956	$ 3,050,700	$ 1,174,256
38612	Interior Finishes	$ 535,000	$ 202,689	$ 202,689	$ -
38613	Structural Repairs	$ 75,000	$ -		$ -
38614	Paving & Area Lighting	$ 30,000	$ 200,000	$ 140,000	$ 60,000
38615	Utilities/Infrastructure	$ 35,000	$ 55,845	$ 55,845	$ -
38616	Miscellaneous Small Projects	$ 20,000	$ -		$ -
		$ 7,178,674	$ 7,178,735	$ 5,661,979	$ 1,516,756

University of North Dakota
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(4)	(5)	(6)
	University of North Dakota		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	**$ 137,546,775**	**$ 137,546,775**	**$ -**
Base Adjustments	**(9,985,224)**	**(9,985,224)**	**-**
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**127,561,551**	**127,561,551**	**-**
Prioritized SBHE Needs Based Request:			
Parity	12,474,003	9,303,122	(3,170,881)
Equity	3,695,508	2,459,984	(1,235,524)
College Affordability	813,787	1,676,738	862,951
Facility and Infrastructure Regular Repair and Maintenance	2,111,021	2,111,021	-
Student Mental Health Services	-		-
Bismarck Higher Education Center	-		-
Employee Retirement Contributions	683,318	672,393	(10,925)
Statewide Nursing Consortium	1,607,270	1,607,270	-
Total Requested Increase in GF Base Funding	21,384,907	17,830,528	(3,554,379)
Total Base General Fund Request & Recommendation	**148,946,458**	**145,392,079**	**(3,554,379)**
One-time Budget Requests:			
Pay-off Special Assessments	281,013	281,013	-
Total One-time Budget Request & Recommendation	**281,013**	**281,013**	**-**
2011-13 Small-Medium Projects	**5,953,000**		**(5,953,000)**
2011-13 State-funded Projects	**58,990,000**	**11,200,000**	**(47,790,000)**
Total 2011-13 General Fund Request & Recommendation	**$ 214,170,471**	**$ 156,873,092**	**$ (57,297,379)**

UND THE UNIVERSITY OF NORTH DAKOTA

	Fund Type Decriptions	FY2011 Budget	Personnel	Operating	Equipment	Captial Assets and Other Payments	Facilities & Adminstration	Scholarships & Waivers	Total	FY2011 Budget Less FY2011 Actuals as of 11-30-10
			FY2011 Expenditures as of 11-30-2010							
College of Aerospace Sciences	Grants & Contracts	-	3,278,452	937,221	220,655	-	999,271	140,559	5,576,157	
	Other Nonappropriated Funds	32,887,464	4,658,114	9,985,926	70,069	130,240		33,012	15,096,750	17,790,714
College of Aerospace Sciences Total		32,887,464	7,936,565	10,923,147	290,724	130,240	999,271	173,571	20,672,907	
College of Arts & Sciences	Grants & Contracts		773,386	398,487	237,295		280,070	33,957	1,723,195	
	Other Nonappropriated Funds	1,812,988	225,844	220,680	28,725	12,134		29,633	558,681	1,254,307
College of Arts & Sciences Total		1,812,988	999,230	619,168	266,020	12,134	280,070	63,590	2,281,875	
College of Business and Public Administration	Grants & Contracts		287,583	377,045			30,183		694,811	
	Other Nonappropriated Funds	2,146,224	404,475	442,447		56,973		9,100	997,719	1,148,505
College of BPA Total		2,146,224	692,058	819,491		56,973	30,183	9,100	1,692,530	
College of Education and Human Development	Grants & Contracts		406,990	238,856		2,543,586	49,179	64,990	3,303,601	
	Other Nonappropriated Funds	1,124,583	246,639	153,617				2,025	405,087	719,496
College of Education Total		1,124,583	653,629	392,473	-	2,543,586	49,179	67,015	3,708,688	
College of Engineering and Mines	Grants & Contracts		1,469,382	525,056	423,186		434,866	52,059	2,904,549	
	Other Nonappropriated Funds	1,563,320	205,328	196,054	49,999			6,325	544,435	1,018,885
College of Engineering Total		1,563,320	1,674,709	721,109	473,185	-	434,866	58,384	3,448,984	
College of Law	Grants & Contracts		175,540	273,122			101,556	35,115	585,332	
	Other Nonappropriated Funds	953,308	44,722	54,443					264,165	689,143
Law School Total		953,308	220,262	327,565	-	-	101,556	35,115	849,497	
College of Nursing	Grants & Contracts		240,064	175,007			16,899	130,332	562,301	
	Other Nonappropriated Funds	917,028	133,849	96,141				12,249	242,324	674,704
Nursing Total		917,028	373,912	271,149	-	-	16,899	142,581	804,626	
Graduate School	Grants & Contracts		14,433	2,138					16,570	
	Other Nonappropriated Funds	311,612	35,277	45,542				894	83,713	227,899
Graduate School Total		311,612	49,710	47,680	-	-	-	894	100,283	
VPAA-Academic Support	Grants & Contracts		2,794	19,248			5,250		27,292	
	Other Nonappropriated Funds	5,860,949	463,861	1,314,595	1,133		69,262	1,000	3,226,102	2,634,847
VPAA-Academic Support Total		5,860,949	466,655	1,333,843	1,133		74,512	1,000	3,253,394	
SUBTOTAL		47,577,476	13,066,731	15,455,623	1,031,062	2,742,932	1,986,535	551,250	36,812,784	
Vice President of Research	Grants & Contracts		793,039	175,254			105,695		1,073,988	
	Other Nonappropriated Funds	3,103,690	771,945	392,452	47,643	4,398			2,081,735	1,021,955
VPR Total		3,103,690	1,564,985	567,706	47,643	4,398	105,695		3,155,723	
VP Student and Outreach Services	Grants & Contracts		1,007,247	225,583			106,596	5,801,513	7,140,938	
	Other Nonappropriated Funds	16,260,211	2,751,622	1,388,355	54,110	28,224		2,170,219	8,158,972	8,101,239
VPSOS Total		16,260,211	3,758,868	1,613,938	54,110	28,224	106,596	7,971,732	15,299,910	
President and Institutional Support	Grants & Contracts		6,423,507	1,964,456	677,867	11,145	4,653,829		13,730,804	
	Other Nonappropriated Funds	33,046,174	4,834,251	5,356,877	112,939	24,752		1,533,058	27,110,403	5,935,771
President and Institutional Support Total		33,046,174	11,257,758	7,321,333	790,805	35,897	4,653,829	1,533,058	40,841,207	
VP Finance and Operations	Grants & Contracts		20,692	11,159		41,601	980		74,431	
	Other Nonappropriated Funds	58,040,607	8,675,323	10,615,067	179,778	2,353,531	410,760	71,434	29,245,571	28,795,036
VPFO Total		58,040,607	8,696,015	10,626,226	179,778	2,395,132	411,740	71,434	29,320,002	
SITS Pool	Other Nonappropriated Funds	65,361		22,679					22,679	42,682
SITS Pool Total		65,361		22,679					22,679	
Total FY2011 Budget and FY2011 Expenditures as of 11-30-10		158,093,519	38,344,357	35,607,505	2,103,399	5,206,583	7,284,395	10,127,474	125,452,305	-
Total Grants & Contracts		91,475,137	14,893,108	5,322,629	1,559,003	2,596,332	6,784,373	6,258,525	37,413,970	54,061,167
Other Nonappropriated Funds		158,093,519	23,451,249	30,284,877	544,396	2,610,251	480,022	3,868,949	88,038,335	70,055,184
Total 2011 Budget and Expenditures		249,568,656	38,344,357	35,607,505	2,103,399	5,206,583	7,284,395	10,127,474	125,452,305	124,116,351

Attachment 3

UND THE UNIVERSITY OF NORTH DAKOTA

	Fund Type Descrptions	FY2010 Budget
College of Aerospace Sciences	Grants and Contracts	13,306,805
	Other Nonappropriated Funds	32,421,314
College of Aerospace Sciences Total		45,728,119
College of Arts & Sciences	Grants and Contracts	3,687,422
	Other Nonappropriated Funds	1,792,743
College of Arts & Sciences Total		5,480,165
College of Business and Public Adminstration	Grants and Contracts	1,426,319
	Other Nonappropriated Funds	2,078,978
College of BPA Total		3,505,297
College of Education and Human Development	Grants and Contracts	3,508,409
	Other Nonappropriated Funds	1,071,004
College of Education Total		4,579,413
College of Engineering and Mines	Grants and Contracts	6,986,747
	Other Nonappropriated Funds	1,539,258
College of Engineering Total		8,526,005
College of Law	Grants and Contracts	1,372,072
	Other Nonappropriated Funds	934,258
Law School Total		2,306,330
College of Nursing	Grants and Contracts	1,784,554
	Other Nonappropriated Funds	776,717
Nursing Total		2,561,271
Graduate School	Grants and Contracts	73,230
	Other Nonappropriated Funds	308,144
Graduate School Total		381,374
VPAA-Academic Support	Grants and Contracts	33,236
	Other Nonappropriated Funds	6,494,002
VPAA-Academic Support Total		6,527,238
SUBTOTAL		79,595,212
Vice President of Research	Grants and Contracts	3,253,591
	Other Nonappropriated Funds	2,859,316
VPR Total		6,112,907
VP Student and Outreach Services	Grants and Contracts	13,672,742
	Other Nonappropriated Funds	15,083,456
VPSOS Total		28,756,198
President and Instiutional Support	Grants and Contracts	37,440,201
	Other Nonappropriated Funds	32,560,372
President and Instiutional Support Total		70,000,573
VP Finance and Operations	Grants and Contracts	45,704
	Other Nonappropriated Funds	56,927,266
VPFO Total		56,972,969
SITS Pool	Other Nonappropriated Funds	65,362
SITS Pool Total		65,362
Consortiums	Grants and Contracts	8,550
	Other Nonappropriated Funds	-
Consortiums Total		8,550
Total FY2010 Budget and Expenditures		241,511,771

FY2010 Expenditures

Personnel	Operating	Equipment	Capital Assets & Other Payments	Facilities & Administration	Scholarships & Waivers	Total	FY2010 Budget Less FY2010 Actuals
6,891,909	2,190,203	1,875,698	-	1,995,723	353,272	13,306,805	-
11,658,821	24,292,563	75,683	209,820	-	88,841	36,325,730	(3,904,416)
18,550,730	26,482,767	1,951,381	209,820	1,995,723	442,113	49,632,535	(3,904,416)
1,792,815	908,921	367,997	-	555,814	61,874	3,687,422	-
535,247	761,606	71,602	9,442	-	47,075	1,425,173	367,571
2,328,062	1,670,526	439,599	9,442	555,814	108,949	5,112,594	367,571
525,996	852,711	-	-	31,929	15,683	1,426,319	-
844,062	784,853	20,374	-	-	8,400	1,657,689	421,289
1,370,058	1,637,564	20,374	-	31,929	24,083	3,084,008	421,289
1,391,608	802,274	-	1,152,885	164,747	196,896	3,508,409	-
407,388	376,920	4,089	-	-	5,738	788,135	282,869
1,798,995	973,194	4,089	1,152,885	164,747	202,633	4,296,544	282,869
3,436,155	1,541,200	1,137,981	-	789,396	82,015	6,986,747	-
284,781	442,501	63,500	-	-	10,025	800,787	738,471
3,720,916	1,983,701	1,201,480	-	789,396	92,040	7,787,534	738,471
331,587	748,036	-	-	207,349	85,101	1,372,072	-
195,547	373,595	-	-	-	14,000	583,143	351,115
527,134	1,121,631	-	-	207,349	99,101	1,955,215	351,115
1,039,137	311,095	34,545	9,903	80,491	309,383	1,784,554	-
173,079	386,278	58,463	14,819	-	36,762	669,401	107,316
1,212,216	697,373	93,008	24,722	80,491	346,145	2,453,955	107,316
41,958	16,272		-	-	15,000	73,230	-
73,109	141,571	-	-	-	55,894	270,574	37,570
115,067	157,843	-	-	-	70,894	343,804	37,570
3,041	26,695		-	3,500		33,236	-
1,313,616	3,091,088	287,924	6,185	189,220	1,200	4,889,234	1,604,768
1,316,657	3,117,783	287,924	6,185	192,720	1,200	4,922,469	1,604,768
30,939,836	37,842,382	3,998,057	1,403,055	4,018,171	1,387,158	79,588,658	6,554
			-	-		-	-
2,296,985	425,900	284,567	-	246,140		3,253,591	-
1,761,583	1,170,916	125,160	1,237	-		3,058,896	(199,580)
4,058,567	1,596,816	409,727	1,237	246,140	-	6,312,487	(199,580)
2,534,858	367,360		-	265,946	10,504,578	13,672,742	-
7,112,863	4,307,761	57,811	75,518	51,441	4,369,784	15,975,177	(891,721)
9,647,721	4,675,121	57,811	75,518	317,387	14,874,362	29,647,919	(891,721)
16,129,838	7,917,675	2,251,670	1,916	11,139,101		37,440,201	-
11,937,253	12,442,295	187,985	157,069	-	2,932,617	27,657,219	4,903,153
28,067,091	20,359,970	2,439,655	158,985	11,139,101	2,932,617	65,097,420	4,903,153
14,924	28,293		-	2,487		45,704	-
22,050,737	26,035,898	313,583	10,640,206	1,031,007	137,451	60,208,882	(3,281,616)
22,065,660	26,064,191	313,583	10,640,206	1,033,494	137,451	60,254,585	(3,281,616)
-	1,909,733	27,792	-	-	-	1,937,525	(1,872,163)
-	1,909,733	27,792	-	-	-	1,937,525	(1,872,163)
-	6,375		-	2,175		8,550	-
-	5,743	-	-	-	-	5,743	(5,743)
-	12,118	-	-	2,175	-	14,293	(5,743)
94,776,876	92,460,332	7,248,624	12,279,001	16,766,468	19,331,587	242,852,888	(1,341,117)

HB1003, UND, 1/19/11

Attachment 22

UND THE UNIVERSITY OF NORTH DAKOTA

	Fund Type Descrptions	FY2010 Budget
Total Grants & Contracts		86,599,581
Other Nonappropriated Funds		154,912,190
Total 2010 Budget and Expenditures		241,511,771

FY2010 Expenditures							FY2010 Budget Less FY2010 Actuals
Personnel	Operating	Equipment	Capital Assets & Other Payments	Facilities & Administration	Scholarships & Waivers	Total	
36,430,809	15,943,009	5,952,458	1,164,704	15,484,800	11,623,801	86,599,581	-
58,348,067	76,517,323	1,294,166	11,114,297	1,271,668	7,707,786	156,253,307	(1,341,117)
94,778,876	92,460,332	7,246,624	12,279,001	16,756,468	19,331,587	242,852,888	(1,341,117)

Draft

HB 1003-UND
Attachment #3
1/19/11

North Dakota University System
HB 1003 – House Appropriations - Education
January 19, 2011
Randall Thursby

Mr. Chairman, members of the House Appropriations Education Committee, good morning. For the record, my name is Randall Thursby, CIO for the North Dakota University System (NDUS). I want to add to the comments from President Kelley regarding the need for the joint NDUS/UND Information Technology Facility. As he indicated, this building had comprehensive planning, thanks to the funding from OMB, and a documented comprehensive business case for State Board of Higher Education consideration. As some legislators have seen first-hand the current facility has numerous vulnerabilities. Among these are: a basement location prone to water seepage; water and drainage pipes running over the machine room; placement in the basement of a building that is shared with chemical laboratories; an inability to secure the machine room from public due to the structure of the building; and inadequate electrical and cooling capacity. We have spent over $600,000 for electrical modifications over the past two years and will need to expend over $200,000 for modifications to the cooling systems just to keep the facility operational.

The original request from the SBHE was $17.6M for a comprehensive facility designed to meet current and future needs for both NDUS and the University of North Dakota. It met the needs for data center operations including enhanced data center Tier II level (redundant network, power feeds, and key internal electrical components), staff requirements, technology training facility, future research needs, space to serve as a backup facility for NDUS institutions, and space for future growth. The building was 52,500 sq. ft. (10,000 sq. ft. for the operations room and associated mechanical and electrical equipment, and 42,000 sq. ft. for offices, training rooms, conference and meeting space).

The Governor's budget recommendation was $11.2M for a 19,500 sq. ft facility (10,000 sq. ft. for the tier II operations room and 9,500 sq. ft. for offices, meeting space, storage and setup). We are very appreciative of the Governor's recognition for the need of an enhanced tier II data

I believe this facility is critical to the efforts at UND and the NDUS to consolidate information technology services resulting in more efficient operations across the System and reducing future support costs. It is difficult to quantify the efficiencies gained from consolidating key staff in one facility. The NDUS and UND data center related staff are now located in seven locations on and adjacent to the UND campus.

In my role as CIO for the University System of Georgia I had the responsibility for consolidating staff from six locations in five different cities into a single IT facility such as the one proposed. The efficiencies gained from collaboration, on solving problems, planning and consistent delivery strategies allowed support for significantly expanded services with only a slight change in staff numbers. The co-location of computer operators, system programmers, database administrators, network operation staff, developers, and business analysts is essential to those collaborations.

The facility recommended by the governor does not accommodate the co-location of key staff. The revised building request does allow for such consolidation.

I respectfully request your consideration of the revised proposal for the joint facility as we strive for improved efficiencies and effectiveness for IT related services across the NDUS.

Thank You!

NDLA, H APP EE

From: NDLA, H APP EE
Sent: Friday, January 14, 2011 11:06 AM
To: 'presidents-assistants@listserv.nodak.edu'
Cc: Dosch, Mark A.; Hawken, Kathy K.; Martinson, Bob W.; Monson, David C.; Skarphol, Bob J.; Williams, Clark D.

Instructions for Institutional Budget Presentations
To House Appropriations Education and Environment Committee

While The SBHE does have a unique status in control of Higher Education, it does not give them the ability to withhold necessary information for the legislature to evaluate the needs of individual institutions. It is not incumbent upon the legislature to prove that the institutions or system does not need the financial resources, but rather for institutions and the system to prove what it is that they truly need.

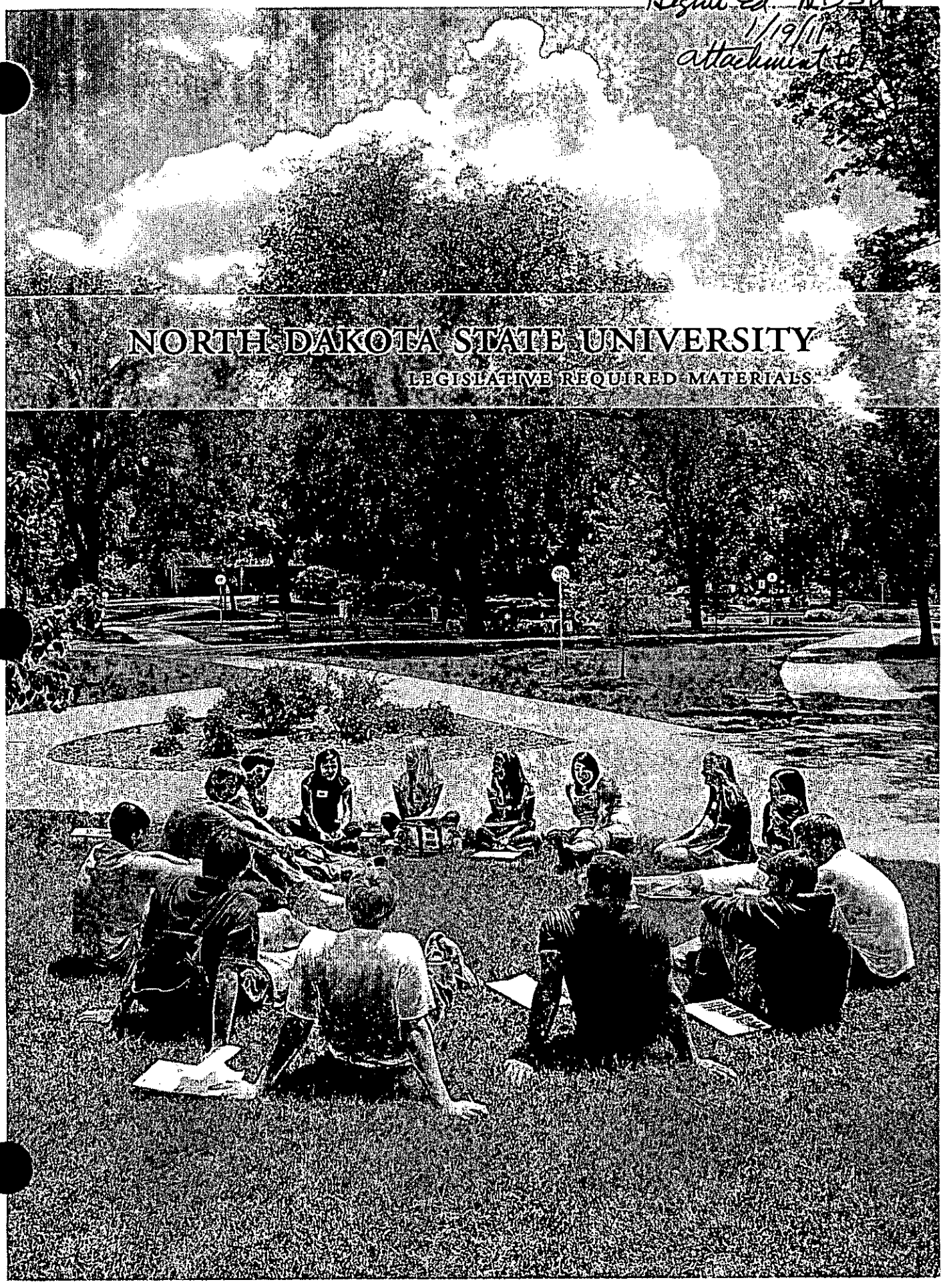
Your presentation to the Committee should:

1. Not get into the NDUS overall budget proposal, we will hear that on January 24th. We want you to discuss your institutional capabilities and needs. We do not want to spend time with Glossy Brochures, but do want a complete discussion of your financial capabilities or lack thereof.
2. Provide basic budget information which will provide us with the fiscal year 2010 budget versus actual expenditure comparisons. This should include all appropriated and non-appropriated funds distinguished to the extent that is reasonably possible.
3. List institutional priorities provided to the SBHE:
   - Delineate which priorities were included
   - Delineate which priorities you would wish to see elevated.
4. Discuss unique needs of your institution:
   - Uniqueness of the student body
   - Uniqueness of efforts to focus on mission
   - Potential of student attendance in the absence of your institution
   - Does the size or location of your institution play a large role in the success of your institution?
   - Future mission change and needed flexibility or resources to make It happen.

Respectfully,
Chairman Skarphol

Shirley Branning, Clerk
328-8329

HB 1003
Higher Ed NDSU
1/19/11
attachment #1



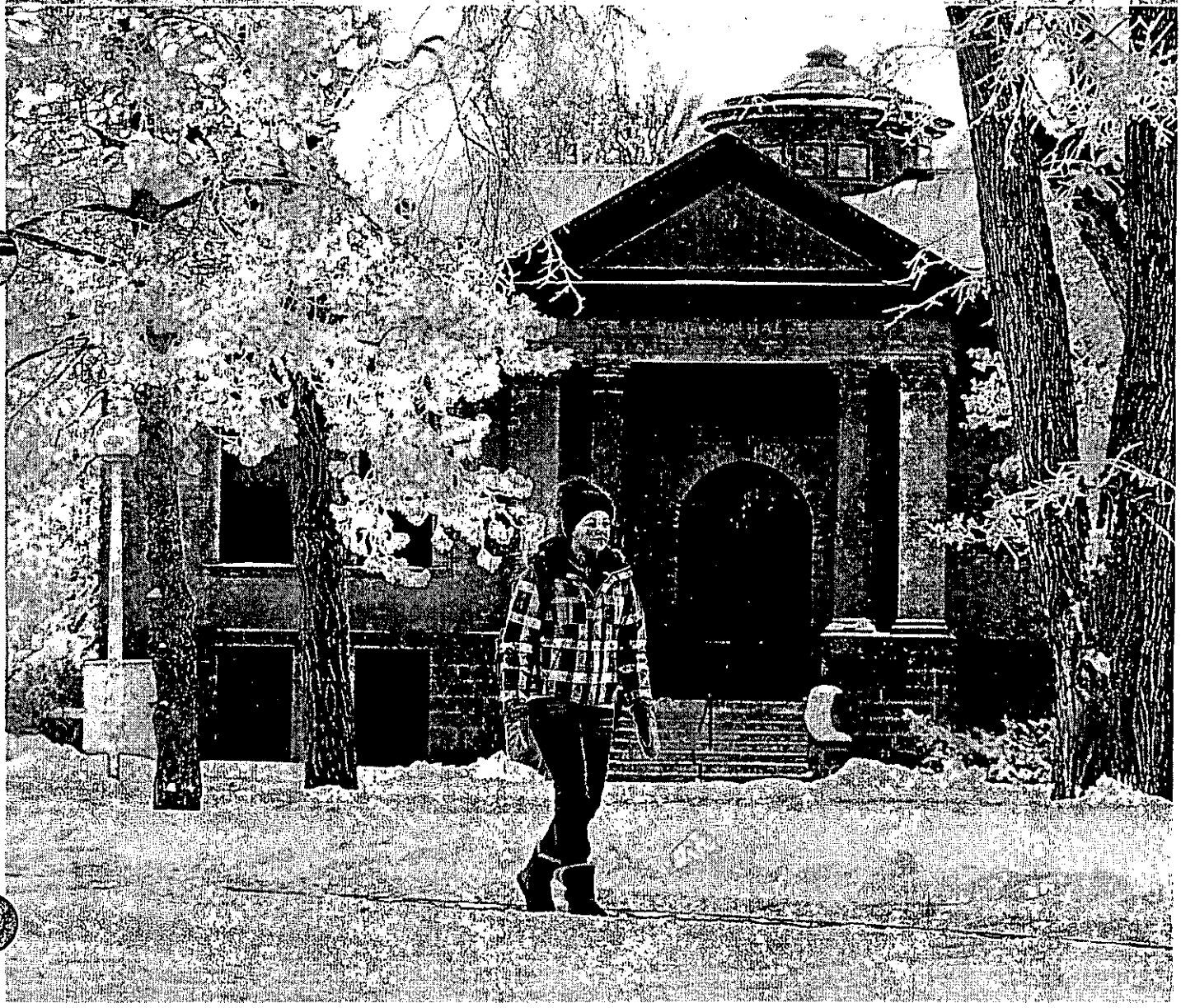
Attachment #1
1/19/11

NORTH DAKOTA STATE UNIVERSITY

HOUSE EDUCATION AND ENVIRONMENT DIVISION
REPRESENTATIVE BOB SKARPHOL, CHAIRMAN

HB 1003 NORTH DAKOTA STATE UNIVERSITY - AGENCY 235
DR. DEAN L. BRESCIANI, PRESIDENT

Wednesday, Jan. 19, 2011



A MESSAGE FROM THE PRESIDENT



North Dakota State University is pleased to submit this agency review and summary of our 2011-13 Biennial Budget Request for consideration.

NDSU's evolution during the past decade has reflected its increasing productivity, visibility and contributions to ever-broadening constituencies. Success in doing so has led to a consistent and dramatic increase in the level of demand for the university expressed by prospective students, scholars and business leaders not just in North Dakota, but throughout the nation and even the world. For 11 years in a row and reflecting our new reputation, enrollments have hit record levels.

Although finding adequate resources to meet demand is a serious problem, it is a good problem, and one that ultimately offers a strategic opportunity to better serve the state of North Dakota. We urge you to invest in NDSU's commitment to higher education by keeping it affordable and accessible for students, and supported comparably with our peers so that we can contribute more than we are able to now, to the economic vitality of North Dakota.

As we continue to honor our historic land-grant mission and focus on educating students and serving the state, NDSU takes seriously its commitment to good stewardship and accountability. As a member of the higher education roundtable, we look forward to meeting the future needs of our students by providing a quality higher education experience which will ultimately benefit the state of North Dakota in a powerful way by expanding the economy of the state, creating jobs, and diversifying both the depth and breadth of the tax base.

President Dean L. Bresciani

AGENCY OVERVIEW

STATUTORY AUTHORITY
ND CONSTITUTION, SECTION 215, NORTH DAKOTA CENTURY CODE CHAPTER 15-12

AGENCY DESCRIPTION

North Dakota State University (NDSU) has clearly established itself in recent years as one of the state's two flagship research universities. Perhaps more importantly in terms of its capacity to serve the state's interests, NDSU also has entered the ranks of the National Science Foundation's top 100 research universities (39th of those without a medical school), with more than $114.0 million in annual research activity reported for the most recent national survey.

Nonetheless, NDSU is proud of its founding as the state's land-grant institution. It embraces that responsibility as a cornerstone of its future productivity, and the contributions it can increasingly provide to North Dakota and the state's residents.

The university also provides the largest and most diverse student learning environment in the NDUS system. The university enjoys its location in a vibrant and growing area of the state, and has shared a responsibility for creation of an environment that complements and blends the experiences of its students, faculty and staff with the community in which they live while attending NDSU.

AGENCY MISSION STATEMENT

With energy and momentum, North Dakota State University addresses the needs and aspirations of people in a changing world by building on our land-grant foundation.

AGENCY MAJOR ACCOMPLISHMENTS

1. Increased demand by prospective undergraduate students has been reflected in the past decade of new enrollment records, which in the fall of 2010 reached 14,407 students.

2. Continued improvement in the diversity of the NDSU student body, including in the spring of 2010 a record 1,216 international students representing 81 countries, and an increasing number of U.S. born students reflecting ethnic, cultural and geographical diversity.

3. Increased demand by graduate students set new records with enrollment reaching 2,103 in the fall of 2009.

4. Initiated efforts to improve the sense of welcome and support; retention and graduation rates; focus on students from historically under-represented populations, veterans and others; and addressed high-risk behaviors and other student issues.

5. Collaborated to increase the support, success and transferability of undergraduate and graduate student course work within the broader North Dakota University System.

6. Continued involvement with the Research & Technology Park and emerging technology firms that have created several thousand new jobs, including employment of more than 100 NDSU undergraduate and graduate students. Received national and international awards, including the "2010 Outstanding Incubator Graduate of the Year."

7. Enhanced academic computing infrastructure including upgrading the computer fiber network, routing and switching equipment and extending the state's Internet2 connection through the Northern Tier Network.

AGENCY OVERVIEW

AGENCY FUTURE CRITICAL ISSUES

The essence of NDSU's critical challenge is that of all 11 North Dakota system institutions, NDSU is the lowest funded institution relative to its NDUS-established ranking among its peer institutions. Furthermore, most of those national peers are not among the far more successful institutions NDSU has recently joined in ranks with as one of the National Science Foundation's top 100 research universities.

Already recognized by Moody's Investor Service as one of the leading economic engines in North Dakota (second only to agriculture in general), NDSU has historically been a major contributor to the North Dakota economy, and during the past decade has emerged as one of, if not arguably, the state's most likely source of future economic diversification and prosperity. That has taken place, though, in spite of trailing state general fund support for doing so.

Without adequate support in the future, the university's capacity to meet student demand, bring in new interests and resources from out of the state and contribute to the economic diversity and strength of North Dakota's future will not simply be stopped at current levels, but will require a retrenchment. More specifically, NDSU is in critical need of additional resources to support classroom instruction, academic support functions and facilities renovation and construction.

Current resources available to support faculty and staffing of academic areas largely reflect the NDSU of a decade ago. Meeting student demand, while maintaining reasonable faculty to student ratios, has required an increasing utilization of non-tenured, part-time and other staffing options. While these "bridging" approaches are adequate in some educational settings, they are not complimentary or commonly employed as an on-going approach in flagship, land-grant research university environments.

Academic support functions meeting the demands of a growing student body and the more sophisticated academic support needs of an enhanced student profile, have by and large been left unaddressed during NDSU's past decade of development. Existing faculty and academic staff have been stretched beyond reason to meet student demands, and a widening gap is evident in terms of the university's capacity to provide even modestly reasonable levels of support.

Campus facilities are increasingly falling behind on even minimal levels of maintenance and renovation. NDSU's ability to continue attracting the best students, faculty, staff and outside agencies that support the university's development, and contributions back to the state, are increasingly being inhibited. The situation also results in an inability to pursue measures that would provide important cost savings in the terms of safety, security and energy efficiency. It is troubling that state physical assets, and their potential productivity, are hampered by a level of funding that does not provide the opportunity for minimal much less on-going, long-term strategic planning of maintenance, renovation and new construction.

In summary, the university's productivity and resulting visibility have led to a decade of unprecedented increases in demand by both undergraduate and graduate students, and an increasing ability to attract scholars and entrepreneurs eager to bring their research and ideas to an environment that supports their development and commercialization. The increasing attractiveness of the campus and surrounding community and the state's current economic strength all contribute to a university with substantial and growing capacity to contribute more to the state – but hamstrung by resources designed to support a relatively modest, comprehensive undergraduate institution with only limited research productivity, much less a driving role in economic development.

AGENCY OVERVIEW

AGENCY COST EFFICIENCIES

NDSU remains committed to providing the level of services our students have come to expect and deserve. And despite the challenges of unprecedented increases in student demand, we reaffirm our commitment to good stewardship and accountability by considering and implementing cost and business process efficiencies, without sacrificing services wherever possible.

To demonstrate our commitment to good stewardship and accountability, NDSU has internally reallocated resources and has dedicated a full-time staff member to review and facilitate change in current business processes in order to promote cost and business efficiencies at all levels of our institution. We continue to evaluate and review all positions that have not been filled. Before they are advertised, filled positions will be reviewed at a senior management level often including the president. All vacant positions are re-evaluated even at senior/executive leadership levels.

Through this on-going review of business process, we are pursuing and have implemented, wherever possible, electronic distribution of materials. This has been accomplished most notably through electronic bulletin and class schedules, communications and information for prospective students, utilizing e-mail as the official method of communication to students and, beginning January 2011, will go paperless with check remit advices for all faculty and staff. In order to reduce file storage and improve staff efficiency, Image Now electronic file storage is used in the areas of Human Resources, Registration and Records, Student Financial Services and Bison Connection.

Energy, water and environmental resource efficiencies are implemented through Facilities Management and Residence Life by replacing equipment with energy and water efficient models, installing energy efficient lighting, using flush devices in residence halls to minimize water usage. Facilities management has begun to implement recommendations from an energy and water consumption audit conducted by Energy Services Group, and as funding is available, will continue to incorporate these measures in future projects.

In order to minimize lifetime costs of heating, cooling and electricity, the AES Greenhouse capital construction project has been built utilizing geothermal technologies along with energy efficient lighting in the glasshouse growing spaces.

In order to reduce waste and decrease water usage, Dining Services and Residence Life have implemented recycling programs. Dining Services has stopped using trays in the dining centers; begun using biodegradable disposable cups and has implemented a refillable mug program for students.

The efficiencies outlined here have been implemented even though NDSU is funded at 39 percent, a level that is well below its peers. Staffing resources have become over-stretched which has resulted in an unavoidable increase in the faculty-to-student ratio that negatively impacts classroom instruction. The dramatically lower per-student staffing at NDSU versus comparable system much less peer institutions has resulted in unmet student and campus community needs for advising and support services in academic arenas through typical university services such as internal finance functions, IT and business process controls to staff support and development training.

Opportunities for minimal much less on-going long-term strategic planning of maintenance, renovation and new construction projects are hampered by this lack of equitable funding, creating a situation in which other important cost saving measures involving safety, security and energy efficiency cannot be pursued.

AGENCY UPDATE

PRIORITIES FUNDED IN 2009-11 BUDGET

	Final SB2003
2007-09 Original General Fund Appropriation	$98,302,791
Base Adjustments	(7,016,936)
2007-09 Adjusted General Fund Appropriation, Net of Base Adjustments	91,285,855
Prioritized SBHE Needs Based Request:	
Parity	12,748,621
Emergency Preparedness/Security	-
Equity	4,108,963
Two and Four-Year College Affordability	1,916,408
Total Requested Increase in GF Base Funding	18,773,992
Total Base General Fund Request and Recommendation	110,059,847
NDSU's Base Budget Increase Percentage	*19.10%*
Deferred Maintenance	5,355,817
Emergency Preparedness/Security	-
STEM Initiative	-
Pay-off special assessments	-
Total One-time Budget Request and Recommendation	5,355,817
2009-11 State-funded Projects	13,000,000
Total 2009-11 General Fund Request and Recommendation	$128,415,664
Additional allocations received from university system:	
Emergency Preparedness/Security	$97,460
STEM Initiative	250,000
Total additional allocations	$347,460

Parity funds provided salary increases of 5% each year and actual health insurance increases.

Equity funding received during the 2009-11 legislative session was utilized to hire 19 new faculty, three academic advisors and fund general operations.

College Affordability funding received limited tuition increases to 4%.

ENROLLMENT

NORTH DAKOTA STATE UNIVERSITY ENROLLMENT

- NDSU HAS EXPERIENCED UNPRECEDENTED STUDENT DEMAND DURING THE PAST 11 YEARS.
- FROM 1999 TO 2010, STUDENT DEMAND HAS INCREASED BY 4,769 ADDITIONAL STUDENTS OR 49 PERCENT.

ENROLLMENT GROWTH	
1999	9,638
2000	9,894
2001	10,538
2002	11,146
2003	11,623
2004	12,026
2005	12,099
2006	12,258
2007	12,527
2008	13,229
2009	14,189
2010	14,407





NDSU ENROLLMENT BY COLLEGE

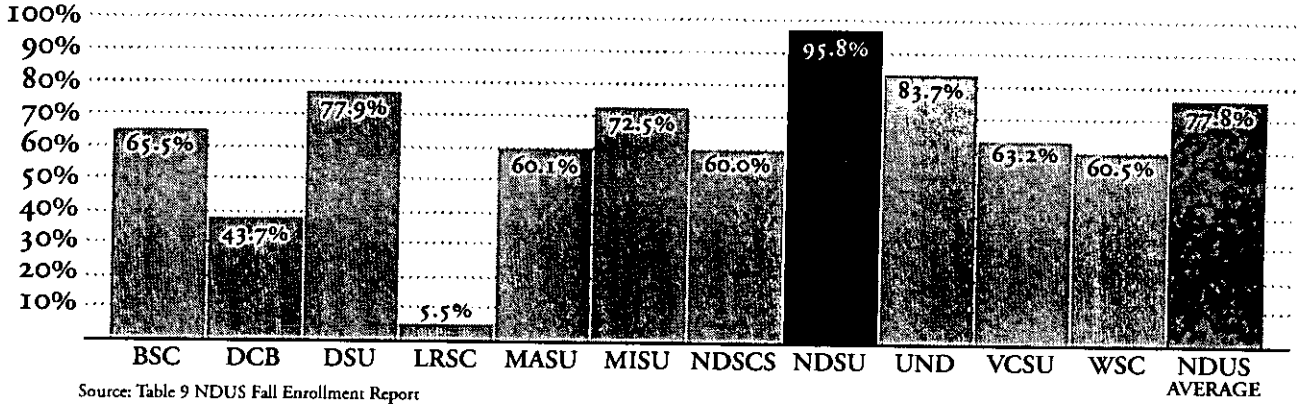
FALL 2010 UNDERGRADUATE, PROFESSIONAL AND GRADUATE

Engineering and Architecture	2,849
Science and Mathematics	1,846
Human Development and Education	1,758
Pharmacy, Nursing, and Allied Sciences	1,717
Arts, Humanities and Social Sciences	1,713
Business	1,545
Agriculture, Food Systems, and Natural Resources	1,436
University Studies	747
NDSU Special (Tri-College, collaborative and non-degree)	627
Graduate and Interdisciplinary Studies	169
TOTAL	14,407

FACE-TO-FACE FALL 2010 ON-CAMPUS PERCENTAGES

PERCENTAGE OF DEGREE-SEEKING STUDENTS IN A TRADITIONAL CLASSROOM ENVIRONMENT

AT NDSU, 13,798 OF 14,407 STUDENTS ARE FACE-TO-FACE WITH FACULTY IN TRADITIONAL CLASSROOM SETTINGS.



Source: Table 9 NDUS Fall Enrollment Report

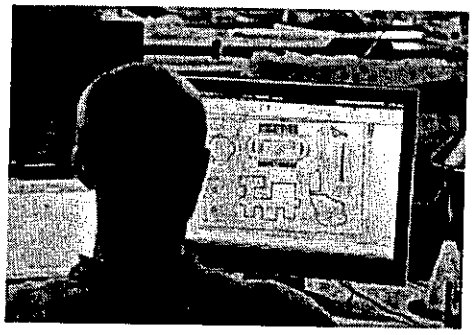
GENERAL OPERATIONS AND NET TUITION

According to the NDUS 2009 Accountability Measures Report:
2007-08 Appropriations for General Operations plus Net Tuition Revenue Per Student

INSTITUTION	FTE STUDENTS	GENERAL OPERATIONS PLUS NET TUITION REVENUE PER FTE STUDENT
DSU	2,064	$8,659
MaSU	599	13,168 (including laptop fees)
MiSU	2,835	10,019
UND	11,497	14,605
VCSU	821	12,190 (including laptop fees)
National Average		$14,724
NDUS Average		13,016
NDSU	11,064	$10,237 (excluding Ag Res/Ext)

NDSU TOTAL DEGREES AWARDED

SPRING 2010, BY COLLEGE	PROFESSIONAL	GRADUATE	UNDERGRADATE	TOTAL
Engineering and Architecture	54		281	335
Pharmacy, Nursing, and Allied Sciences	87	2	149	238
Human Development and Education		47	169	216
Arts, Humanities and Social Sciences		24	138	162
Business		25	126	151
Science and Mathematics		19	110	129
Agriculture, Food Systems, and Natural Resources		12	106	118
University Studies			20	20
Interdisciplinary Programs – Graduate School		8		8
TOTAL	87	191	1099	1377


BIENNIUM HIGHER EDUCATION GENERAL FUND PER STUDENT COSTS

PREPARED BY THE NORTH DAKOTA LEGISLATIVE COUNCIL STAFF, FEBRUARY 2010

2007-09 BIENNIUM

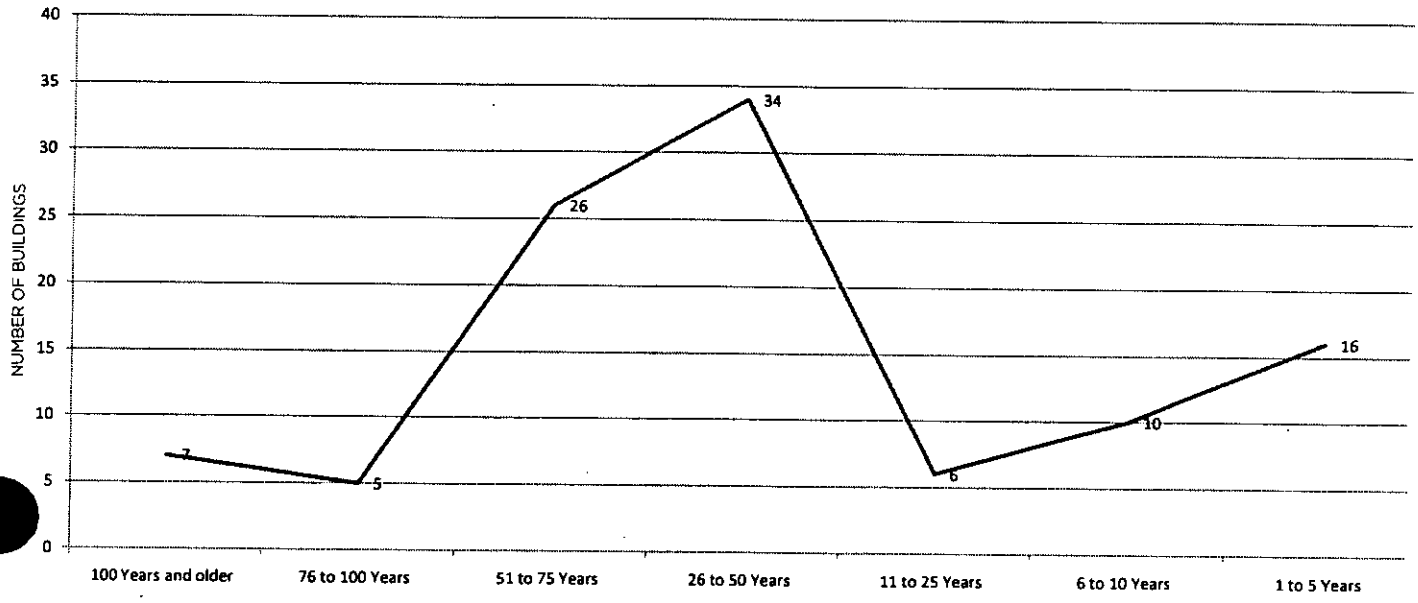
INSTITUTION	OPERATIONS GENERAL FUND[1]	FTE ENROLLMENT[2]	COST PER FTE STUDENT[3]
Bismarck State College	$19,733,680	5,729	$3,445
Lake Region State College	$6,511,348	1,548	$4,206
Williston State College	$6,622,504	1,113	$5,950
University of North Dakota	$107,011,830	19,807	$5,403
UND School of Medicine and Health Sciences	$34,488,501	2,297	$15,015
North Dakota State University	$89,593,630	23,015	$3,893
State College of Science	$27,740,368	4,138	$6,704
Dickinson State University	$16,856,110	4,452	$3,786
Mayville State University	$10,115,065	1,149	$8,803
Minot State University	$30,095,122	5,450	$5,522
Valley City State University	$13,350,137	1,630	$8,190
Dakota College at Bottineau	$4,759,548	842	$5,652

2009-11 BIENNIUM

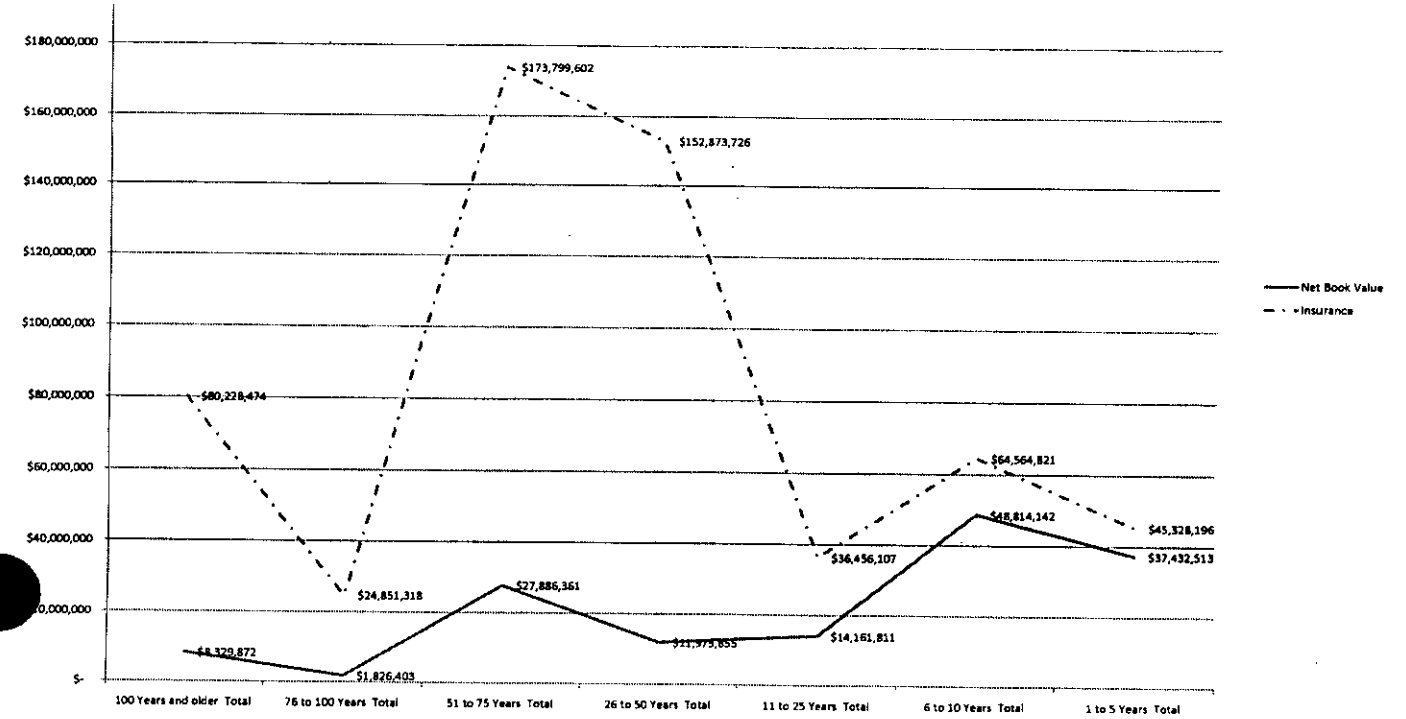
INSTITUTION	OPERATIONS GENERAL FUND[1]	FTE ENROLLMENT[2]	COST PER FTE STUDENT[3]
Bismarck State College	$24,204,005	6,120	$3,955
Lake Region State College	$7,956,210	1,500	$5,304
Williston State College	$7,696,999	1,084	$7,100
University of North Dakota	$125,036,783	20,325	$6,152
UND School of Medicine and Health Sciences	$41,115,401	2,376	$17,304
North Dakota State University	$108,367,622	24,000	$4,515
State College of Science	$31,607,155	3,860	$8,188
Dickinson State University	$21,223,737	4,586	$4,628
Mayville State University	$11,629,616	1,157	$10,052
Minot State University	$34,623,707	6,302	$5,494
Valley City State University	$16,368,001	1,670	$9,801
Dakota College at Bottineau	$5,862,372	900	$6,514

[1] The amounts reported include the institutions' share of funding pools appropriated to the University System office. The amounts do not include appropriations for extraordinary repairs and major capital projects.
[2] The FTE enrollment reported is the total biennial FTE enrollment reported for the corresponding fall semesters for each year of the biennium.
[3] The enrollments for fall 2009 and fall 2010 are based on estimates provided by the University System office in January 2009.

AGE OF BUILDINGS ON CAMPUS



VALUE OF CAMPUS BUILDINGS



ECONOMIC IMPACT OF NDSU GROWTH FY 2000-2010

Dean A. Bangsund, Randal C. Coon, F. Larry Leistritz, and Nancy M. Hodur [1]

Exported services is one of the fastest growing sectors of the North Dakota economy. As the U. S. economy is increasingly driven by technological advances, research and education have become critical to economic growth. Public and private research and educational activities and related manufacturing and professional services now make an important contribution to the state's economic base. Foremost among these are the university-based research and education activities centered at North Dakota's research universities. Supported in large part from the federal government and/or from other out-of-state sources, these programs constitute an important component of the state's economic base.

North Dakota State University (NDSU) has experienced substantial growth in both research and teaching programs over the past few years. The purpose of this report is to estimate the economic impacts associated with the growth that has occurred since FY 1999.

METHODS

The initial task in any impact assessment is estimating the direct impacts (or "first-round effects") of the activity being studied. In this study, NDSU operating budgets were analyzed to determine the growth in direct expenditures that had occurred since FY 1999. The NDSU Controller's Office provided the expenditure data for the study. The capital improvements budget was also examined to identify expenditures during this period (that would also be included as direct impacts), and data on changes in enrollments were used to estimate growth in student spending (excluding tuition and fees) in the Fargo-Moorhead area. The North Dakota Input-Output Model was used to estimate the secondary economic impacts based on these data.

The North Dakota Input-Output Model consists of interdependence coefficients or multipliers that measure the level of business activity generated in each economic sector from an additional dollar of expenditures in a given sector. (A sector is a group of similar economic units, e.g., the firms engaged in retail trade make up the retail trade sector.) For a complete description of the input-output model, see Coon and Leistritz (1989). The model estimates the changes in gross business volume (gross receipts) for all sectors of the area economy resulting from the direct expenditures associated with the growth of NDSU programs. The increased gross business volumes are used to estimate secondary employment and tax revenues based on historic relationships. The procedures used in the analysis are parallel to those used in estimating the impact of other facilities and activities (Leistritz 1995; Bangsund and Leistritz 2004, Hodur et al. 2006). Empirical testing has confirmed the model's accuracy in estimating changes in levels of economic activity in North Dakota; over the period 1958-2004, estimates of statewide personal income derived from the model averaged within 4 percent of comparable values reported by the U.S. Department of Commerce (Leistritz et al. 1990, Coon and Leistritz 2006).

RESULTS

The NDSU operating budget grew from $156 million in FY1999 to $385.6 million in FY2010, an increase of $229.5 million or 147 percent. General fund revenue increased $36.6 million, and non-general fund revenue increased $192.9 million. After examination of the operating budget, it appeared that the Capital Equipment line item represented items that generally would be purchased from vendors located outside North Dakota (e.g., computers, laboratory equipment). Therefore, Capital Equipment was excluded from the economic impact calculations ($7.3 million in FY2000; $11.6 million in FY2004; $5.6 million in FY2007; $6.4 million in FY2009; $9.9 million in FY2010 -- general fund and non-general fund sources combined). After adjusting for Capital Equipment, increased NDSU operating expenditures based on non-general fund sources represented a direct economic impact of $10.6 million in FY2000 and $189.2 million in FY2010 (Table 1). Including general fund revenues, the direct economic impacts of NDSU growth were $12.4 million in FY2000 and $226.3 million in FY2010 (Table 2).

[1]Research scientist, research specialist, professor, and research assistant professor, respectively, Department of Agribusiness and Applied Economics, North Dakota State University, Fargo.

Capital Improvements added substantially to the economic impact of NDSU growth. Over the period FY2000-FY2010, capital improvements totaled $223.2 million, of which $186.6 million were non-general fund resources and $36.6 million were general fund revenues. Several major projects, including the Research I and Research II buildings in the NDSU Research and Technology Park, the Downtown Campus, the Equine Center, and the Criminal Justice building were completed during this time period.

Student enrollments have also been increasing steadily over the past 11 years. In 2009-10, student FTE totaled 12,564, compared to 9,083 in FY 1998-99. In addition to tuition and fees paid to the University, student spending in the Fargo-Moorhead area was estimated to be about $9,365 per student, per academic year.

The direct economic impacts associated with NDSU growth (excluding general fund revenue) are summarized in Table 1. Growth in NDSU operating expenditures (based on tuition revenues, research grants, and other non-general fund sources) was steady over the period FY2000 through FY2005, dipped slightly to $97.8 million in FY2006, but has risen steadily since FY2006 reaching $189.2 million in FY2010. Capital improvements added an average of $17 million per year over the 11-year period – $26.6 million in FY2010. Student spending also increased over the period, to an estimated $45 million in FY2010. Thus, the total direct impact of NDSU growth was $260.8 million in FY2010 and totaled $1.38 billion over the 11-year period.

The total impacts associated with NDSU growth were estimated by applying the inputoutput model coefficients to these expenditures (Table 1). Total impacts were estimated to be $42 million in FY2000 and $736.6 million in FY2010, totaling $3.88 billion over the 11-year period. Sectors that received major contributions include households (i.e., personal income of area residents), retail trade, construction, and finance, insurance, and real estate (FIRE). The increased economic activity from NDSU growth in FY2010 would support about 4,070 FTE jobs in the area economy, in addition to the additional personnel employed directly by the University.

The increased economic activity also resulted in additional state tax revenues. The additional retail sales in FY2010 ($201.8 million) resulted in roughly $9.3 million in additional sales and use tax collections, while the additional personal income ($264.9 million) would result in about $3.4 million in additional personal income tax collections. Over the 11-year period, additional sales and use tax collections were estimated to total $49 million while additional personal income tax collections totaled $18.2 million.

Over the past 11 years the State of North Dakota has invested roughly $147.5 million in additional general fund resources to support the growth of the University. The University has leveraged those state resources by securing almost $988 million from other sources (e.g., research grants, donations). Thus, for every additional dollar of state support, roughly $6.70 of other funds have been obtained. In fact, if the added state tax revenues are considered, the net cost to the State of supporting NDSU growth could be considered to be only $80.3 million ($147.5 million of added general fund support less $67.2 million of added tax collections, collected as a result of NDSU growth).

The direct and total impacts of NDSU growth, including general fund resources, are summarized in Table 2. The interpretation of the values in Table 2 is the same as for Table 1. The values in Table 1 represent the economic impact of NDSU growth for the state, the values in Table 2 represent the economic impact of NDSU growth since FY1999 for the local area (i.e., Fargo-Moorhead).

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Table 1. Direct and Total Economic Impacts of NDSU Growth, Fiscal Year 2000 to Fiscal Year 2010 (Fiscal Year 1999 = base), excluding General Fund Growth

Item	Fiscal Year 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
	000s nominal $											
Direct Impacts:												
NDSU Operating	10,574	22,579	36,158	51,544	64,627	100,325	97,845	102,817	143,848	168,279	189,214	987,810
NDSU Capital Improvements	3,450	7,846	15,612	29,464	18,913	9,367	15,116	28,791	19,555	11,941	26,573	186,629
NDSU Student Spending	992	2,944	8,288	11,208	14,360	17,672	18,224	24,981	28,106	38,206	44,997	209,978
Total Direct Impacts	15,016	33,370	60,059	92,215	97,900	127,363	131,185	156,589	191,509	218,426	260,784	1,384,416
Direct Impacts by I-O Sector:												
Construction	3,450	7,846	15,612	29,464	18,913	9,367	15,116	28,791	19,555	11,941	26,573	186,629
Communications & Public Utilities	453	729	1,026	1,348	1,483	2,728	3,496	4,463	5,131	5,553	5,562	31,974
Retail trade	2,302	5,100	10,561	14,332	17,952	32,012	31,826	31,965	45,714	53,804	58,920	304,488
Finance, Insurance & Real Estate	1,564	3,628	6,741	9,476	12,072	16,979	17,238	18,079	26,912	33,483	39,216	185,386
Business & Personal Services	1,601	3,686	6,163	9,117	11,225	17,561	10,747	15,705	21,925	31,837	34,972	164,540
Households	5,645	12,381	19,956	28,479	36,256	48,716	52,761	57,586	72,272	81,808	95,540	511,400

- continued -

Table 1. Continued

Item	Fiscal Year 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
	000s nominal $											
Total Impacts:												
Construction	4,445	10,050	19,463	35,293	25,357	17,735	23,827	39,024	32,164	26,364	43,741	277,463
Communications & Public Utilities	1,808	3,738	6,307	9,284	10,383	14,583	15,474	18,539	22,847	26,248	29,964	159,175
Retail trade	10,528	23,368	42,502	62,656	71,499	101,492	104,048	116,655	150,390	173,784	201,824	1,058,746
Finance, Insurance, & Real Estate	3,382	7,659	13,755	20,046	23,889	32,428	33,223	36,794	50,123	60,184	70,903	352,386
Business & Personal Services	2,303	5,250	8,889	13,200	15,857	23,687	16,979	22,974	31,101	42,551	47,635	230,426
Professional & Social Services	988	2,190	3,789	5,674	6,437	8,446	8,792	10,185	12,701	14,605	17,307	91,114
Households	15,179	33,634	58,076	86,921	98,766	129,392	135,140	156,343	194,664	223,424	264,857	1,396,396
Other[1]	3,337	7,412	13,206	19,831	22,079	29,593	30,585	35,348	44,437	51,142	60,381	317,351
Total	41,970	93,301	165,987	252,905	274,267	357,356	368,068	435,862	538,427	618,302	736,612	3,883,057

[1]Includes agriculture, mining, manufacturing, transportation, and government.

Table 2. Direct and Total Economic Impacts of NDSU Growth, Fiscal Year 2000 to Fiscal Year 2010 (Fiscal Year 1999 = base), including General Fund Growth

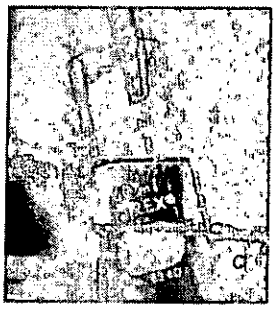
	Fiscal Year											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
	000s nominal $											
Direct Impacts:												
NDSU Operating	12,445	26,438	42,137	59,801	75,854	105,549	110,735	119,643	160,058	196,304	226,324	1,135,289
NDSU Capital Improvements	5,855	9,271	17,481	31,081	20,139	10,918	16,885	30,187	24,352	16,562	40,461	223,191
NDSU Student Spending	992	2,944	8,288	11,208	14,360	17,672	18,224	24,981	28,106	38,206	44,997	209,978
Total Direct Impacts	19,292	38,652	67,906	102,090	110,353	134,139	145,844	174,811	212,516	251,072	311,782	1,568,458
Direct Impacts by I-O Sector:												
Construction	5,855	9,271	17,481	31,081	20,139	10,918	16,885	30,187	24,352	16,562	40,461	223,191
Communications & Public Utilities	582	992	1,438	1,894	2,256	3,117	3,748	4,545	5,625	6,303	6,571	37,062
Retail trade	2,430	5,363	10,964	14,882	18,723	32,824	32,034	33,343	46,204	55,091	59,596	311,453
Finance, Insurance & Real Estate	1,981	4,506	8,127	11,422	14,573	18,464	22,333	21,365	32,429	40,459	50,250	225,909
Business & Personal Services	1,720	3,929	6,535	9,625	11,936	18,735	11,874	18,279	24,397	35,450	38,910	181,390
Households	6,724	14,593	23,371	33,186	42,725	50,081	58,970	67,093	79,510	97,207	115,995	589,453

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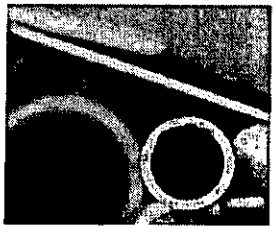
Table 2. Continued

	Fiscal Year											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total
	000s nominal $											
Total Impacts:												
Construction	7,118	11,851	21,897	37,642	27,529	19,714	26,707	41,784	38,446	33,413	61,291	327,392
Communications & Public Utilities	2,284	4,504	7,468	10,822	12,440	15,617	17,322	20,508	25,472	30,365	36,000	182,802
Retail trade	12,872	26,752	47,604	69,306	80,148	105,882	113,727	129,484	163,435	195,462	233,293	1,177,965
Finance, Insurance, & Real Estate	4,276	9,224	16,178	23,344	28,145	34,702	40,398	42,630	58,396	71,680	88,689	417,662
Business & Personal Services	2,601	5,762	9,668	14,244	17,264	25,191	18,993	26,576	34,724	47,997	54,303	257,323
Professional & Social Services	1,240	2,569	4,363	6,429	7,423	8,865	9,963	11,613	14,217	17,127	21,042	104,851
Households	19,059	39,480	66,930	98,571	113,996	135,718	153,070	178,365	217,812	262,230	322,223	1,607,454
Other[1]	4,199	8,621	15,025	22,191	25,124	31,083	32,258	39,750	49,324	58,956	72,157	360,688
Total	53,649	108,763	189,133	282,549	312,069	376,772	414,438	490,710	601,826	717,230	888,998	4,436,137

[1]Includes agriculture, mining, manufacturing, transportation, and government.



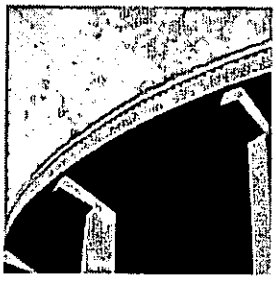








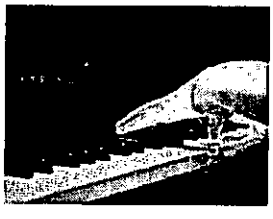
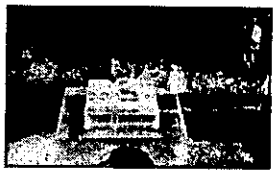










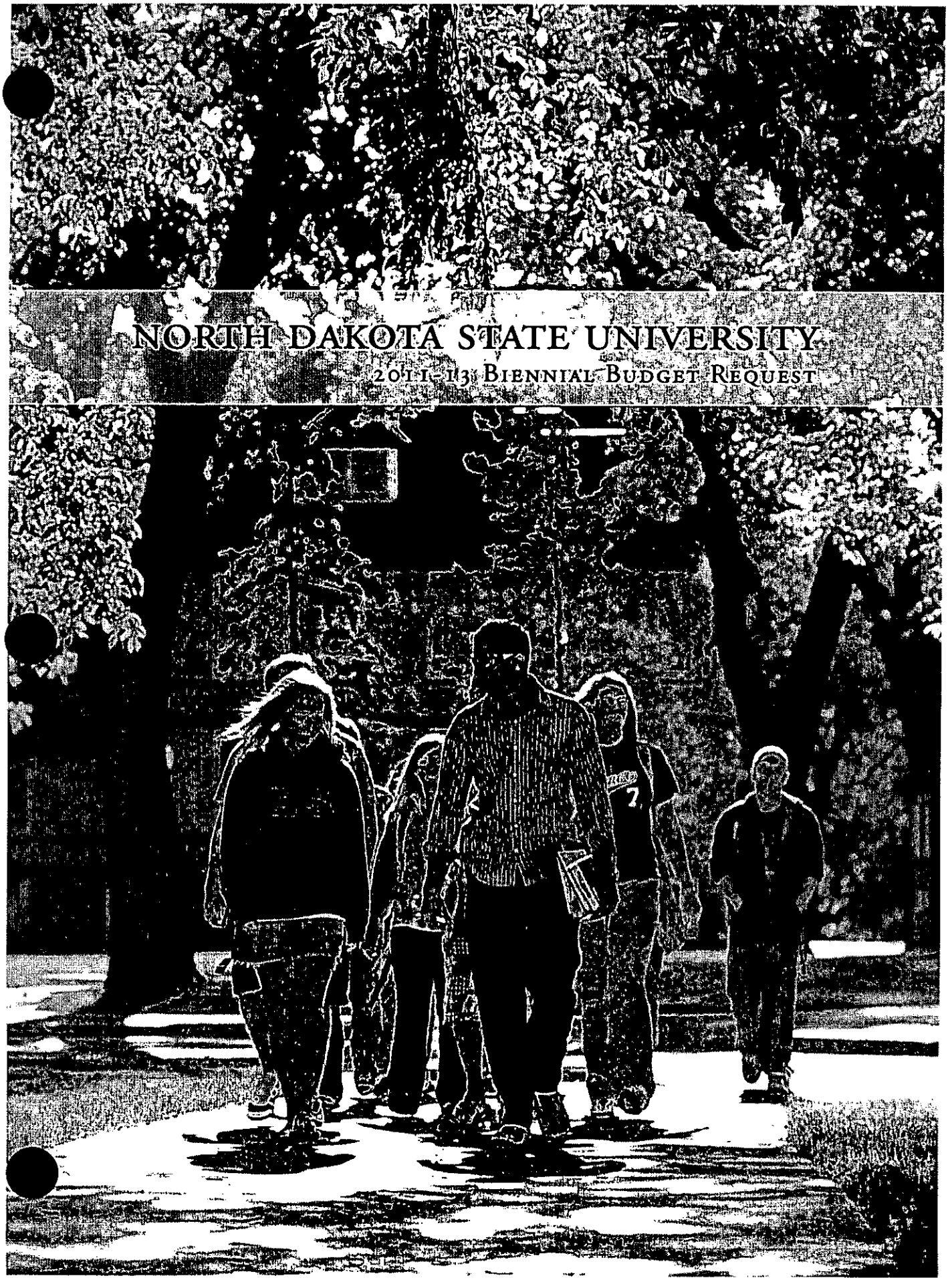







2010 NDSU CAREER CENTER ANNUAL EMPLOYMENT REPORT

Number of employed respondents	770
Employed related to studies	89%
Employed in part-time positions	9%
Average annual salary	$38,000
Highest reported salary	$82,000
Accepting ND employment	55%
Accepting MN employment	24%
ND reported as original home state	54%
Home state ND and employed in ND	70%



NORTH DAKOTA STATE UNIVERSITY

2011-13 Biennial Budget Request

NDSU 2011-13 BIENNIAL BUDGET REQUEST SUMMARY

Priority	Base funding increases	
	2009-11 base funding	$110,059,847
Priority 1	Parity/costs to continue	$12,063,421
Priority 2	Equity	7,059,068
Priority 3	College affordability	1,034,384
Priority 4	Building and infrastructure regular repair and maintenance	1,040,018
	Employee retirement contributions	807,470
	Total base funding increase	**$22,004,361**
	Percentage increase over 2009-11	*19.9%*
	One-time funding increase	
	Special assessments	$2,319,700

Capital Projects Small to Medium Size

1. Dunbar and Ladd Halls	$900,000
2. Bentson/Bunker Fieldhouse	750,000
3. Group classroom renovation	1,000,000
4. Family Life Center classrooms renovation	750,000
5. South Engineering roof replacement	250,000
6. Ag Engineering window and roof replacement	234,000
7. Music Education roof and lighting replacement	808,000
Total	**$4,692,000**

PRIORITY 1

Parity/costs to continue funding request: $12,063,421

PARITY INCLUDES THE STATE FUNDED SHARE OF COSTS TO CONTINUE; THE STUDENT SHARE OF PARITY IS FUNDED THROUGH TUITION RATE INCREASES.

- Costs to continue legislatively funded salary increases – $2,288,204
- Estimated health insurance increase based on $886.62 per month – $906,679
- Salary increase average of 4.5% per year – $6,624,290
- Estimated operating inflation of 2.1%/2.0% (excluding utilities) – $756,691
- Projected utility cost increase – $1,064,975 (based on recent actual expenses for NDSU appropriated facilities)
- Project utility costs for new facilities coming on-line in 2011-13 – $422,582
  – Minard Hall, leased academic and administrative spaces.



PRIORITY 2

Equity funding request $7,059,068 to move NDSU from 39% to 46% among North Dakota State University benchmark peers

THIS EQUITY FUNDING REQUEST WILL BE USED TO SUPPORT GENERAL OPERATIONS; INCLUDING SALARIES FOR FACULTY AND STAFF, OPERATING COSTS AND EQUIPMENT.

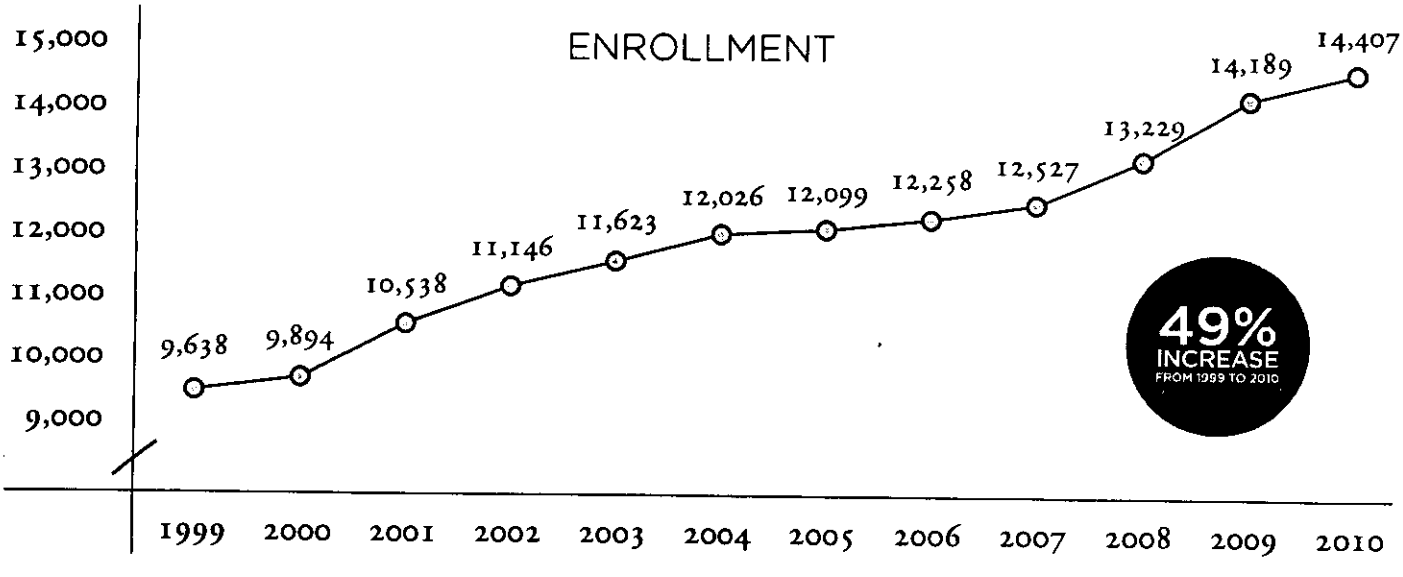
NDSU has experienced unprecedented demand during the past 11 years.

Student enrollment headcount in 1999 was 9,638 and in 2010 was 14,407 resulting in an increase of 4,769 students, or a 49% increase. This dramatic increase in demand has led to unavoidable additional operating costs. To date, NDSU has been forced to use and exhaust all reserves in meeting that unprecedented student demand.

Current resources available to support faculty and staffing of academic areas largely reflect the NDSU of a decade ago. Meeting student demand, while maintaining reasonable faculty-to-student ratios, has required an increasing utilization of non-tenured, part-time and other staffing options. While those "bridging" approaches are adequate in some educational settings, they are not complimentary or commonly employed as an on-going approach in flagship land-grant research university environments.

Additionally, academic support functions meeting the demands of a growing student body, and the more sophisticated academic support needs of an enhanced student profile, have by and large been left unaddressed during NDSU's past decade of development. Existing faculty and academic staff have been stretched beyond reason to meet student demands, and a widening gap is evident in terms of the university's capacity to provide even a modestly reasonable level of support. A portion of this equity funding request may be used to fund additional faculty and academic staff, although not specifically identified at this time.

These equity funds will be used to partially address the increasing gap in state funding. Even with full funding of this request, NDSU inexplicably was and will remain at the bottom of all North Dakota University System institutions in peer benchmark rankings.



2011-13 BUDGET REQUEST
NORTH DAKOTA UNIVERSITY SYSTEM

NDUS HISTORY OF EQUITY AND PERCENT OF GENERAL FUND PEER BENCHMARK

	2009-11		2007-09		2005-07		2003-05		2001-03	
	EQUITY RECEIVED	% GF PEER BENCHMARK	EQUITY RECEIVED	% GF PEER BENCHMARK	EQUITY RECEIVED	% GF PEER BENCHMARK	EQUITY RECEIVED	% GF PEER BENCHMARK	EQUITY RECEIVED	% GF PEER BENCHMARK
BSC	$ 573,904	51%	$ 524,585	53%	$ 359,125	51%		46%	$ 419,694	50%
LRSC	402,575	48%	244,425	47%	129,140	46%		42%	150,502	48%
WSC	250,000	75%	92,124	63%	52,031	62%		61%	34,433	72%
UND & SMHS	2,607,460	55%	3,922,024	53%	1,531,059	50%		56%	1,319,554	66%
NDSU	4,108,963	39%	4,140,843	41%	1,331,324	41%		49%	1,481,649	55%
NDSCS	250,000	90%	33,694	88%	57,137	87%		77%	-	84%
DSU	594,988	51%	544,871	49%	157,804	47%		58%	114,760	69%
MaSU	250,000	87%	81,020	75%	-	71%		88%	-	93%
MiSU	462,110	76%	338,104	67%	149,314	66%		69%	142,371	74%
VCSU	250,000	95%	39,569	86%	-	81%		96%	-	97%
DCB	250,000	79%	38,742	89%	48,851	71%		58%	40,037	67%
TOTAL	$10,000,000		$10,000,000		$ 3,815,785		$ -		$ 3,703,000	

USE OF 2009-11 EQUITY ALLOCATIONS:

Examples of the use of the 2009-11 equity allocations include: New positions (faculty, administrative and student support and others); additional salary increases in excess of what was legislatively funded; and new or expanded programs to address student retention, marketing, recruiting and other programs. Institutions can expand on the specific use at their campuses, if requested to do so.

ISSUES REGARDING EQUITY FUNDING:

1. Changes in enrollment impact position
2. Changes in peer funding levels impact position
3. Long-term solution and funding required
4. Significant amount of funding required to move campus position
5. Importance of campus discretionary funding

Source: North Dakota University System

2011-13 BUDGET REQUEST
NORTH DAKOTA UNIVERSITY SYSTEM

TOTAL EQUITY ALLOCATION BASED ON COMBINED LTF PLAN ($15.0 MILLION), WITH 10% OR $100,000 MINIMUM

	1	2	3	4	5	6
			WITH MINIMUM			
	Current percent of peer benchmark – based on 09-11 budget allocations	LTF plan model allocation based on dollar and percent distance from peers	Percentage distribution of those campuses not participating in minimum allocation		2011-13 budget request – LTF plan model, with minimum	Percent of peer benchmark – after allocation of 11-13 parity and equity
					$13,500,000	
BSC	50%	$881,577	$881,577	6.1%	$817,200	59%
LRSC	48%	355,136	$355,136	2.4%	329,200	55%
WSC	75%	64,614			250,000	84%
UND & SOMHS	55%	4,945,297	4,945,297	34.0%	4,584,167	62%
NDSU	39%	7,615,170	7,615,170	52.3%	7,059,068	46%
NDSCS	90%	35,649			250,000	97%
DSU	51%	766,326	766,326	5.3%	710,365	58%
MaSU	87%	27,753			250,000	95%
MiSU	76%	271,836			250,000	82%
VCSU	95%	0			250,000	105%
DCB	79%	36,642			250,000	87%
TOTAL	54%	$15,000,000	$14,563,506	100.0%	$15,000,000	
Total equity		$15,000,000				
10%		$1,500,000				
/6 campuses		$250,000				

Source: North Dakota University System

PRIORITY 3

College affordability funding request: $1,034,384

THIS FUNDING WOULD LIMIT TUITION INCREASES TO 4% FOR THE 2011-13 BIENNIUM AND REPLACE THE NEED FOR AN ESTIMATED TUITION INCREASE OF 4.3% TO FUND THE STUDENT SHARE OF PARITY.

- Funding necessary to keep tuition increases at 4% – $496,070
- Funding for employee retirement contribution increase – $538,314

The ability to cap tuition rates, as estimated, is contingent upon the following budget assumptions:

1. Parity costs are fully funded.
2. Campuses do not experience significant enrollment declines.
3. Other budget components requested are funded (e.g. technology infrastructure and maintenance, etc.) so cost increases will not need to be absorbed within the current resource base.

PRIORITY 4

Building and infrastructure funding request: $1,040,018

NDSU has prioritized various repair projects for the 2011-13 biennium comprised of building exterior, mechanical and infrastructure projects. However, the prioritized list can change due to unforeseen circumstances and emergencies.

The funding of this request will increase our deferred maintenance base from $1,692,225 to $2,732,243.

Total deferred maintenance estimated outstanding is $29,336,494.

SMALL TO MEDIUM SIZE (NON-MAJOR) CAPITAL PROJECTS

STATE FUNDED

REQUEST: $4,692,000

Dunbar and Ladd Halls – $900,000

Complete renovation of existing chemistry labs on 3rd floor Dunbar Hall and 1st floor Ladd Hall. Project includes asbestos abatement, replacement of flooring, lighting, existing fume hoods and doors.
STUDENTS IMPACTED: 200-300 ANNUALLY

Bentson/Bunker Fieldhouse – $750,000

Complete renovation of Room #14 is needed in order to meet current accreditation standards as well as provide up-to-date training and research opportunities in exercise science for students and faculty.
STUDENTS IMPACTED: 365-465 ANNUALLY

Group classroom renovations – $1,000,000

Renovation of teaching labs located in Sudro Hall, Construction and Industrial Engineering (CIE), Walster Hall and Dunbar Hall. Projects will include updates to HVAC, climate control, ADA compliance and asbestos abatement.
STUDENTS IMPACTED: 2,000 ANNUALLY

Family Life Center (FLC) – $750,000

Renovations meeting accreditation standards for the hospitality and dietetics program are required. Students in this program need an up-to-date food production lab that provides adequate space and equipment for planning, preparation and serving. Project will include updates to ventilation, fire suppression systems and refrigeration.
STUDENTS IMPACTED: 200 ANNUALLY

South Engineering roof replacement – $250,000

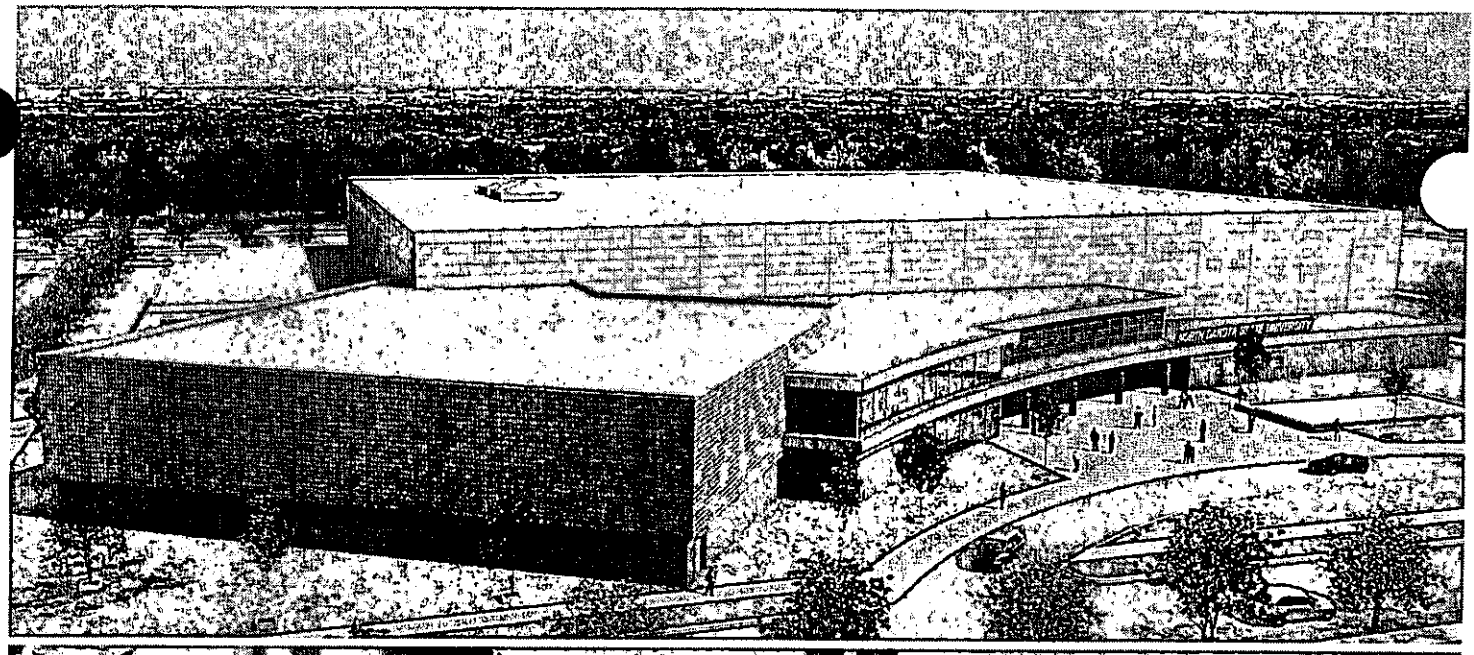
A new roof is required to ensure a water-tight building. This project addresses $250,000 in deferred maintenance issues.

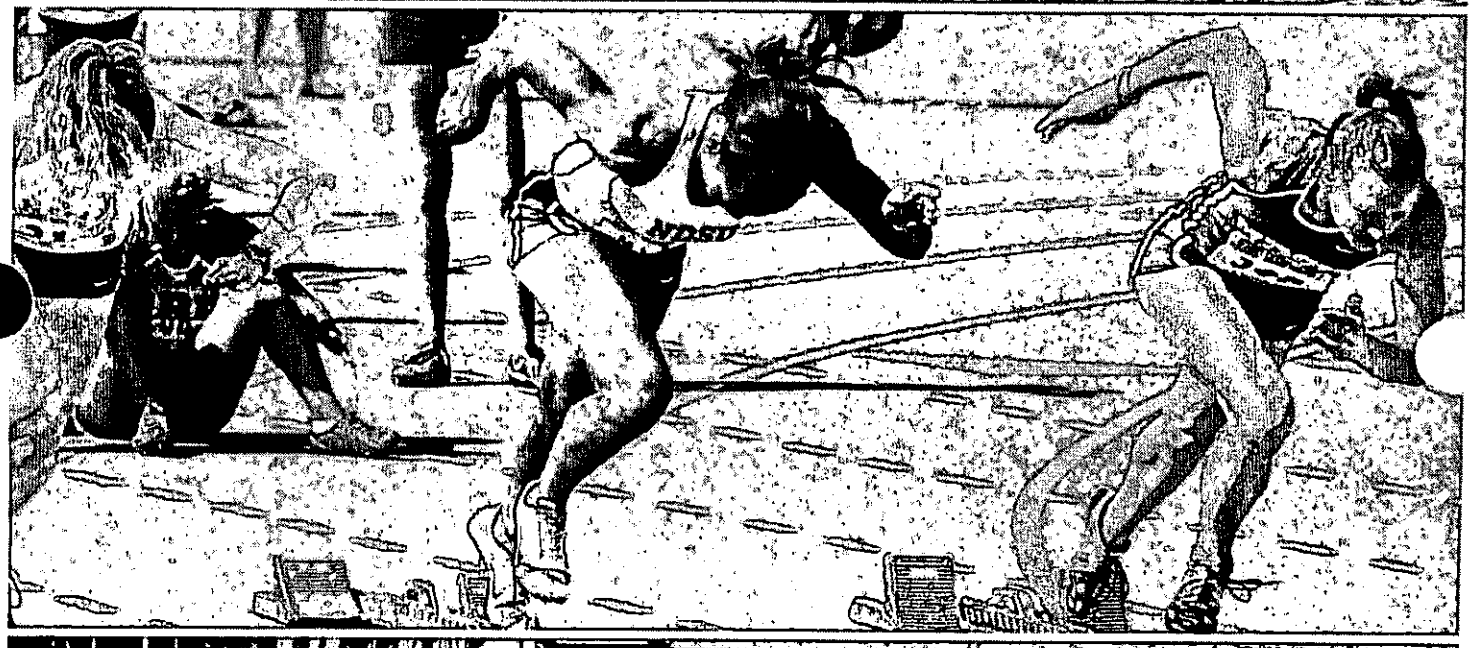
Ag Engineering window and roof replacement – $234,000

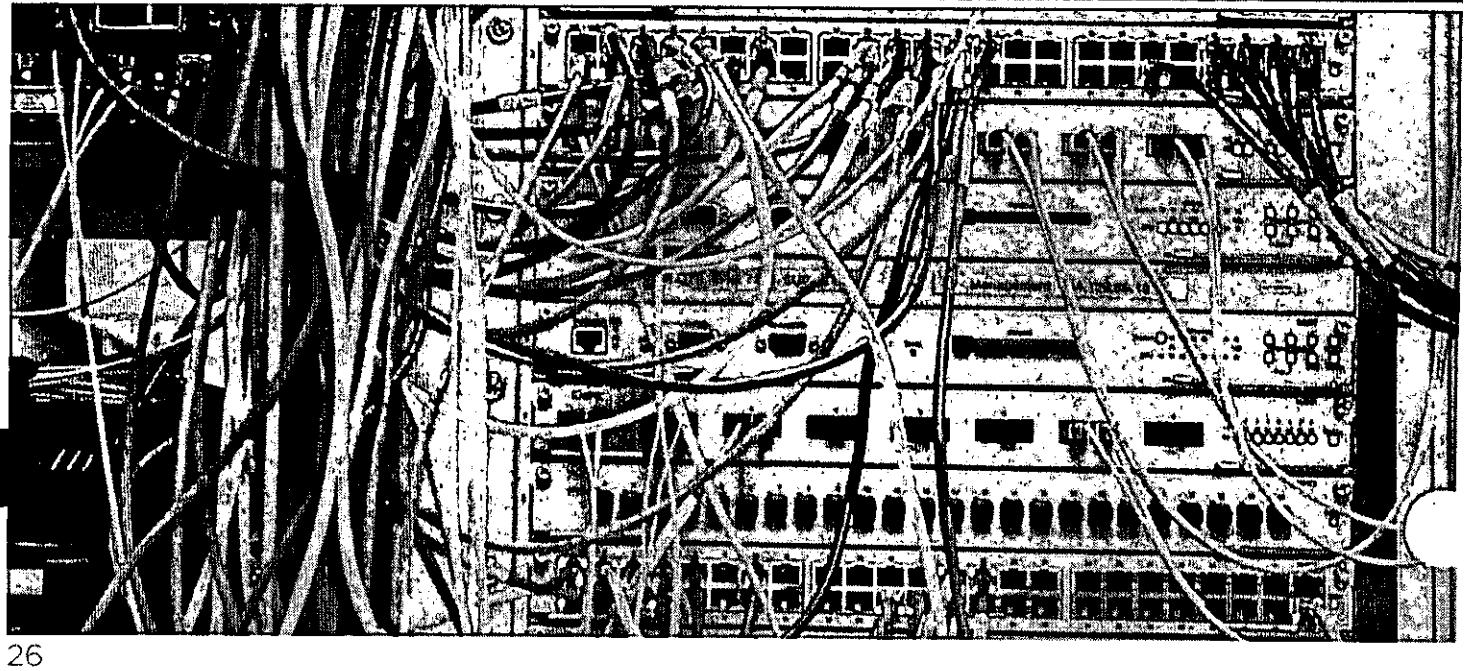
New windows will be installed to provide better energy efficiency. A new roof will ensure the continued usefulness of the building. This project addresses $234,000 in deferred maintenance issues.

Music Education Building, roof and lighting replacement – $808,000

New classroom and hallway lighting and controls will be furnished to increase lighting efficiency. A new roof will be installed to maintain a watertight structure. This project addresses $808,000 in deferred maintenance issues.







MAJOR CAPITAL PROJECTS

NON-STATE FUNDED

BISON SPORTS ARENA - $29,100,000
INDOOR PRACTICE FACILITY - $5,000,000
IT INFRASTRUCTURE - $2,000,000

BISON SPORTS ARENA

$29,100,000 – Private funds

DEDICATED IN 1970 AS THE FIELDHOUSE AND THE PHYSICAL EDUCATION CLASSROOM BUILDING, IT FEATURED THE LARGEST INDOOR SEATING CAPACITY OF ANY BUILDING OF ITS TYPE IN THE STATE AND WAS OPENED AS ONE OF THE FINEST MULTI-PURPOSE FACILITIES IN THE REGION, CONSISTING OF 150,639 SQUARE FEET OF SPACE.

The Bison Sports Arena remains the primary facility for the athletics department. This multi-purpose facility has been overwhelmed by the increase in sports, teams and athletes and a major renovation is critical to meet the growing demands of the NCAA Division I athletic program.

The renovation would provide an increased level of quality and safety for the athletes, the campus and the community with an emphasis on improving the existing facilities and structure. Renovation plans include: HVAC upgrades, ADA compliance, locker room expansion/upgrades, athletic training areas, security, classroom technology enhancements, replacement of the unsafe playing surfaces and bleacher systems along with relocating offices/conference/meeting rooms for maximum space efficiency.

This project also will replace the existing roof, add new entrances to the north and south, a new practice gym, improvements for wrestling, golf, softball and baseball programs, an academic center, and an addition to the west side of the building to accommodate the strength and conditioning area for all student athletes. Approximately $4,092,000 in deferred maintenance is addressed in this project.

INDOOR PRACTICE FACILITY

$5,000,000 – Private funds

THIS PROJECT WILL RESULT IN:

- A 200 meter, eight-lane competition track
- Men's and women's track locker and meeting rooms
- Baseball and softball batting cages
- Indoor golf practice facility
- Spectator seating

The separation of the running track and the field events areas from the current footprint of the Bison Sports Arena will create a venue that will provide increased practice and training opportunities, ensuring more consistent practice/competition times for all student-athletes and an increase in safety, due to a "net system" that will segment the various practice/competition areas from each other. Marketing, corporate sponsorships and ticket sales will be greatly enhanced as the separation of the track from the basketball arena will yield many more opportunities to generate revenue.

The Indoor Practice Facility will be a new addition to a current facility, but it is a necessity based on the clearly demonstrated conditions of the existing space. The running track is no longer safe in that throughout the years, overuse has caused ruts, soft spots and tears in the surface. The subfloor has deteriorated. This project will address life, health and safety requirements. The construction will eliminate the current liabilities for the many users in the Bison Sports Arena, ensuring a safe and healthy environment.

Furthermore, the Indoor Practice Facility meets a compelling programmatic and accreditation justification consistent with our campus mission and strategic goals. Quality athletic facilities impact several areas needed to meet the expectations of an NCAA Division I athletic program: student recruitment, marketing, corporate sponsorships, campus/community usage and the attraction and retention of the highest caliber of athletes and coaches.

A separate indoor running track also will provide potential for collaboration with the campus Wellness Center, as there is a high probability that time will be allocated to the general university community. Other opportunities would include hosting such events as the North Dakota State High School Indoor State Track Meet and supporting FFA activities.

INFORMATION TECHNOLOGY

$2,000,000 – Grants and local funds: Equipment and space (a multi-biennia phased project):

THIS FIRST SEGMENT WILL PROVIDE AN "UPGRADE TO THE INDUSTRIAL AGRICULTURE AND COMMUNICATIONS CENTER (IACC) DATA CENTER SUPPORT SYSTEMS."

The technology and communications infrastructure has changed considerably since the IACC was constructed in 1992. The original design of the IACC data center does not provide sufficient power, heating and cooling to reliably or safely operate NDSU's Information Technology (IT) infrastructure. In addition, plans for future enhancements to both NDSU and NDSU-hosted North Dakota University System (NDUS) systems may become compromised if power, heating and cooling upgrades are not made.

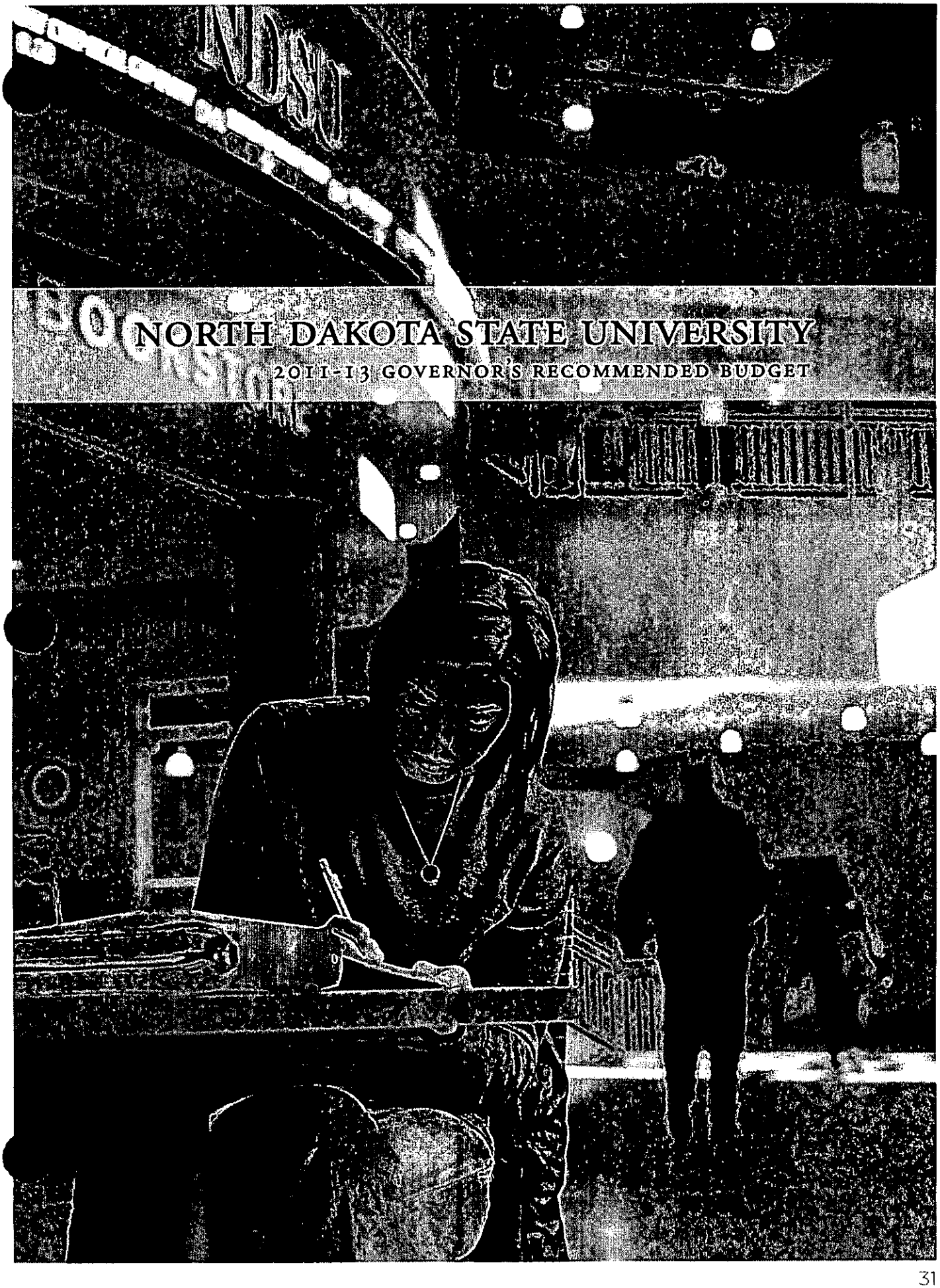
In addition to being the heart of NDSU's daily IT operations, the IACC building is a core component in an increasing number of critical systems with life, health and safety impacts which run over the campus network. These include video surveillance, telephony, fire alarms, campuswide card access, and environmental telemetry; making sufficient power, heating and cooling is a necessity.

In recent years, numerous failures in the power, heating and cooling in this facility have put the equipment and services this equipment provides at risk. As an increasing number of critical campus functions, including life-safety functions, rely on this data center, it is urgent that its underlying electrical and environmental subsystems be upgraded to provide for reliable operation.

This project addresses $2,000,000 in deferred maintenance issues.

The NDSU IT Infrastructure, Equipment and Space project will address "Network Redundancy and Reliability" in a future biennium request. It will include moving the carrier's main point of presence for voice and data (that is now housed in the basement of Dolve Hall) directly into the university's main voice and data center located in IACC. This move is crucial to improve reliability by removing the Dolve site as a point of failure.

Furthermore, it includes the implementation of a secondary data center. Redundant commercial and state network facilities and connections to all campus buildings are necessary to make NDSU's IT infrastructure more reliable and resistant to failure. An increasing number of critical campus functions are running over the campus network. As noted above, these include video surveillance, telephony, fire alarms, campuswide card access and environmental telemetry for Facilities Management. Putting in redundancy of this kind will greatly reduce the likelihood a given building will lose connectivity and the critical functions this connectivity provides.



NORTH DAKOTA STATE UNIVERSITY

2011-13 GOVERNOR'S RECOMMENDED BUDGET

North Dakota State University
2011-13 General Fund Executive Recommendation

Priority 1: Parity (Pages 35-36)

Provides an increase of $9.1 million, which includes a 3.0% annual salary increase, actual health insurance premium increases and inflationary adjustments for building utilities.

Priority 2: Equity (Pages 37-38)

Allocates $4.7 million from the executive recommended $10.0 million equity pool.

Priority 3: College Affordability

Recommends $1.9 million to limit annual tuition rate increases to 2.5% for the 2011-13 biennium changed from the requested limit of 4% tuition rate increase.

Priority 4: Building and Infrastructure

Increases the general fund base allowance for extraordinary repairs by $1,040,018 from $1.6 million to $2.7 million, which represents 15.0% of the OMB generated formula. The executive recommendation fully funds this request.

One-time Budget Requests:

Appropriates $2.3 million to pay off special assessment balances. The executive recommendation fully funds this request.

Small to Medium Projects:

No general fund projects included in the executive recommendation. Requested small to medium projects list is located on page 25.

Capital Projects: (Pages 39-40)

No general fund projects included in the executive recommendation.

Comparison of SBHE General Fund Revised Request And Executive Recommendation

	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 132,652,339	$ 132,652,339	$ -
Base Adjustments	(22,245,032)	(22,245,032)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**110,407,307**	**110,407,307**	-
Prioritized SBHE Needs Based Request:			
Priority 1: Parity	12,063,421	9,067,447	(2,995,974)
Priority 2: Equity	7,059,068	4,698,999	(2,360,069)
Priority 3: College Affordability	1,034,384	1,858,284	823,900
Priority 4: Facility and Infrastructure Regular Repair and Maintenance	1,040,018	1,040,019	1
Employee Retirement Contributions	807,470	794,560	(12,910)
Total Requested Increase in GF Base Funding	22,004,361	17,459,309	(4,545,052)
Total Base General Fund Request & Recommendation	**132,411,668**	**127,866,616**	**(4,545,052)**
One-time Budget Requests:			
Pay-off Special Assessments	2,319,700	2,319,700	-
Total One-time Budget Request & Recommendation	2,319,700	2,319,700	-
2011-13 Small-Medium Projects	**4,692,000**	-	**(4,692,000)**
2011-13 State-funded Projects	-	-	-
Total 2011-13 General Fund Request & Recommendation	$ 139,423,368	$ 130,186,316	$ (9,237,052)

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
NDSU:				
Operations	125,134,372	108,715,082		
Capital Assets (Excluding Major Capital Projects)	5,051,943	1,692,225		
Deferred Maintenance	0	5,355,817		
2007-09 Capital Assets Carryover	0	3,889,215		
Subtotal all funds	130,186,315	119,652,339		
Less estimated income	0	0		
Subtotal general fund appropriation	130,186,315	119,652,339		
Capital Assets - Major Capital Projects	36,100,000	71,100,000		
Subtotal all funds	36,100,000	71,100,000		
Less estimated income	36,100,000	58,100,000		
Subtotal general fund appropriation	0	13,000,000		
TOTAL				
Total all funds	166,286,315	190,752,339	(24,466,024)	-12.8%
Less estimated income	36,100,000	58,100,000	(22,000,000)	-37.9%
Total general fund appropriation	130,186,315	132,652,339	(2,466,024)	-1.9%

Parity

Comparison of 2011-13 Request to Executive Recommendation

All University System Campuses & Med:	Parity Request, Assumes 4.5% Sal Incr	Executive Recommendation (3% Salary Incr and No Inflation)	Difference Due to Change in Salary Increase & No Operating Inflations
Cost to Continue (CTC) Sal Incr	$ 8,005,688	$ 8,005,688	$ -
Salary Increases	23,076,494	15,299,113	(7,777,381)
Health Insur Incr	3,529,589	3,529,589	-
Operating Inflation	3,178,833		(3,178,833)
Utilities Incr, Excluding Bldgs Coming Online	3,201,194	3,201,194	-
Utilities-Bldgs Coming Online	719,485	719,485	-
	41,711,283	**30,755,069**	**(10,956,214)**

North Dakota State University			
Cost to Continue (CTC) Sal Incr	$ 2,288,204	$ 2,288,204	$ -
Salary Increases	6,624,290	4,385,006	(2,239,284)
Health Insur Incr	906,679	906,679	-
Operating Inflation	756,691	-	(756,691)
Utilities Incr, Excluding Bldgs Coming Online	1,064,975	1,064,975	-
Utilities-Bldgs Coming Online	422,582	422,582	-
	12,063,421	**9,067,446**	**(2,995,975)**

North Dakota University System Campuses and UND School of Medicine and Health Sciences (SMHS)
Summary of 2011-13 Parity Request, Assuming Salary Increases of 4.5% Per Year with Est Health Insurance Increases

	(1) Cost to Continue FY 11 Legislatively Funded Salary Increases (□ new positions)	(2) Total Estimated Health Insurance, Based on Final Rates of $886.62 per Month	(3) Est Cost of Compensation Pkg at 4.5% Per Year	(4) Subtotal, Salary and Health Insurance Increases (Col 1+2+3)	(5) Est Operating Inflation, Excl Utilities at 2.1% for FY12 & 2.0% for FY13	(6) Estimated Actual Utility Increases	(7) Estimated Utility Costs of New Bldgs Coming Online 2011-13	(8) Total Estimated Increases in Computation of Parity (Col 4□5□6□7)	(9) Targeted State Portion Per Funding Model	(10) GF Portion of Parity, using Targeted Funding Percent (Col 8x9)
BSC	652,219	336,176	1,876,776	2,865,171	461,809	508,674	-	3,835,654	75%	2,876,741
LRSC	200,006	105,372	575,521	880,899	100,890	57,436	-	1,039,225	75%	779,419
WSC	179,506	91,429	516,533	787,468	59,965	72,448	128,614	1,048,495	75%	786,371
UND	3,978,560	1,728,357	11,448,407	17,155,324	1,431,068	2,059,858	143,755	20,790,005		12,474,003
UND SMHS	1,083,755	301,538	3,118,531	4,503,822	495,498	-	-	4,999,320		2,999,623
Total-UND/SMHS	5,062,315	2,029,893	14,566,938	21,659,146	1,926,566	2,059,858	143,755	25,789,325	60%	15,473,626
NDSU	3,813,674	1,511,132	11,040,483	16,365,289	1,261,151	1,774,958	704,304	20,105,702	60%	12,063,421
NDSCS	609,753	318,096	1,754,581	2,682,430	281,631	34,609	116,000	3,114,670	75%	2,336,003
DSU	558,248	292,491	1,606,368	2,457,105	312,306	24,952	-	2,794,363	70%	1,956,054
MaSU	228,233	129,145	656,747	1,014,125	104,463	84,048	-	1,182,636	70%	827,845
MiSU	871,198	435,064	2,506,895	3,813,157	194,871	382,848	-	4,390,876	65%	2,854,069
VCSU	356,603	193,845	1,026,133	1,576,581	192,290	120,397	38,842	1,928,110	70%	1,349,677
MiSU-BC	110,061	70,721	316,704	497,486	46,591	-	-	544,077	75%	408,058
Subtotal	12,641,814	5,513,364	36,443,879	54,598,857	4,942,533	5,100,228	1,131,515	65,773,133		41,711,284
	TARGETED STATE SHARE OF EACH OF ABOVE PARITY COMPONENTS, BASED % IN COLUMN 9									
BSC	489,164	252,132	1,407,582	2,148,878	346,357	381,506	-	2,876,741		
LRSC	150,005	79,029	431,641	660,674	75,668	43,077	-	779,419		
WSC	134,630	68,572	387,400	590,601	44,974	54,336	96,461	786,371		
UND	2,387,136	1,037,014	6,869,044	10,293,194	858,641	1,235,915	86,253	12,474,003		
UND SMHS	650,253	180,922	1,871,119	2,702,293	297,299	-	-	2,999,623		
Total-UND/SMHS	3,037,389	1,217,936	8,740,163	12,995,488	1,155,940	1,235,915	86,253	15,473,626		
NDSU	2,288,204	906,679	6,624,290	9,819,173	756,691	1,064,975	422,582	12,063,421		
NDSCS	457,315	238,572	1,315,936	2,011,823	211,223	25,957	87,000	2,336,003		
DSU	390,772	204,744	1,124,458	1,719,974	218,614	17,486	-	1,956,054		
MaSU	159,763	90,402	459,723	709,888	73,124	44,834	-	827,845		
MiSU	568,279	282,792	1,629,482	2,478,552	126,666	248,851	-	2,854,069		
VCSU	249,622	135,692	718,293	1,103,607	134,603	84,278	27,189	1,349,677		
MiSU-BC	82,546	53,041	237,528	373,115	34,943	-	-	408,058	Overall State %	
Subtotal	8,005,688	3,529,589	23,076,494	34,611,771	3,178,802	3,201,194	719,485	41,711,284	0.6342	

Equity
Comparison of 2011-13 Request to Executive Recommendation

	(1) Equity Request, $15 Million With 10% or $250,000 Minimum	(2) Executive Recommendation, $10 Million With 10% or $166,667 Minimum	(3) Difference	% Equity
BSC	$817,201	$543,985	$ (273,216)	57%
LRSC	329,202	219,139	(110,063)	53%
WSC	250,000	166,667	(83,333)	82%
UND	3,695,508	2,459,984	(1,235,524)	
UND SMHS	888,659	591,552	(297,107)	
Total-UND/SMHS	4,584,167	3,051,536	(1,532,631)	60%
NDSU	7,059,068	4,698,999	(2,360,069)	44%
NDSCS	250,000	166,667	(83,333)	95%
DSU	710,365	472,867	(237,498)	56%
MaSU	250,000	166,667	(83,333)	93%
MiSU	250,000	180,142	(69,858)	81%
VCSU	250,000	166,667	(83,333)	102%
DCB	250,000	166,667	(83,333)	85%
TOTAL	$ 15,000,000	$ 10,000,000	$ (5,000,000)	

The budget request and executive recommendation include equity allocations based on a weighted average of percentage and dollar differences from peers (based on the Long Term Finance Plan), with a 10% minimum allocation. If 5 campuses had been included in the 10% minimum allocation in the executive recommendation, the amount per campus ($200,000) would have been greater than MiSU's calculated average per the LTFP ($190,179). As a result, MiSU was included in the minimum allocation of $166,667, and the difference was included in the allocation of the remaining balance.

Total Equity	$ 15,000,000	$ 10,000,000
10% Minimum	$ 1,500,000	$ 1,000,000
/6 campuses	$ 250,000	$ 166,667

Source: North Dakota University System

North Dakota University System 2011-13 Budget Request
Total Equity Allocation Based on Combined LTF Plan ($10.0 milion), with 10% or $166,667 minimum
REVISED FOR PARITY IN EXEC RECOM (3% Sal Incr)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Current Percent of Peer Benchmark - based on 09-11 Budget Allocations	LTF Plan Model Allocation Based on Dollar and Percent Distance From Peers	With Minimum: Percentage distribution of those campuses not participating in minimum allocation		With Minimum: Revised Calculated Equity Distribution - LTF Plan Model, with minimum	Percent of Peer Benchmark - After Allocation of 11-13 Parity and $10M Equity	Allocation Per Executive Recommendation	Difference (Col 7 - Col 5)
					$9,000,000			
BSC	51%	$589,446	$589,446	6.1%	$546,286	57%	$ 543,985	$ (2,301)
LRSC	48%	$236,167	$236,167	2.4%	$218,874	53%	$ 219,139	$ 265
WSC	75%	$45,227			$166,667	82%	$ 166,667	$ 0
UND & SOMHS	55%	$3,313,875	$3,313,875	34.1%	$3,071,226	60%	$ 3,051,536	$ (19,690)
NDSU	39%	$5,036,606	$5,036,606	51.9%	$4,667,811	44%	$ 4,698,999	$ 31,188
NDSCS	90%	$30,696			$166,667	95%	$ 166,667	$ 0
DSU	51%	$511,464	$511,464	5.3%	$474,014	56%	$ 472,867	$ (1,147)
MaSU	87%	$21,017			$166,667	93%	$ 166,667	$ 0
MiSU	76%	$190,179	$23,512	0.2%	$188,457	81%	$ 180,142	$ (8,315)
VCSU	95%	$0			$166,667	102%	$ 166,667	$ 0
DCB	79%	$25,323			$166,667	85%	$ 166,667	$ 0
TOTAL	54%	$10,000,000	$9,711,071	100.0%	$10,000,000		$ 10,000,003	$ 1
							UND/SMHS:	
							$ 2,459,984	$ (51,715)
							$ 591,552	$ 32,025
							$ 3,051,536	$ (19,690)

total equity	$ 10,000,000.00
10%	$ 1,000,000.00
/6 campuses	$ 166,666.67

Source: North Dakota University System

NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities to Executive Recommendation

(1)	(2) Project Description	(3) Campus	(4) Project Type	(5) 2011-13 Request State	(6) Other	(7) Total	(8) Other Source	(9) 2011-13 Exec Recommend
			A□addition□R□renovation□NC□new construction					
Section 1: CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Joint NDUS/UND IT Facility	NDUS/ UND	NC	$17,600,000	$0	$17,600,000		$11,200,000 GF
2	Rhoades Science Center Addition & Renovation	VCSU	A, R	$10,836,000	$0	$10,836,000		$7,971,000 GF
3	Old Main Renovation	NDSCS	R	$8,180,000		$8,180,000		$8,180,000 GF
4	Plant Services Building	BSC	NC	$1,500,000	$0	$1,500,000		$1,500,000 GF
5	Health Sciences Facility	SOMHS	A	$28,890,000		$28,890,000		$0
6	Geothermal Heating and Cooling	MiSU	R	$5,000,000	$11,234,555	$16,234,555	Includes $2,500,000 from 2009 Legislature, grants	$0
7	Road Repairs/Repaving (180,000 sq. ft.)	DCB	R	$700,000	$31,250	$731,250	local	$0
8	Steven's Hall Addition & Renovation	WSC	A, R	$10,434,000	$0	$10,434,000		$0
9	Erlandson Center Addition/Renovation	LRSC	A/R	$4,850,000		$4,850,000		$0
10	Bismarck HE Center (BSC, DSU, MiSU, UND)	multi	NC	$8,500,000	$0	$8,500,000		$0
11	EERC Office and Lab Addition	UND	A	$12,500,000	$0	$12,500,000		$0
12	Heating System Upgrade - Thatcher Hall	DCB	R	$265,000	$0	$265,000		$0
Cont'd from 09-11	Science Center Addition and Renovation (project authorized in 09-11 at $1.610 M GF and $590,000 OF, increase to $2.930 M GF and $590,000 OF)	WSC	A, R	$1,320,000		$1,320,000		$1,320,000 Perm Oil Trust Fund
Total Ranked State Funded Projects-Campuses, System, Energy Projects For Inclusion in Request				**$110,575,000**	**$11,265,805**	**$121,840,805**		**$28,851,000 GF $1,320,000 POTF $30,171,000 Total**
Section 2: OTHER CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS NOT FOR INCLUSION IN 2011-13 BUDGET REQUEST								
13	Ceres Hall Renovation	NDSU	R	$10,000,000	$0	$10,000,000		
14	Old Main Renovation/Addition	MaSU	A, R	$10,700,000	$0	$10,700,000		
15	Law School Renovation and Addition	UND	A, R	$9,845,000	$0	$9,845,000		
16	Campus Environment & Circulation	WSC	R	$4,100,000	$0	$4,100,000		
17	Bisek Hall Expansion	NDSCS	A	$10,500,000		$10,500,000		
18	Architecture Building/Ehly Hall Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
19	Vangstad Auditorium Renovation	VCSU	R	$3,316,998	$0	$3,316,998		
20	Clean Coal Initiative (including Replacement of Coal Fired Boilers)	UND	R	$13,500,000	$56,500,000	$70,000,000	private, grants	
21	Fieldhouse Renovation/Addition	MaSU	A, R	$3,850,000	$0	$3,850,000		
22	Community Health & Education Center (Health and Wellness Center-Phase II)	MiSU	A	$9,850,000	$0	$9,850,000		
23	Geosciences Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
24	Stoxen Library Addition - Phase I	DSU	A	$10,560,000	$0	$10,560,000		$8,800,000 GF
25	NECE - 4th Floor Completion	BSC	R	$3,255,000	$1,080,000	$4,335,000	grants, private	
	Campus Branding, Not Included in SBHE List	WSC						$1,000,000 POTF $500,000 OF
	Total Other State Funded Projects-Campuses, System, Energy Projects NOT Included in Request			**$95,476,998**	**$57,580,000**	**$153,056,998**		**$8,800,000 GF $1,000,000 POTF $500,000 OF $10,300,000 Total**

Source: North Dakota University System

NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities to Executive Recommendation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
				2011-13 Request				2011-13
	Project Description	Campus	Project Type	State	Other	Total	Other Source	Exec Recommend
			A□addition□R□renovation□NC□new construction					
Section 3: Non-State Funded (Unranked) Projects for Inclusion in 2011-13 Budget Request								
	Student Union Renovation/Addition	BSC	A, R		$7,500,000	$7,500,000	Revenue Bond $7,000,000/Auxiliary Reserves $500,000	$7,500,000
	EERC Slurry Building Expansion	UND	A		$2,700,000	$2,700,000	private, grants	$2,700,000
	Wilkerson Hall Renovation & Addition	UND	A, R		$14,000,000	$14,000,000	Revenue Bonds	$14,000,000
	University Town Home Apartments	UND	NC		$5,000,000	$5,000,000	Revenue Bonds	$5,000,000
	Bison Sports Arena (to be completed in 3 phases)-reauthorization	NDSU	R		$29,100,000	$29,100,000	private	$29,100,000
	Indoor Practice Facility	NDSU	NC		$5,000,000	$5,000,000	private	$5,000,000
	IT Infrastructure (to be completed in phases)	NDSU	R		$2,000,000	$2,000,000	local, grants	$2,000,000
	Forkner Hall	NDSCS	R		$5,000,000	$5,000,000	Revenue Bond	$5,000,000
	Schulz Renovation	NDSCS	R		$4,000,000	$4,000,000	Revenue Bond	$4,000,000
	Frank Vertin Football Complex	NDSCS	R		$1,500,000	$1,500,000	private	$1,500,000
	Landscape Plan-Phase II & III 10-Year Plan	MiSU	R		$800,000	$800,000	local, private	$800,000
	New Resident Apartments	MiSU	NC		$3,500,000	$3,500,000	Revenue Bond	$3,500,000
	Old Main Classroom Remodel	MiSU	R		$750,000	$750,000	private	$750,000
	Lokken Football Field Artificial Turf ($180,000 09-11 deferred maintenance funding)	VCSU	R	$180,000	$815,000	$995,000	private	$815,000 OF
	Total Non-State Funded Projects - Campuses			**$180,000**	**$81,665,000**	**$81,845,000**		**$81,665,000 OF**
Section 4: EXPERIMENT STATIONS and EXTENSION SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Research Greenhouse Complex Final Phase	NDAES	NC	$6,991,650	$2,502,931	$9,494,581	private, grants	$6,991,650 GF $2,502,931 OF
2	Agronomy Laboratories (CREC, HREC, LREC, CGEC)	NDAES	NC	$5,275,000	$0	$5,275,000		$0
3	Seed Conditioning Plants (NCREC, CREC, WREC, LREC)	NDAES	NC, R	$8,400,000	$0	$8,400,000		$0
4	Learning/Conference Center at Western 4-H Camp, Washburn	Ext.	NC	$2,500,000	$1,300,000	$3,800,000	private, grants	$0
	Total State Funded Projects - Experiment Stations/Extension Service			**$23,166,650**	**$3,802,931**	**$26,969,581**		**$6,991,650 GF $2,502,931 OF $9,494,581 Total**
Section 5: FOREST SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Nursery Freezer Conversion/New Building	Forest Servi	R	$550,000	$0	$550,000		$0
	TOTAL - NDUS Ranked State General Fund Major Capital Projects Requested for Inclusion in 2011-13 Budget Request			**$134,291,650**	**$15,068,736**	**$149,360,386**		**$35,842,650 GF $1,320,000 POTF $84,167,931 OF $121,330,581 Total**
	TOTAL - NDUS Ranked State General Fund and Non-State Funded Requested Major Capital Projects for Inclusion in 2011-13 Budget Request, Plus Exec Recom Addns			**$134,471,650**	**$96,733,736**	**$231,205,386**		**$44,842,650 GF $2,320,000 POTF $84,667,931 OF $131,630,581 Total**

REQUEST/RECOMMENDATION COMPARISON SUMMARY

235 North Dakota State University
Biennium: 2011-2013

Bill#: HB1003

Description	Expenditures Prev Biennium 2007-2009	Present Budget 2009-2011	2011-2013 Requested Incr(Decr)	2011-2013 Requested % Chg	Requested Budget 2011-2013	2011-2013 Recommended Incr(Decr)	2011-2013 Recommended % Chg	Executive Recommendation 2011-2013
By Major Program								
North Dakota State University	119,217,813	190,752,339	(19,443,495)	(10.2%)	171,308,844	(24,466,023)	(12.8%)	166,286,316
Total Major Programs	119,217,813	190,752,339	(19,443,495)	(10.2%)	171,308,844	(24,466,023)	(12.8%)	166,286,316
By Line Item								
Operating Expenses	90,594,710	108,715,082	23,761,518	21.9%	132,476,600	16,419,290	15.1%	125,134,372
Capital Assets	4,819,945	14,692,225	(11,959,981)	(81.4%)	2,732,244	(9,640,281)	(65.6%)	5,051,944
Capital Assets Carryover	12,102,162	3,889,215	(3,889,215)	(100.0%)	0	(3,889,215)	(100.0%)	0
Capital Projects - Non-State	11,125,854	58,100,000	(22,000,000)	(37.9%)	36,100,000	(22,000,000)	(37.9%)	36,100,000
Deferred Maintenance	0	5,355,817	(5,355,817)	(100.0%)	0	(5,355,817)	(100.0%)	0
2000 Flood Expenditures	575,142	0	0	0.0%	0	0	0.0%	0
Total Line Items	119,217,813	190,752,339	(19,443,495)	(10.2%)	171,308,844	(24,466,023)	(12.8%)	166,286,316
By Funding Source								
General Fund	94,988,719	132,652,339	2,556,505	1.9%	135,208,844	(2,466,023)	(1.9%)	130,186,316
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	24,229,094	58,100,000	(22,000,000)	(37.9%)	36,100,000	(22,000,000)	(37.9%)	36,100,000
Total Funding Source	119,217,813	190,752,339	(19,443,495)	(10.2%)	171,308,844	(24,466,023)	(12.8%)	166,286,316
Total FTE	498.12	584.88	69.12	11.8%	654.00	0.00	0.0%	584.88

North Dakota State University (OMB Dept 235)
Appropriated Funds Overview
Budget to Actual (by function)

	Budget	Expenses				
	Total	Total	Personnel	Operating	Capital Equipment	Capital Improvement
Fiscal 2010 (July 1, 2009 to June 30, 2010)						
Budgeted & Actual Expenses (by function)						
NDSU Appropriation Operating Expenses (OMB Dept 235)						
General Academic Instruction	$ 57,161,445	$ 57,161,445	$ 55,170,694	$ 1,647,390	$ 343,361	$ -
Community Service	$ 49,770	$ 49,770	$ 25,997	$ 23,773	$ -	$ -
Institutional Research	$ 38,700	$ 38,700	$ -	$ 38,700	$ -	$ -
Academic Libraries	$ 4,365,887	$ 4,365,887	$ 2,339,017	$ 2,026,870	$ -	$ -
Academic Administration	$ 10,628,126	$ 10,628,126	$ 9,310,973	$ 1,272,734	$ 44,418	$ -
Information Technology - Academic Support	$ 1,845,975	$ 1,845,975	$ 1,676,801	$ 169,174	$ -	$ -
Student Services	$ 6,163,214	$ 6,163,214	$ 5,559,717	$ 603,497	$ -	$ -
General Administration	$ 9,657,270	$ 9,657,270	$ 6,147,393	$ 3,160,081	$ 349,796	$ -
Information Technology - Institutional Support	$ 2,162,516	$ 2,162,516	$ 1,610,869	$ 499,629	$ 52,018	$ -
Physical Plant	$ 21,220,208	$ 21,220,208	$ 9,411,123	$ 11,724,808	$ 84,277	$ -
Subtotal - NDSU Operating Expenses	$ 113,293,112	$ 113,293,112	$ 91,252,585	$ 21,166,657	$ 873,870	$ -
System Information Technology Services (SITS)						
Information Technology - Institutional Support	$ 11,184,747	$ 11,184,747	$ 3,769,980	$ 7,204,072	$ 210,695	$ -
NDSU Capital Improvements						
Capital Improvements/Extraordinary Repairs	$ 18,638,596	$ 4,644,061	$ -	$ -	$ -	$ 4,644,061
Deferred Maintenance	$ 5,700,720	$ 2,621,902	$ -	$ -	$ -	$ 2,621,902
Grand Total NDSU	$ 148,817,175	$ 131,743,821	$ 95,022,565	$ 28,370,729	$ 1,084,565	$ 7,265,963
Partial Fiscal 2011 (July 1, 2010 to November 30, 2010)						
Budgeted & Actual Expenses (by function)						
NDSU Appropriation Operating Expenses (OMB Dept 235)						
General Academic Instruction	$ 65,065,033	$ 21,245,728	$ 20,499,436	$ 647,362	$ 98,930	$ -
Community Service	$ 52,193	$ 14,487	$ 12,665	$ 1,821	$ -	$ -
Institutional Research	$ 34,830	$ -	$ -	$ -	$ -	$ -
Academic Libraries	$ 3,753,414	$ 1,948,918	$ 872,535	$ 1,076,383	$ -	$ -
Academic Administration	$ 9,425,851	$ 3,978,615	$ 3,391,558	$ 550,015	$ 37,043	$ -
Information Technology - Academic Support	$ 1,696,081	$ 769,568	$ 700,415	$ 69,153	$ -	$ -
Student Services	$ 5,391,204	$ 2,454,009	$ 2,183,545	$ 270,464	$ -	$ -
General Administration	$ 10,457,828	$ 2,757,053	$ 2,347,602	$ 409,451	$ -	$ -
Information Technology - Institutional Support	$ 2,102,682	$ 774,237	$ 677,426	$ 96,810	$ -	$ -
Physical Plant	$ 20,186,596	$ 8,621,496	$ 3,639,263	$ 4,974,733	$ 7,500	$ -
Subtotal - NDSU Operating Expenses	$ 118,165,713	$ 42,564,111	$ 34,324,446	$ 8,096,192	$ 143,473	$ -
System Information Technology Services (SITS)						
Information Technology - Institutional Support	$ 14,171,125	$ 4,084,382	$ 1,603,272	$ 2,481,109	$ -	$ -
NDSU Capital Improvements						
Capital Improvements/Extraordinary Repairs	$ 14,339,978	$ 1,806,015	$ -	$ -	$ -	$ 1,806,015
Deferred Maintenance	$ 2,733,904	$ 1,009,845	$ -	$ -	$ -	$ 1,009,845
Grand Total NDSU	$ 149,410,719	$ 49,464,352	$ 35,927,718	$ 10,577,301	$ 143,473	$ 2,815,860

Notes:

1) Above figures do not include ND Forest Service, Ag Experiment Station, Extension Service, UGP Transportation Institute

2) Above budget figures represent the state fiscal year's budget in the Oracle Commitment Control module. The FY11 budget is for the entire year.

AB 1003
NDSU 1/19/11
attachment 1
addendum A

North Dakota State University (OMB Dept 235)
Grant & Contract Funds Overview
Budget to Actual (by function)

	Budget	Expenses				
	Total	Total	Personnel	Operating	Capital Equipment	Scholarships
Fiscal 2010 (July 1, 2009 to June 30, 2010)						
Budgeted & Actual Expenses (by function)						
General Academic Instruction	$ 3,973,588.38	$ 1,428,921	$ 1,037,806	$ 382,115	$ -	$ 9,000
Community Service	$ 10,994,222.65	$ 2,693,463	$ 1,265,514	$ 1,395,849	$ -	$ 32,100
Institutional Research	$ 142,653,186.51	$ 36,819,389	$ 15,488,281	$ 17,607,135	$ 3,723,473	$ 500
Student Services	$ 6,642,861.86	$ 1,352,189	$ 807,580	$ 394,278	$ -	$ 150,331
Scholarships	$ 20,920,156.00	$ 12,682,162	$ -	$ -	$ -	$ 12,682,162
Grand Total	$ 185,184,015.40	$ 54,976,123	$ 18,599,181	$ 19,779,377	$ 3,723,473	$ 12,874,093
Partial Fiscal 2011 (July 1, 2010 to November 30, 2010)						
Budgeted & Actual Expenses (by function)						
General Academic Instruction	$ 3,751,782.46	$ 619,046	$ 420,863	$ 196,933	$ -	$ 1,250
Community Service	$ 7,846,859.81	$ 1,152,659	$ 550,327	$ 554,996	$ -	$ 47,336
Institutional Research	$ 131,893,003.79	$ 15,014,575	$ 6,657,728	$ 6,839,329	$ 1,517,518	$ -
Student Services	$ 5,076,329.00	$ 503,453	$ 337,218	$ 138,416	$ -	$ 27,819
Scholarships	$ 21,005,106.00	$ 6,944,256	$ -	$ -	$ -	$ 6,944,256
Grand Total	$ 169,573,081.06	$ 24,233,989	$ 7,966,136	$ 7,729,674	$ 1,517,518	$ 7,020,661

Notes:

1) Above figures do not include ND Forest Service, Ag Experiment Station, Extension Service, UGP Transportation Institute
2) Budget figures for grants & contracts are on a project life-to-date basis, not a state fiscal year basis. This is necessary to monitor budget compliance by individual grant. Actual expenses are for the time period indicated, but budgets are on a project life-to-date basis.

	% of FY10 total operating revenue	% of grant revenue
Federal Grants & Contracts (incl Fed Appropriations)	20.9%	82.3%
State Grants & Contracts	2.4%	9.4%
Private Grants & Contracts	1.6%	6.3%
Capital Grants & Contracts	0.5%	2.0%
Total Grants & Contracts	25.4%	100.0%

North Dakota State University (OMB Dept 235)
Local Funds Overview
Budget to Actual (by function)

	Expenses							
	Total	Personnel	Operating	Capital Equipment	Cost of Goods Sold	Debt Service	Capital Improvement	Scholarships
Fiscal 2010 (July 1, 2009 to June 30, 2010)								
Budget	**$ 177,380,294.00**							
Actual Expenses (by function)								
General Academic Instruction	$ 20,099,504	$ 10,482,619	$ 8,809,946	$ 561,948	$ -	$ -	$ -	$ 244,990
Community Service	$ 1,238,366	$ 624,290	$ 147,115	$ 445,477	$ -	$ -	$ -	$ 21,484
Institutional Research	$ 6,019,727	$ 1,758,814	$ 4,246,587	$ -	$ -	$ -	$ -	$ 14,327
Academic Libraries	$ 1,145,578	$ 97,796	$ 1,020,455	$ -	$ 25,082	$ -	$ -	$ 2,245
Academic Administration	$ 3,027,688	$ 1,748,595	$ 1,149,871	$ 112,173	$ -	$ -	$ -	$ 17,048
Information Technology - Academic Support	$ 779,166	$ 7,445	$ 767,671	$ 4,051	$ -	$ -	$ -	$ -
Student Services	$ 6,702,121	$ 2,297,315	$ 4,316,400	$ -	$ -	$ -	$ -	$ 88,406
General Administration	$ 3,913,716	$ 604,421	$ 3,280,335	$ 26,237	$ -	$ -	$ -	$ 2,724
Information Technology - Institutional Support	$ 2,019,691	$ 1,356,000	$ 552,704	$ 110,987	$ -	$ -	$ -	$ -
Internal Service Funds	$ 10,152,185	$ 1,946,258	$ 2,523,577	$ 363,381	$ 5,318,968	$ -	$ -	$ -
Physical Plant	$ 4,092,841	$ 809,118	$ 3,238,298	$ 45,425	$ -	$ -	$ -	$ -
Auxilaries	$ 45,831,200	$ 17,202,574	$ 12,559,119	$ 530,797	$ 12,728,155	$ -	$ -	$ 2,810,554
Debt Service	$ 6,042,471	$ -	$ -	$ -	$ -	$ 6,042,471	$ -	$ -
Capital Improvement	$ 21,842,848	$ -	$ -	$ -	$ -	$ -	$ 21,842,848	$ -
Scholarships	$ 7,089,691	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,089,691
Grand Total	$ 139,996,794	$ 38,935,247	$ 42,612,077	$ 2,200,476	$ 18,072,205	$ 6,042,471	$ 21,842,848	$ 10,291,470
Partial Fiscal 2011 (July 1, 2010 to November 30, 2010)								
Budget	**$ 164,637,307.00**							
Actual Expenses (by function)								
General Academic Instruction	$ 6,090,438	$ 4,037,723	$ 1,817,696	$ 120,576	$ -	$ -	$ -	$ 114,443
Community Service	$ 273,395	$ 226,763	$ 46,632	$ -	$ -	$ -	$ -	
Institutional Research	$ 2,688,490	$ 639,662	$ 1,999,336	$ 49,242	$ -	$ -	$ -	$ 250
Academic Libraries	$ 126,639	$ 39,721	$ 69,047	$ -	$ 15,886	$ -	$ -	$ 1,985
Academic Administration	$ 1,003,318	$ 681,664	$ 325,413	$ -	$ -	$ -	$ -	$ (3,760)
Information Technology - Academic Support	$ 57,459	$ 22,350	$ 35,109	$ -	$ -	$ -	$ -	
Student Services	$ 3,487,568	$ 1,023,087	$ 2,421,795	$ -	$ -	$ -	$ -	$ 42,685
General Administration	$ 463,249	$ 200,440	$ 231,768	$ 20,000	$ 11,040	$ -	$ -	
Information Technology - Institutional Support	$ 934,180	$ 600,510	$ 217,554	$ 114,927	$ -	$ -	$ -	$ 1,189
Internal Service Funds	$ 2,903,284	$ 822,678	$ 738,585	$ -	$ 1,342,021	$ -	$ -	
Physical Plant	$ 2,508,055	$ 369,555	$ 2,138,500	$ -	$ -	$ -	$ -	
Auxiliaries	$ 21,314,742	$ 7,344,455	$ 6,135,212	$ 334,628	$ 6,097,830	$ -	$ -	$ 1,402,618
Debt Service	$ 2,042,896	$ -	$ -	$ -	$ -	$ 2,042,896	$ -	
Capital Improvement	$ 3,590,097	$ -	$ -	$ -	$ -	$ -	$ 3,590,097	
Scholarships	$ 4,694,184	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,694,184
Grand Total	$ 52,177,994.80	$ 16,008,608.35	$ 16,176,648.16	$ 639,372.36	$ 7,466,777.93	$ 2,042,896.28	$ 3,590,097.35	$ 6,253,594.37

Notes:

1) Above figures do not include ND Forest Service, Ag Experiment Station, Extension Service, UGP Transportation Institute

2) Local funds are monitored on a cash basis, rather than a budgetary basis. The FY11 budget is for the entire year.

Campus Name: North Dakota State University					
Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
College of Ag, Food Systems and Natural Resources	4,635,664	380,418			5,016,081
College of Arts, Humanities & Social Sciences	8,363,012	311,921			8,674,933
College of Business	3,966,119	179,173			4,145,292
College of Engineering & Architecture	7,982,057	375,265	37,405		8,394,727
College of Human Development & Education	5,622,141	335,668	25,498		5,983,307
College of Pharmacy, Nursing and Allied Science	3,585,140	117,840	65,485		3,768,464
College of Science & Mathematics	11,294,256	492,606	39,085		11,825,947
College of University Studies	294,752	9,559			304,311
Graduate School & Interdisciplinary Studies	891,806	29,347			921,154
VP Academic Affairs - Academic Support	3,092,972	2,579,740	220,306		5,893,018
SUBTOTAL	49,727,919	4,811,536	387,779		54,927,235
President & Institutional Support	1,720,584	1,251,808			2,972,392
VP for Equity, Diversity and Global Outreach	1,006,358	158,365			1,164,723
VP for Finance & Admin (including utilities & F.B.)	30,753,629	13,195,104	434,073		44,382,806
VP for Information Technology	2,474,159	668,749	52,018		3,194,926
	770,731	54,752			825,483
VP for Student Affairs	3,791,611	593,286			4,384,897
VP for University Relations	1,007,595	433,056			1,440,650
Total Appropriation (GF and tuition) for FY10	91,252,585	21,166,657	873,870		113,293,111
Actual Expenditures to Date, thru 6/30/2010	91,252,585	21,166,657	873,870		113,293,112
Remaining FY10 Balance	0	0	0		0

Comparison of FY2011 Budget to Actual through November 30, 2010	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
College of Ag, Food Systems and Natural Resources	4,716,858	404,124			5,120,982
College of Arts, Humanities & Social Sciences	8,170,087	302,149			8,472,236
College of Business	4,219,890	134,612			4,354,502
College of Engineering & Architecture	7,815,642	348,104			8,163,746
College of Human Development & Education	5,854,280	336,546			6,190,826
College of Pharmacy, Nursing and Allied Science	3,878,709	181,911			4,060,620
College of Science & Mathematics	11,590,040	513,851			12,103,892
College of University Studies	307,944	15,829			323,773
Graduate School & Interdisciplinary Studies	946,364	28,264			974,628
VP Academic Affairs - Academic Support	3,116,810	2,567,482			5,684,292
SUBTOTAL	50,616,624	4,832,872			*55,449,497*
President & Institutional Support	1,747,290	448,925			2,196,215
VP for Equity, Diversity and Global Outreach	1,005,052	142,688			1,147,740
VP for Finance & Admin (including utilities & F.B.)	34,055,215	30,668,183	169,163		64,892,561
VP for Information Technology	2,725,648	1,064,263			3,789,911
VP for Research, Creative Activity & Tech Transfer	804,612	53,267			857,879
VP for Student Affairs	3,926,545	544,806			4,471,351
VP for University Relations	1,030,309	401,967			1,432,276
Total Appropriation (GF and tuition) for FY11	95,911,295	38,156,971	169,163		*134,237,430*
Actual Expenditures to Date, thru 11/30/2010	34,386,934	17,583,352	169,163		52,139,449
Remaining FY11 Balance	61,524,361	20,573,619	(0)		82,097,981

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				5,355,817	5,355,817
Capital Assets (Line 50)				14,692,225	14,692,225
Capital Assets Carryover (Line 51)				3,889,215	3,889,215
Total Capital Assets (Including Major Capital Projects)				23,937,257	23,937,257
Actual Expenditures, 7/1/2009-6/30/2010				7,609,108	7,609,108
Remaining 2009-11 Balance as of 6/30/2010				16,328,149	16,328,149
Actual Expenditures 7/1/2010-11/30/2010				3,256,182	3,256,182
Remaining 2009-11 Balance as of 11/30/2010				13,071,967	13,071,967

2009-11 CAPITAL PROJECTS OVERVIEW

2009-11 MAJOR CAPITAL PROJECTS

	2009-11 AUTHORIZATION					TOTAL EXPENDITURES AS OF 12/31/10	REMAINING AUTHORITY
	GF	OF	R.BONDS	S. BONDS	TOTAL		
Minard Hall	$13,000,000				$13,000,000	$2,839,615	$10,160,385
• Expected completion late 2012 – forensic study completed, expert witness opinions expected February 2011							
• December 2010, SBHE approval to proceed with plans to expand the original scope and timeline of the project to include:							
• the collapsed portion of the building							
• redesign of the original north addition; eliminate the basement and move the mechanical room to a new fifth floor location							
• authorize NDSU to use general funding available from the original project to fund expenses related to the collapse							
• combine phases 1, 2 and 3 and expenses incidentally related to the collapse for reporting and auditing purposes							
• authorize NDSU to seek legislative authorization and funding, subject to consultation with the president of the state board and the chancellor							
• Total project authorization is $18 million, consisting of $17,156,856 general funds and $843,144 other funds.							
Niskanen Apartment Complex			20,000,000		20,000,000	13,693,033	6,306,967
• Building occupied fall 2010, punch list items remain, parking lot being evaluated							
West Dining/Auxiliary Services Renovation		1,000,000	6,000,000		7,000,000	4,699,864	2,300,136
• Expected completion December 2011							
Student Health Expansion		1,100,000			1,100,000	865,558	234,442
• Expected completion January 2011							
Sanford Health Athletic Complex (Bison Sports Arena)		25,500,000			25,500,000	2,571,079	22,928,921
• Architect design phase, strength and condition equipment purchased, fundraising ongoing							
Ellig Softball Field		4,500,000			4,500,000	-	4,500,000
• No progress at this time							
Total 2009-11 Authorization	**$13,000,000**	**$32,100,000**	**$26,000,000**		**$71,100,000**	**$24,669,149**	**$46,430,851**

CAPITAL ASSETS CARRYOVER 2007-09

	TOTAL CARRYOVER	EXPENDITURES AS OF 12/31/10	REMAINING AUTHORITY
Minard Hall	$3,540,559.00	$2,186,718.00	$1,353,841.00
• See above for status			
Base Extraordinary Repairs Funding	228,732.00	227,732.00	1,000.00
• Projects completed include mechanical and electrical upgrades, card access upgrades, Family Life Center foundation work			
• Remaining carryover will be spent by 6/30/2011			
One-time Deferred Maintenance Funding	119,924.21	118,324.21	1,600.00
• Projects completed include Bentson Bunker Fieldhouse bleachers, misc. classroom modifications			
• Remaining carryover will be spent by 6/30/2011			
Total Authorization	**$3,889,215.21**	**$2,532,774.21**	**$1,356,441.00**

AGENCY UPDATE ON 2009-11 ONE-TIME DEFERRED MAINTENANCE FUNDING

DEFERRED MAINTENANCE ONE-TIME FUNDING ALLOCATION: $5,355,817

	EXPENDITURES AS OF 12/31/2010	ENCUMBERED BALANCE	2009/11 ALLOCATION
Building Exterior	1,133,574	609,069	1,742,643
Mechanical/Electrical upgrades	274,368	423,230	697,598
Interior Finishes	691,132	424,444	1,115,576
Paving & Area Lighting	457,236	142,764	600,000
Utilities/Infrastructure	1,155,022	44,978	1,200,000
Misc. Small Projects	-	-	-
	3,711,332	1,644,485	5,355,817

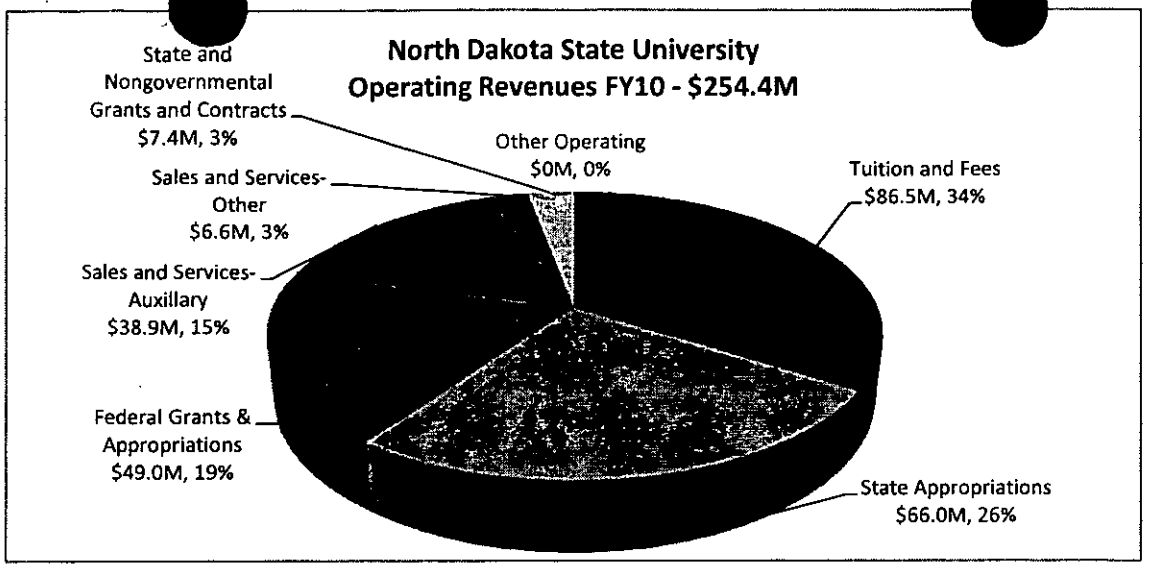
PROJECTS COMPLETED AS OF 12/31/2010:

Heating Plant Control System upgrades
Water/Sewer Line Repairs and Replacements
HVAC/Electrical Upgrades-Alba Bales, Loftsgard, Old Main
Chiller Repairs-Various Bldgs
Roof Repairs/Replacements-Library, Van Es, Putnam, Industrial Agriculture and Communications Center and Misc. Roof Repairs
Campus Walkway Lighting upgrades
Remodel/Renovation Projects-Morrill 2nd and 3rd floors, Old Main 101-102, Van Es, Ceres 302 and 404
Sidewalk repair/replacements
Heating Plant Emergency Generator Installation
Singlemode Fiber Optic upgrades
Bentson Bunker Fieldhouse Bleacher Replacement and Step Replacement
Window Replacements-Old Main
Tuckpointing-Old Main
Equine Science Center-Code Compliance upgrades
Music Bldg-entrance repairs
Engineering Quonset Demolition

PROJECTS TO BE COMPLETED BY 6/30/2011:

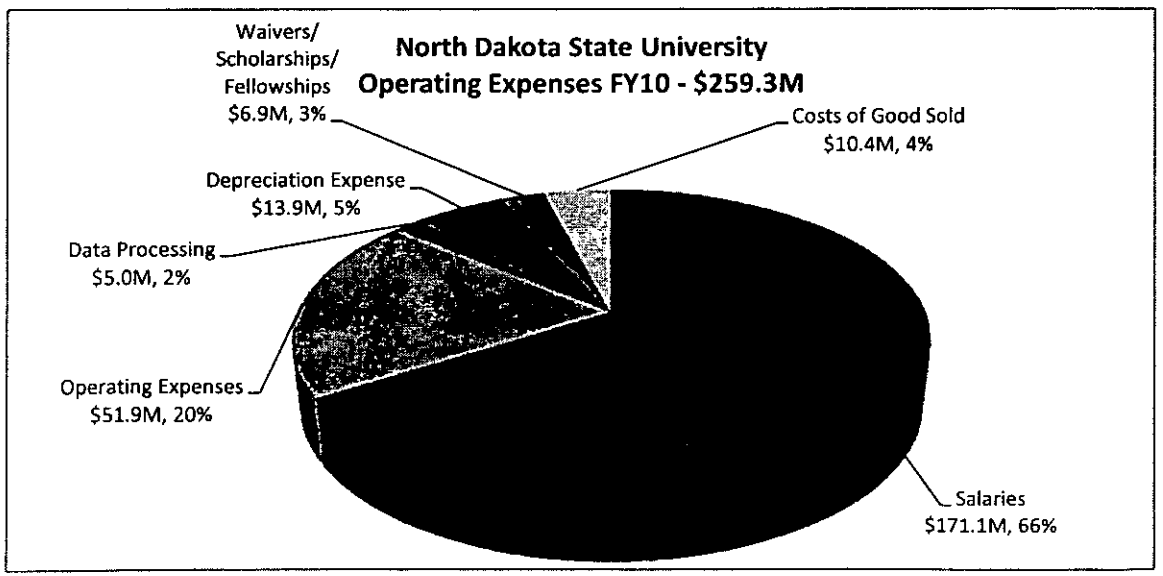
Music Bldg Bathroom renovations
Heating Plant Car Hoe Replacement
Performance Contracting
Roof Replacements (Bldgs TBD)
HVAC upgrades-various bldgs

HB 1023 - NDSU
attachment #2
1/19/11



Operating Revenues do not include nonoperating revenues (gains/losses on capital assets, endowment/investment income, interest, insurance proceeds, tax revenues, capital grants and gifts). Although state appropriations and federal grants, contracts and appropriations are classified as "nonoperating revenue" for financial statement purposes (per GASB), they are included in "operating revenue" for this presentation because the revenue from these sources fund operating expenses.

Source: FY2010 NDUS audited financial statements



The above information represents NDSU, excluding the Agricultural Experiment Station & Research Centers, Extension Service, ND Forest Service, Upper Great Plains Transportation Institute, Northern Crops Institute.

Source: FY2010 NDUS audited financial statements

Department 215 - North Dakota University System Office
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	23.30	$100,171,450	$3,754,718	$103,926,168
2009-11 Legislative Appropriations	23.30[1]	86,508,682	4,748,958	91,257,640[2]
Increase (Decrease)	0.00	$13,662,768	($994,240)	$12,668,528

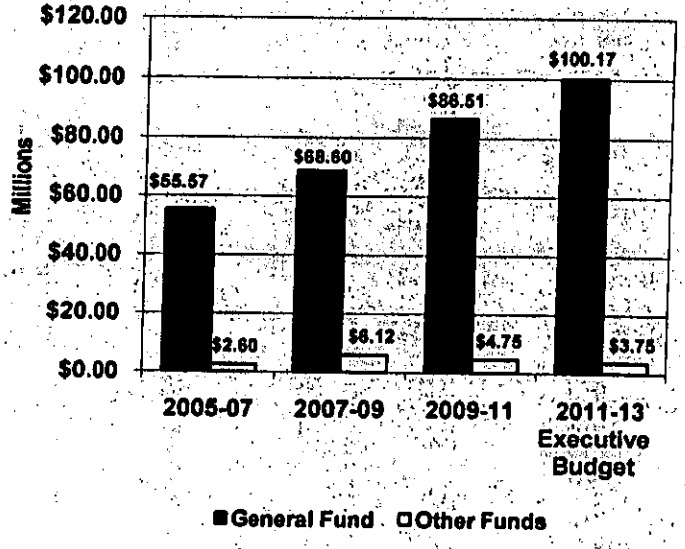
[1]The number of FTE positions for the 2009-11 biennium has been adjusted by 2.00, from 21.30 to 23.30, pursuant to Section 20 of Senate Bill No. 2003 (2009) which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

[2]The 2009-11 appropriation amounts have been reduced for the following funding allocations made to institutions:

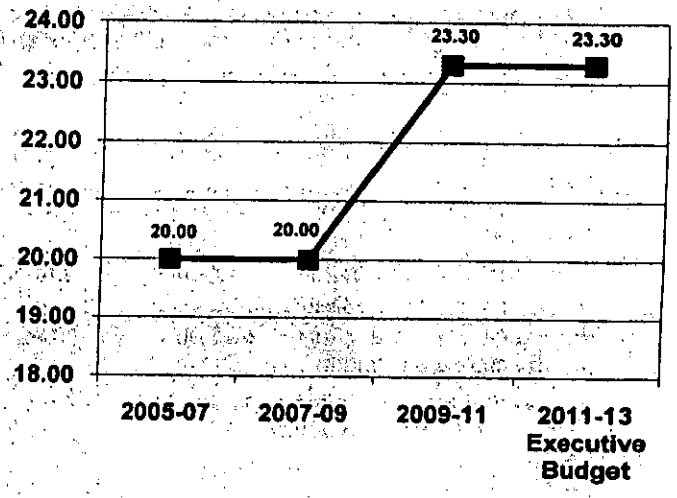
$750,000 security and emergency preparedness funding pool appropriated to the University System office.

$1.5 million science, technology, engineering, and mathematics (STEM) education funding pool appropriated to the University System office.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	$100,015,450	$156,000	$100,171,450
2009-11 Legislative Appropriations	86,508,682	0	86,508,682
Increase (Decrease)	$13,506,768	$156,000	$13,662,768

Executive Budget Highlights

	General Fund	Other Funds	Total
System governance and systemwide initiatives			
1. Increases funding for University System office operations by $651,664 from the 2009-11 adjusted appropriation of $7,002,470, of which $6,726,360 is from the general fund, to $7,654,134, of which $7,365,438 is from the general fund, for:			
Costs to continue fiscal year 2011 salary increases	$103,072	$1,634	$104,706
3 percent per year salary increases	196,597	9,928	206,525
Health insurance premium increases	31,163	1,024	32,187
Employee retirement contributions	31,384		31,384
Increased funding to replace carryover funding used during the 2009-11 biennium	276,862		276,862
Total	$639,078	$12,586	$651,664

2. Increases funding for capital bond payments and adjusts payment funding sources to provide for total payments of $12,254,769, of which $11,837,519 is from the general fund	$540,721	($300,000)	$240,721
3. Provides funding to be distributed to campuses based on student completion rates	$5,000,000		$5,000,000
4. Provides a funding pool to address needs at campuses relating to new or expanding academic programs	$1,000,000		$1,000,000
5. Replaces a portion of funding from the student loan trust fund for ConnectND positions and professional student exchange programs	$1,100,000	($1,100,000)	$0
6. Reduces funding for professional liability insurance to provide total funding of $800,000	($300,000)		($300,000)
7. Increases funding from the permanent oil tax trust fund for grants to tribally controlled community colleges to provide a total of $1 million in grant funding		$300,000	$300,000
Student financial assistance programs			
1. Removes funding provided from the general fund for the career and technical education scholarship program and the academic scholarship program. The executive recommendation provides the program with a continuing appropriation from the lands and minerals trust fund. Total program funding required for the 2011-13 biennium is estimated to be $10 million.	($3,000,000)		($3,000,000)
2. Increases funding for the Native American scholarship program to provide total funding of $575,442. This will allow the program scholarship amounts to be increased from $800 to $1,200 based on 240 scholarships, which is the current number of scholarships awarded.	$192,975		$192,975
3. Replaces carryover funding used during the 2009-11 biennium for the state grant program	$553,546		$553,546
4. Replaces carryover funding used during the 2009-11 biennium for the scholars program	$343,242		$343,242
5. Replaces carryover funding used during the 2009-11 biennium for education incentive programs	$89,650		$89,650
Competitive research			
1. Increases funding for the competitive research program to provide total funding of $8.7 million	$1,650,000		$1,650,000
System information technology services			
1. Increases funding for system information technology services by $5,492,114 from the 2009-11 adjusted appropriation of $30,569,885, of which $29,540,054 is from the general fund, to $36,061,999, of which $35,522,562 is from the general fund, for:			
Parity costs of $1,358,345 for costs to continue fiscal year 2011 salary increases ($412,941), for 3 percent per year salary increases ($780,312), and for health insurance premium increases ($165,092)	$1,249,508	$108,837	$1,358,345
Technology maintenance funding of $3,527,000 for the Northern Tier Network ($1,870,000); the University System share of the state data network upgrade ($1,006,000); and the University System share of ConnectND cost increases for disk and processor capacity ($651,000)	3,527,000		3,527,000
ConnectND database upgrades	616,000		616,000
Reduced special funds carryover		(9,231)	(9,231)
Replaces funding from the student loan trust fund for ConnectND positions	590,000	(590,000)	$0
Total	$5,982,508	($490,394)	$5,492,114
Student Mental Health Services			
1. Provides ongoing funding for a Student Mental Health Services Initiative (A total of $715,140 of ongoing funding was provided to the University System office and campuses for the Student Mental Health Services Initiative.)	$12,000		$12,000

2. Provides **one-time funding** for program planning and training related to the Student Mental Health Services Initiative	$156,000	$156,000

Other Sections in Bill

Permanent oil tax trust fund - Section 3 provides that $2.32 million of the special funds appropriated in the bill is from the permanent oil tax trust fund to be used for the science laboratory project ($1.32 million) and campus branding project ($1 million) at Williston State College. Section 11 provides that $1 million of the special funds appropriated in the bill are from the permanent oil tax trust fund for grants to tribally controlled community colleges.

Student loan trust fund - Section 6 provides that $1,004,744 of the special funds appropriated in the bill are from the student loan trust fund to be used for the professional student exchange program ($465,307) and for ConnectND positions ($539,437).

Federal, private, and other funds - Section 7 provides an appropriation through June 30, 2013, for federal, private, and other funds that are received by institutions under the control of the State Board of Higher Education. The section also provides an appropriation through June 30, 2013, for funds received under the North Dakota-Minnesota reciprocity agreement.

Transfer authority - Section 8 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 9 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Bond issue authorization - Section 12 authorizes the State Board of Higher Education to arrange for $38.5 million of revenue bonds for capital projects at Bismarck State College, the University of North Dakota, the State College of Science, and Minot State University.

Continuing Appropriations

Special revenue funds - North Dakota Century Code Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2011. House Bill No. 1035 (2011) would continue the continuing appropriation authority through June 30, 2013. See **Major Related Legislation** for more information.

Major Related Legislation

House Bill No. 1033 - University System budget request and appropriation - Continues the requirement that the budget request for the 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 an asset funding component through July 31, 2013.

House Bill No. 1034 - University System unspent general fund appropriations - Provides for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations through July 31, 2013.

House Bill No. 1035 - University System special funds continuing appropriation - Extends the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2013.

House Bill No. 1036 - Developmental education study - Directs the Legislative Management to study ways to alleviate developmental education, efforts to reduce developmental education, and the origin of students needing developmental education.

House Bill No. 1106 - Continuing eligibility for scholarship awards - Allows the State Board of Higher Education to implement policies regarding the continued eligibility of recipients and the payment of scholarship funds to students receiving a career and technical education scholarship or an academic scholarship.

House Bill No. 1119 - Student liability coverage for state vehicles - Allows higher education institutions to receive liability coverage from the risk management fund for students operating a state vehicle as part of an education program.

House Bill No. 1128 - Private postsecondary institutions - Creates a commission to regulate private postsecondary institutions and provides for the University System to provide staff services for the commission.

House Bill No. 1129 - Private postsecondary institutions - Requires the State Board of Higher Education to regulate private postsecondary institutions that offer degrees at an associate degree level or higher.

House Bill No. 1213 - Staff senate adviser to the State Board of Higher Education - Allows the University System staff senate to appoint an individual to serve as an adviser to the State Board of Higher Education.

House Bill No. 1301 - Tuition increases prohibited - Prohibits the State Board of Higher Education from increasing student tuition rates during the 2011-13 biennium and provides a $26.5 million general fund appropriation to the University System to offset the fiscal impact of prohibiting a tuition increase.

House Bill No. 1363 - Tribal college assistance grants - Appropriates $1.2 million from the permanent oil tax trust fund to the University System to provide grants to tribally controlled community colleges.

House Bill No. 1369 - University System reporting requirements - Provides for additional reporting requirements as part of the University System strategic report required under Section 15-10-14.2.

House Bill No. 1385 - Mature students - Allows residents of the state who are at least 55 years of age to attend a course offered at a University System institution without paying tuition or fees.

House Bill No. 1411 - University System budget request and appropriations format - Requires the University System budget request and appropriations to be based on separate calculations for research institutions, baccalaureate institutions, and two-year institutions.

House Bill No. 1445 - State support for nonresident students - Requires higher education institutions to return funding from the general fund received for operations in an amount based on the percentage of nonresident students attending the institution.

House Bill No. 1470 - Authority to establish tuition rates - Provides that tuition rates at higher education institutions must be established by the Legislative Assembly.

Senate Bill No. 2065 - Reimbursement of meal expenses - Provides that meal expenses for athletic teams or other groups may be reimbursed on a group travel expenses report.

Senate Bill No. 2092 - Easements on state-owned land - Allows an institution president to provide an easement on state land under the control of the institution.

Senate Bill No. 2150 - Career and technical education scholarships and academic scholarships - Changes the eligibility requirements for the career and technical education scholarship program and the academic scholarship program. The bill also provides a continuing appropriation from the lands and minerals trust fund for the scholarship program.

HB 1003
ND College of Science
1/20/11
Attachment #1

NDSCS
THE SCIENCE OF SUCCESS
North Dakota State College of Science

62ND LEGISLATIVE ASSEMBLY

House Appropriations Committee – Education and Environment Division

Bob Skarphol, Chairman
Kathy Hawken, Vice Chairman
Mark A. Dosch
Bob Martinson
David Monson
Clark Williams

House Bill 1003

January 20, 2011

Dr. John Richman, President

NDSCS
THE SCIENCE OF SUCCESS

QUICK FACTS

Priority

To attract, retain, educate, train, graduate, and, place a workforce that will help grow North Dakota's economy.

Enrollment

25 year high and growing – 2833 headcount
71% from North Dakota
51 of 52 North Dakota counties represented within the last two years
1700 on campus and growing

Retention Rate

80%, national average is 55.7%

National Examinations by Students

Exceed national norms in most programs

Student Satisfaction Rate

86% indicated if they had to do it over they would enroll at NDSCS again

Graduation Rate

42%, national average is 28%

Alumni Satisfaction Rate

95% rated NDSCS good to excellent
100% indicated they would recommend NDSCS

Graduates

71 % of the 2010 graduates were employed in North Dakota
249 new employees for North Dakota
Highest wage earner taking employment in North Dakota earns over $68,000

Placement Rate

98%
22 of 28 programs at 100%
44 of 52 North Dakota counties represented within the last two years
3.6 jobs per graduate

Business/Industry Employer Satisfaction Rate

99% indicated they were satisfied with training provided

NDSCS Employee Satisfaction Rate

89% indicated they were satisfied or very satisfied with their employment

BUDGET IMPLICATIONS
EFFICIENCIES/OPERATIONAL CHANGES

Business/Industry Partnerships

Contributions exceed $8.7 million
New partnerships being developed

Reallocation and/or Reduction of Staff

09-11 biennium
- 15.5 positions
- $2.6 million, 3% of budget

Collaboration

With NDSU to provide IT services
CTEC
TrainND

Curriculum Initiatives

Developing new, updating current, discontinuing obsolete programs

Paperless

Transitioning to paperless - over 71,000 paperless documents have been processed

NDSCS - Fargo

Offering additional two-year public programs in Fargo - West Fargo, a high population center - will "enhance the state's education and training ability to meet business and workforce needs of the future," as outlined in a North Dakota Department of Commerce Economic Development strategic goal.

Senior Living Center – Lutheran Social Services

Enhance educational opportunities for students
Assist the city of Wahpeton in meeting an identified housing shortage
Fiscal benefits for NDSCS

Marketing

Two year college statewide awareness campaign – **thank you**
NDSCS marketing initiatives
- New website
- Social media enhancements
- Branding our image

BUDGET CHALLENGES

CTE Programming requires greater investment when compared to liberal arts/transfer programs

Specialized equipment
Dedicated facilities
Faculty to student required ratios
Competing for faculty with business/industry
Instructional technology

Campus size

Third largest in North Dakota University System
Fifth largest in enrollment

Affordability

We must search, identify and secure additional business/industry partnerships and alternative funding beyond state appropriations and student tuition

Accessibility

Instructional Technology – the use of instructional technology will allow us to create a mobile learning environment as we engage the learner with more effective and efficient teaching methods.
Career Awareness – mini, learning sessions that we travel to or bring to campus students, parents, K-12 teachers, counselors and administrators to raise the awareness of the viable careers available in North Dakota and the education path needed to reach those careers.
Stackable Certificates – repackage our current curriculum such that course length is shorter and courses are packaged such that when completed the student obtains a degree.
Cass County Career and Technical Education Center - this will increase the exposure and awareness of opportunities in CTE programs to students and parents. Coupled with postsecondary will create a seamless career path from high school to college to career.
On- Campus Enrollment Growth – NDSCS has unmet capacity in our residential halls and academic programs that align with North Dakota's current workforce shortages. We currently have available space for 400 additional students who upon graduation would find viable careers in North Dakota.
New Programs – develop new or expand current academic programs that align with targeted industries in North Dakota.
Facilities – build or renovate facilities that create a safe, clean, healthy, green, world-class educational environment.

APPROPRIATED BUDGETS

North Dakota State College of Science

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	8,955,875	1,119,068	77,000		10,151,943
Institutional Support	2,556,496	2,092,960	10,000		4,659,456
Student Services	919,853	204,100			1,123,953
Academic Support	1,235,407	224,411			1,459,818
Physical Plant	2,652,354	2,103,320			4,755,674
Total Appropriation (GF and tuition) for FY10	16,319,985	5,743,859	87,000		22,150,844
Actual Expenditures to Date, thru 6/30/2010	16,231,791	4,714,389	218,252		21,164,432
Remaining FY10 Balance	88,194	1,029,470	(131,252)		986,412

Comparison of FY2011 Budget to Actual through (most recent date available)	FY2011 Operating Budget				
FY2011 General Appropriation & Tuition Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Instruction	9,300,449	1,004,571	150,462		10,455,48
Institutional Support	2,923,525	1,807,490	3,250		4,734,265
Student Services	1,027,252	207,700	-		1,234,952
Academic Support	1,276,244	247,766	-		1,524,010
Physical Plant	2,789,162	2,024,095	160,000		4,973,257
Total Appropriation (GF and tuition) for FY11	17,316,692	5,291,622	313,712		22,921,966
Actual Expenditures to Date, thru 11/30/2010	6,381,924	1,957,613	265,086		8,604,623
Remaining FY11 Balance	10,934,708	3,334,009	48,626		14,317,343

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				1,034,143	1,034,143
Capital Assets (Line 50)				7,128,332	7,128,332
Capital Assets-Off System (Line 52)				7,136,000	7,136,000
Total Capital Assets (Incl Major Capital Projects)				15,298,475	15,298,475
Actual Expenditures, 7/1/2009-6/30/2010				5,310,575	5,310,575
Remaining 2009-11 Balance as of 6/30/2010				9,987,900	9,987,900
Actual Expenditures 7/1/2010-11/30/2010				1,453,734	1,453,734
Remaining 2009-11 Balance				8,534,166	8,534,166

NON-APPROPRIATED BUDGETS

North Dakota State College of Science

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Non-appropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,302,353	424,997	428,500		2,155,850
Auxiliary Sales and Services	2,333,740	5,733,680	11,000		8,078,420
Other Non-appropriated Funds*	2,690,098	1,576,463	37,500		4,304,061
Total Non-appropriated Budget for FY10	6,326,191	7,735,140	477,000	-	14,538,831
Actual Expenditures thru 6/30/2010	6,615,565	8,564,058	487,927		15,667,552
Remaining FY10 Balance	(289,374)	(828,918)	(10,927)		(1,129,219)

*Examples of other non-appropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Non-appropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	1,394,601	515,716	369,000		2,279,317
Auxiliary Sales and Services	2,106,392	2,703,717	-		4,810,109
Other Non-appropriated Funds	2,655,315	3,272,991	31,000		5,959,306
Total Non-appropriated Budget for FY11	6,156,308	6,492,424	400,000		13,048,732
Actual Expenditures thru 11/30/2010	2,461,214	3,611,880	67,869		6,140,963
Remaining FY11 Balance	3,695,094	2,880,544	332,131		6,907,769
2009-11 Non-appropriated Capital Assets					
Deferred Maintenance 09-11 (Line 54)					-
Capital Assets (Line 50)					-
Capital Assets Carryover (Line 51)					-
Total Capital Assets (Incl Major Capital Projects)					
Actual Expenditures, 7/1/2009-6/30/2010					-
Remaining 2009-11 Balance as of 6/30/2010					
Actual Expenditures 7/1/2010-11/30/2010					-
Remaining 2009-11 Balance as of 11/30/2010					

2009-2011 BIENNIUM DEFERRED MAINTENANCE ONE-TIME FUNDING ($1,034,143)

Building Exterior	$37,824.20
Mechanical/Electrical Upgrades	$508.612.97
Interior Finishes	$0.00
Structural Repairs	$0.00
Paving & Area Lighting	$0.00
Utilities/Infrastructure	$41,174.85
Misc. Small Projects < $50,000	$11,497.78
Special Assessments	$0.00
Total Expended through 11/30/10	**$599,109.80**

CAPITAL PROJECT – GENERAL FUNDS NDSCS HORTON HALL RENOVATION PROJECT

The Legislature provided $5,700,000 state general funds to be used in FY10 and FY11 for the renovation of Horton Hall. In our original documentation we stated that we would pay for furniture and educational equipment above and beyond the cost of renovation. Because of new Board policies NDSCS requested approval from the Budget Section on March 11, 2010 to increase its original appropriation authority from Horton Hall from $5.7 million to $6,375,000, with the additional $675,000 (GF Operating of $350,165 and the balance of $324,835 as an increase in special fund authority) to cover the cost of furniture and equipment.

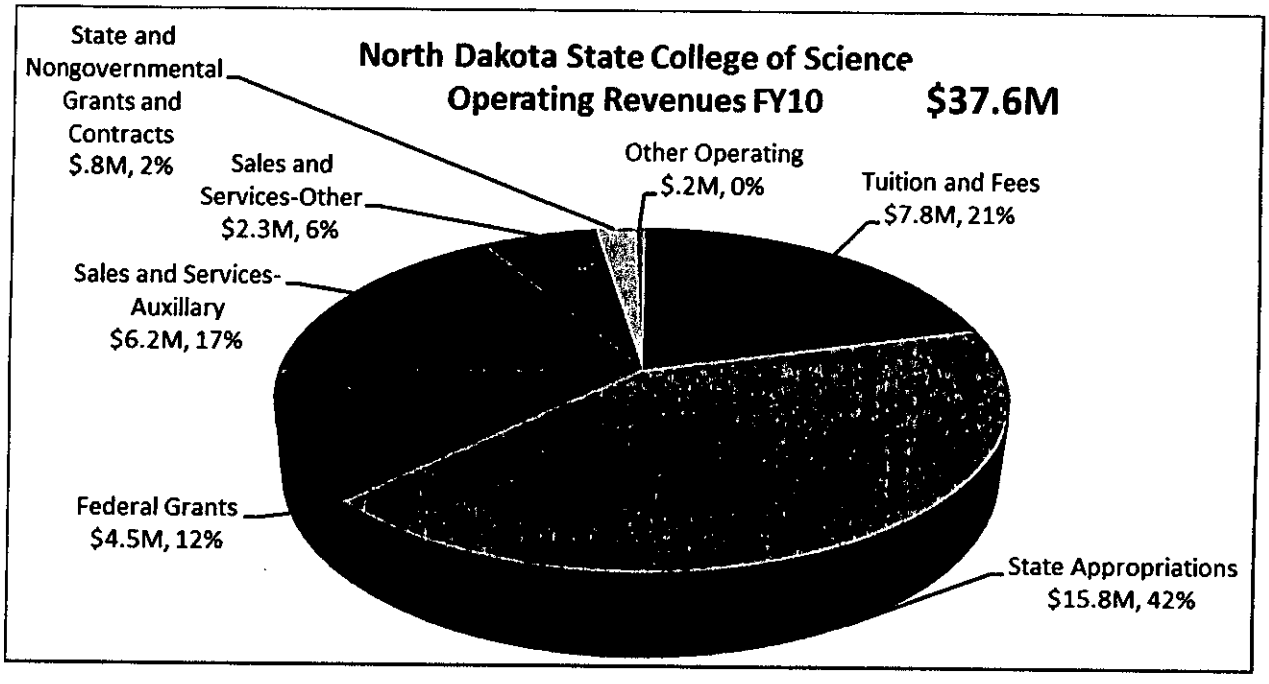
General Construction	$2,123,276
Mechanical Construction	$1,754,436
Electrical Construction	$997,044
Contingency	$375,244
Architect and Engineer Fees	$450,000
General Funds	$5,700,000
Furniture & Equipment (College Funding)	$675,000
Total Adjusted Authorization	$6,375,000
Total Expended Through 11/30/10	$5,962,500
Remaining Authorization	**$412,500**

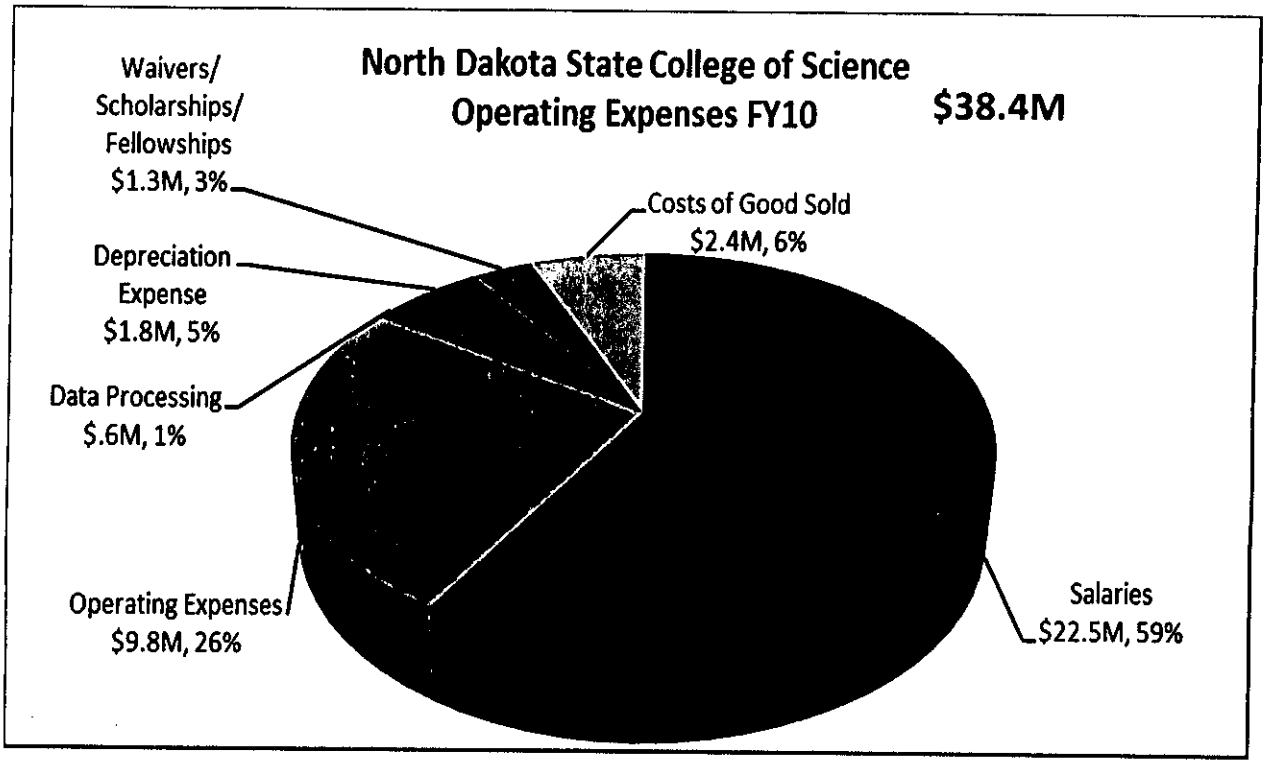
CAPITAL PROJECT – SPECIAL FUNDS NDSCS ROBERTSON HALL RENOVATION & PARKING LOT #4 PROJECTS

The Robertson Hall renovation project requested authority to see $6,000,000 in bonding. After revising the college master plan in FY10, it was decided not to seek bonding for this project and to eliminate this request for the 2009-11 biennium project and not to request an extension of this bonding into the 2011-13 biennium. Parking Lot #4 was also requested for bonding in the amount of $1,136,000. This project was also eliminated from NDSCS projects because future revenue flows would fund the bonding.

Total authorized, but will not be expended **$7,136,000**

FISCAL YEAR 2010 BUDGETS





2011-2013 BIENNIUM
BUDGET OVERVIEW

AA1 Parity: $1,681,812

The student share of parity costs would be funded through tuition rate increases, except as noted in change code AA3. The requested parity increase, totaling **$2,242,416,** includes the state share of the following increased costs for 2011-13, $1,681,812:

$457,315 - Continuation of 2010 -11 legislatively funded salary increase @ 5%.

$872,969 - 2011-13 salary increase at an average of 3% per year.

$238,572 - 2011-13 estimated health insurance increase of 10% per year or $173.39 per month. Total projected premium of $999.05 per month per employee.

$25,957 - Projected utility cost increases, based on recent actual and projected cost increases.

$87,000 – Utilities for new facilities coming on-line in 2011-13

AA2 Equity: $166,667

The Governor's budget request includes a $10 million increase for equity, distributed among the 11 NDUS campuses and SMHS, to address peer differentials. North Dakota State College of Science's portion of the request is $166,667. The LTF Plan requires a minimum of 10% of the total new funding be allocated to equity, after full funding of the state's share of salaries and benefit cost increases in parity. For the 2011-13 budget request, 10% of the equity request is $1 million, and 6 campuses (WSC, NDSCS, MaSU, MiSU, VCSU and DCB) will share in the minimum request of $166,667 each.

AA3 College Affordability: $604,037

The additional state funding would freeze tuition for the 2011-13 biennium, and replace the need for an estimated tuition increase of 3.4% per year to fund the student share of parity. In addition, $43,433 would be needed to fund 100% of the student share of retirement contribution increases included in budget change code AA7. Total affordability request is $604,037.

NOTE: The ability to cap tuition rate increases, as outlined above, is contingent upon the following budget assumptions: 1.) parity costs are fully funded; 2.) campus does not experience significant enrollment decline; and 3.) other budget components requested are funded (e.g. technology infrastructure and maintenance, etc.) so cost increases need not be absorbed within the current resource base.

AA4 Base Plus Increase for Extraordinary Repairs: $1,012,379

North Dakota State College of Science's portion of the request is $753,332 for base funding currently received in 2009-11, and $259,047 for the increase in base funding for extraordinary repairs for 2011-13.

Current deferred maintenance amount = $4,806,331

AA7 Employee Retire Contribution Increase: $130,300

Consistent with PERS proposal, this would increase Defined Benefit and Contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee.

North Dakota State College of Science's portion of the request is $130,300. This is the state portion only, and $43,433 is also included in the affordability request in budget change code AA3 for the student portion...100% of the student portion at NDSCS.

AD1 Special Assessments: $125,851

Funding to pay off outstanding special assessments (totaling $125,851) at North Dakota State College of Science, resulting in $31,082 estimated savings in interest costs.

We currently are paying special assessments out of our extraordinary repair budget. If we were to receive the funding to pay off special assessments we would use that saving to fund needed facilities and infrastructure repairs.

Anticipated future city of Wahpeton special assessment projects: street and sewer projects $21,000 fiscal year 2011; $1 million between fiscal years 2013 – 2016.

Utilities for new facilities coming on-line in 2011-13 - $116,000

STTC (Skills and Training Technology Center) - Fargo, ND

NDSCS took over operation (leasing) of the STTC in February 2001.

When NDSCS began operating the STTC, there were various organizations renting space from the college. The space outside agencies have occupied has been reallocated in recent years. Most recently, NDSCS in an attempt to meet the workforce needs of the Fargo and West Fargo area have expanded programming in the areas of Welding, Nursing, Liberal Arts and Nanoscience. In addition, the Pathway Program was created and operates within the STTC in partnership with NDSU. NDSCS now academically and administratively occupies more than 75% of the building.

The lease payments do not include utilities and have been the responsibility of NDSCS.

The gross square footage of the building is 65,000.

The last three years the utilities costs have been:

FY07 - $96,613
FY08 - $107,598
FY09 - $111,573

Small to medium capital project: $250,000

Renovate Student Center elevator

Additional Considerations

HB1019 CTE appropriation bill-

Includes $3 million for workforce training, TrainND has operations at BSC, LRSC, NDSCS, WSC. NDSCS requests your support.

HB1018 and SB2057, DOC appropriation bill-

Includes $2 million for Workforce Centers of Excellence Grants BSC, LRSC, NDSCS and WSC could apply for funding. NDSCS requests your support.

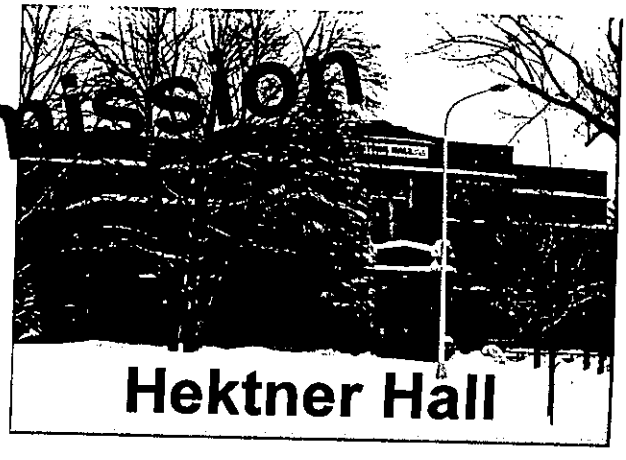
Governor's Budget –

NDSCS supports, and for the first time in many sessions, would have a balanced projected biennium budget, provided that we have a 2% enrollment growth each year. The budget addresses student affordability, faculty and staff salaries and benefits, and tremendous capital improvements for NDSCS. For new programs or significant improvements in teaching and learning, NDSCS will need to reallocate the resources necessary to invest in the future.

CAPITAL PROJECTS







State funded –

Old Main

This project has three key components that will be addressed. First, all of the safety, health and code violations that have increased our deferred maintenance will be addressed and removed with the renovation of Old Main. Second, with decommission and removal of Hektner Hall, all deferred maintenance will be taken off the books. Lastly, the safety concerns with Burch Hall will be removed with decommission and removal of that building. Many maintenance items have not been listed on previous Master Plans due to the fact that code officials have stated if we fix those particular violations it would trigger bringing the building code up-to date.

Project Costs

NDSCS received approval from OMB for pre-planning funds in December 2009 for the proposed renovation of Old Main.

Cost to renovate Old Main (Includes renovation costs, FF&E, minimal landscaping, architectural fees, etc.)	$ 7,343,800
Payback pre-design fees to OMB	$ 55,000
Decommission and removal of Hektner Hall (Includes all environmental issues)	$ 337,500
Decommission and removal of Burch Hall (Includes all environmental issues)	$ 443,700
Total funding requested	**$ 8,180,000**

Non-state funded projects -

Forkner Hall, Residence Hall	$ 5,000,000
Schulz Hall, Residence Hall	$ 4,000,000

INSTITUTIONAL PRIORITIES

NDSCS Priorities Presented to NDUS/SBHE		NDUS/SBHE	Executive Plan
Affordability – freeze tuition at two year colleges		✓	✓
Salaries/Health Insurance/Retirement		✓	✓
Old Main renovation capital project		✓	✓
Additional utilities for Skills and Technology Training Center		✓	✓
Special assessments payment		✓	✓
Liberal Arts/Transfer Programming – Fargo		New Program Pool $3,000,000	$1,000,000
Small to medium capital projects Student Center elevator Haverty Hall elevator Riley Hall elevator Main oval water/sewer Clair T. Blikre Activities Center exterior panels Partial tuckpointing of various buildings Harry Stern and Ella Stern Cultural Center lights	 $250,000 $250,000 $475,000 $490,000 $500,000 $275,000 $195,000	✓	
Information Technology	$800,000	IT Pool $4,300,000	
Adult Learning	$210,000	Adult Learner Pool $300,000	
Emergency Preparedness Tornado siren Keyless entry	 $25,000 $38,000	Emergency Preparedness Pool $2,000,000	
Client Relationship Management (CRM) database currently being partially funded at $10,000 by NDUS IT	$300,000		
Instructional Technology	$1,100,000		
Institutional data research positions	$336,000		
Increasing accessibility leadership positions	$1,900,000		
Bisek (Diesel) expansion capital project	$10,500,000		

House Appropriations Committee – Education and Environment Division
Discussion Points

Uniqueness of student body

- State-wide enrollment and placement 70%
- Changing – 25% non-degree seeking

Uniqueness of efforts to focus on mission

- Costs of CTE programs
- Partnerships
- Instructional Technology
- Campus utilization
- On-campus enrollment growth

Potential of student attendance in the absence of your institution?

Out-of-state

- MSCTC – Moorhead, MN
- SETC – Watertown, SD
- Alexandria TCC, Alexandria, MN

Does the size or location of your institution play a large role in the success of your institution?

Affordability, accessibility and accountability determine success - not size or location.

Future mission change and needed flexibility or resources to make it happen.

No future mission change at this time

Needed flexibility – currently have the necessary flexibility

Needed resources – yes

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Document #1
OMB-Tammy Dahm
1/20/11

The State Facility Energy Improvement Program (**NDCC 54-44.5-08**) allows facilities to perform energy conservation projects with funding provided by appropriated funds or bonds. If the project is funded through the bonding mechanism, the agency would be required to pay back project costs from the savings generated by the energy improvements. The energy conservation projects are identified from comprehensive energy audits. The Department of Commerce will provide matching funds (maximum of $50,000) for the cost of the energy audit.

State Facility Energy Improvement Program

Institution/Facility	Project Size	Annual Savings
State Penitentiary	$ 73,040	$ 14,786
State Office Building	$ 27,710	$ 3,666
North Dakota State University	$ 296,348	$ 42,350
University of North Dakota	$ 3,990,785	$ 640,133
Missouri River Correctional Center	$ 105,326	$ 14,063
North Dakota State University	$ 1,183,347	$ 166,729
University of North Dakota	$ 1,951,213	$ 278,334
University of North Dakota	$ 2,331,554	$ 332,858
Total	**$ 10,009,323**	**$ 1,492,919**

In performance contracting, the state agency or institution solicits assistance from an energy services company (ESCO) through the RFP process. This ESCO performs a detailed energy audit on the facility and then, in conjunction with the agency or institution facility management, develops a list of potential energy saving projects. According to the Century Code, these projects must have a payback of less than fifteen years (**NDCC 48-05-11**). ESCO then does the necessary work (or contracts it out), arranges appropriate low interest financing, and essentially delivers a turn-key project to the state. The truly unique aspect to this program is that the ESCO guarantees that the savings will occur or they make up the difference out of their own pocket.

Guaranteed Energy Savings Contracts (Performance Contracting)

Institution/Facility	Project Size	Annual Savings
North Dakota State College of Science	$ 1,995,395	$ 248,222
Mayville State University	$ 1,312,024	$ 150,000
Valley City State University	$ 1,915,688	$ 138,558
Bismarck State College	$ 1,492,000	$ 185,832
Dickinson State University	$ 1,960,000	$ 230,000
Minot State University	$ 1,250,000	$ 130,000
Minot State University - Bottineau	$ 375,000	$ 45,000
North Dakota State Hospital	$ 1,260,000	$ 148,000
North Dakota Developmental Center	$ 1,460,000	$ 170,000
James River Correctional Center	$ 450,000	$ 57,000
Department of Transportation	$ 3,182,426	$ 241,084
Facility Management	$ 4,667,338	$ 323,428
Lake Region State College	$ 1,007,726	$ 141,800
Total	**$ 22,327,597**	**$ 2,208,924**

Document #2
OMB-Tammy Dolan
1/20/11

Summary of Energy Efficiency and Renewable Energy Grant with state facilities

Application Agency	Energy Efficiency Requested Amount	Renewable Energy Requested Amount	Payback (yr.)
Williston State College	$162,771.00		4.66
Mayville State University	$76,500.00		8
North Dakota State College of Science	$243,000.00		6.4
North Dakota Youth Correctional Center	$308,124.86		7.5
North Dakota State University	$1,000,000.00		6.96
Valley City State University	$65,400.00		9.78
Minot State University		$2,000,000.00	1.8
North Dakota Facility Management	$129,602.51		5.1
North Dakota State Hospital	$296,534.00		8.05
University of North Dakota	$1,000,000.00		4.96
Total	$3,281,932.37	$2,000,000.00	
Grand Total Obligated	$5,281,932.37		
Second Grant Round Amount	$4,738,557.00		

The ARRA Energy Efficiency Improvement Program and Renewable Energy Program are grant programs for energy conservation projects and renewable energy activates. These grants are for a large array of activities that show a ten year payback.

University of North Dakota - $1,000,000

- Building heating and ventilation CO2 Control and demand ventilation.
- Steam Plant variable frequency drive motor control.
- Lighting efficiency upgrades.
- Range hood optimization.
- Exhaust modifications and demand control ventilation.

North Dakota State Hospital - $296,534

- Steam trap repair and replacements
- Hot water piping insulation.
- Building envelope air infiltration upgrades.
- Plumbing fixture upgrades.

North Dakota State Capital - $129,602.51

- Lighting efficiency and control upgrades.
- Variable frequency drive added to heat pump system and chilled water loop.

Minot State University - $2,000,000

- Ground source heat pump for Swain Hall, the Dome, and G.B. Olson Library.

Valley City State University - $65,400

- Lighting efficiency and control upgrades.
- Air destratification of gymnasium.

North Dakota State University - $1,000,000

- Plumbing fixture upgrades.
- Variable speed drive installations on fan systems.

North Dakota Youth Correctional Center - $308,124.86

- Temperature control and energy management system
- Variable speed drive installations on fan and pump systems.
- Lighting efficiency and control upgrades.
- Steam trap repair and replacements
- Hot water piping insulation.
- Plumbing fixture upgrades.
- Building envelope air infiltration upgrades.

North Dakota State College of Science - $243,000

- Lighting efficiency upgrades.
- Motor replacement.

Mayville State University - $76,500

- Building envelope air infiltration upgrades.

Williston State College - $162,771

- Lighting efficiency upgrades.
- Domestic hot water heating upgrades.

HB 1003
January 24, 2011
Attachment 1

UND THE UNIVERSITY OF NORTH DAKOTA

Appropriated Funds Overview

	Budget	Expenses				
Budgeted & Actual Expenses (by function)	**Total**	**Total**	**Personnel**	**Operating**	**Equipment**	**Capital Assets**
UND Appropriation Operating Expenses (OMB Dept 230)						
General Academic Instruction	$ 73,653,660	$ 73,445,281	$ 69,232,365	$ 3,923,693	$ 289,202	
Community Service	$ 115,430	$ 112,645	$ 74,001	$ 38,645		
Institutional Research	$ 85,472	$ 78,133	$ 72,706	$ 5,427		
Academic Libraries	$ 5,604,219	$ 5,602,836	$ 3,035,855	$ 2,566,981		
Academic Administration	$ 7,958,056	$ 7,637,011	$ 6,487,649	$ 1,145,262	$ 4,100	
Student Services	$ 6,790,436	$ 6,698,149	$ 5,936,722	$ 756,427	$ 5,000	
General Administration	$ 10,896,849	$ 10,592,772	$ 5,546,261	$ 4,900,545	$ 145,966	
Information Technology - Institutional Support	$ 3,041,272	$ 4,064,333	$ 1,620,207	$ 2,370,245	$ 73,882	
Physical Plant	$ 18,140,973	$ 18,062,717	$ 6,046,014	$ 11,960,069	$ 56,633	
Other Support Services	$ 3,342,604	$ 3,335,115	$ 2,810,542	$ 501,131	$ 23,442	
Plant Improvements	$ 482,387	$ 482,387				$ 482,387
Scholarships and Fellowships	$ 500	$ 500		$ 500		
SUBTOTAL - UND Operating Expenses	**$ 130,111,859**	**$ 130,111,858**	**$ 100,862,321**	**$ 28,168,925**	**$ 598,225**	**$ 482,387**
System Information Technology Services (SITS)						
Information Technology - Institutional Support	**$ 1,966,265**	**$ 1,966,265**	**$ 1,653,265**	**$ 183,687**	**$ 129,313**	
UND Capital Improvements						
Capital Improvements/Extraordinary Repairs	$ 2,189,058	$ 2,189,058				$ 2,189,058
1997 Flood Expenditures	$ 1,231,806	$ 1,231,806		$ 1,231,806		
Deferred Maintenace	$ 1,423,650	$ 1,423,650				$ 1,423,650
Grand Total UND	**$ 136,922,637**	**$ 136,922,637**	**$ 102,515,586**	**$ 29,584,418**	**$ 727,538**	**$ 4,095,095**

	Budget	Expenses				
Budgeted & Actual Expenses (by function)	**Total**	**Total**	**Personnel**	**Operating**	**Equipment**	**Capital Assets**
UND Appropriation Operating Expenses (OMB Dept 230)						
General Academic Instruction	$ 74,333,692	$ 27,625,167	$ 25,915,361	$ 1,650,449	$ 59,356	
Community Service	$ 147,007	$ 70,084	$ 29,143	$ 40,942	$ -	
Institutional Research	$ 150,909	$ 6,600	$ 6,600	$ -		
Academic Libraries	$ 5,299,388	$ 2,202,296	$ 1,216,463	$ 985,833	$ -	
Academic Administration	$ 14,006,755	$ 2,977,660	$ 2,607,654	$ 370,006	$ -	
Information Technology - Academic Support		$ -	$ -	$ -		
Student Services	$ 7,334,956	$ 2,711,128	$ 2,324,558	$ 375,620	$ 10,950	
General Administration	$ 14,046,308	$ 3,164,248	$ 2,037,549	$ 1,126,699	$ -	
Information Technology - Institutional Support	$ 2,219,427	$ 902,231	$ 657,923	$ 193,160	$ 51,147	
Physical Plant	$ 20,343,960	$ 6,568,751	$ 2,426,823	$ 4,141,928	$ -	
Other Support Services	$ 2,899,319	$ 1,264,292	$ 1,185,642	$ 78,650		
Plant Improvements	$ 312,957	$ 142,765	$ -	$ -		$ 142,765
Scholarships and Fellowships	$ 500	$ -	$ -	$ -	$ -	
SUBTOTAL - UND Operating Expenses	**$ 141,095,179**	**$ 47,635,221**	**$ 38,407,716**	**$ 8,963,287**	**$ 121,454**	**$ 142,765**
System Information Technology Services (SITS)						
Information Technology - Institutional Support	**$ 2,201,132**	**$ 801,965**	**$ 692,244**	**$ 109,721**	**$ -**	
UND Capital Improvements						
Capital Improvements/Extraordinary Repairs	$ 7,076,669	$ 916,433	$ -	$ -	$ -	$ 916,433
Deferred Maintenace	$ 5,755,024	$ 624,399				$ 624,399
Grand Total UND	**$ 156,128,005**	**$ 49,978,017**	**$ 39,099,959**	**$ 9,073,008**	**$ 121,454**	**$ 1,683,596**

Note:
1) Above budget figures represent the state fiscal year's budget in the Oracle Commitment Control module. The FY11 Budget is for the entire year.

North Da a University System
NDUS/UND IT Facility Program - Space Comparison
21-Jan-11

Type Space	Included in $17.6M Preplanned Site Budget & 52,500 SF	Included in $14.3M Revised Budget & 39,288 SF	Included in $11.2M Governor's Budget & 19,500 SF (See Note#1 below)	Comments: Square footage are preplanning estimates and may vary during design phase.
Office, Sheetrock Wall	16	16		Floor to ceiling sheetrocked office. Most at 150 SF per office
Office Cubicle - Leads	6	6		120 SF per cubicle
Office Cubicle - Staff	127	99 (See Note#2)		100 SF per cubicle
Data Center Tier II	7,500 SF	7,500 SF	7,500 SF	
Data Center Mech/Elec	2,500 SF	2,500 SF	2,500 SF	
SHARED SPACES				
Conference Rooms	2	0		Seating for 10 with one per floor - 350 SF per conference room
Training Rooms	2	0		Seating for 16 with removable wall between rooms - 900 SF per training room
Team Rooms 1	6	6		Hard walls, seating for 10 - 320 SF per team room
Team Rooms 2	6	6		Hard walls, seating for 4 - 140 SF per team room
Video Conference Room	1	0		Seating for 25 - 600 SF
Media Center	2	2		Area for mail, printers, supplies, etc. One per floor - 150 SF per room
Break Room	1 @ 1,400 SF	1@ 500 SF		1,400 SF reduced to 500 SF. Was to double as conferenc space
Serving Kitchen	1	0		For refrig, microwave, etc out of the way of sit down area - 150 SF
Vending	2	0		One per floor @ 100 SF for staff convenience.
Phone Room	2	0		Private calls for staff with one per floor - 50 SF
Telecom Equipment Storage	1	0		Telecom equipment and wire storage - 400 SF
Data Center Equipment Storage	1	1		Data Center storage in association with Data Center - 600 SF
Desktop Eq Storage/Staging	1	1		Desktop Computing storage/staging - 1,500 SF
Work Rooms - Setup & Configuration	2	0		IVN & Network Services eq configuration/testing prior to being installed. - 300 SF
Loading Dock/Receiving	1	1		300 SF
Custodial Rooms	4	2		One per 15,000 SF in $14.3 budget - 60 SF
Communications Wiring Rooms	2 @ 280 SF ea	1 @ 250 SF		Were 280 SF each reduced to one 250 SF
Restrooms	2 Pair	2 Pair		Code would drive quantity - 360 SF
New Mother's Room	1	0		60 SF
General Storage	3	3		160 SF per room
Mechanical/ Electrical	1	2		240 SF per room, additional one will double as part communications wiring room

Notes:

#1: Governor[redacted]dget includes 19,500 SF of space. 7,500 SF for data center and 2,500 SF f[redacted]a center mechanical/electrical eq. Remaining 9,500 SF space to be dete[redacted]d.

#2: Number[redacted]D indicate reductions from the $17.6M budget.

HB 1003
attachment #2
January 24, 2011

NDUS Office
Comparison of SBHE General Fund Revised Request And Executive Recommendation

	(1) SBHE 2009-11 Prioritized GF Revised Request	(2) Executive Recommendation	(3) Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 88,065,030	$ 88,065,030	$ -
Base Adjustments	-	-	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**88,065,030**	**88,065,030**	**-**
Prioritized SBHE Needs Based Request:			
Capital bond payments increase	540,722	540,721	SITS $1,249,508; NDUS Office $330,832
Parity	2,540,744	1,580,340	(960,404)
Technology Infrastructure pool	4,300,000	-	(4,300,000)
Technology Maintenance	3,527,000	3,527,000	-
Connect ND Database Upgrade	-	616,000	616,000
New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	1,000,000	(2,000,000)
KSU Vet. Med and ConnectND position funding	1,100,000	1,100,000	-
Facilities Project Management	208,000	-	(208,000)
Student Mental Health Services	12,000	12,000	-
EPSCoR	1,650,000	1,650,000	-
Employee Retirement Contributions	31,894	31,384	(510)
Professional Liability Insurance	(300,000)	(300,000)	-
Indian Scholarship Program	192,975	192,975	-
Career Technical Education & Academic Scholarship Program	7,000,000	(3,000,000)	(10,000,000)
Adult Learning	300,000	-	(300,000)
Completion Based Funding	-	5,000,000	5,000,000
Total Requested Increase in GF Base Funding	24,103,335	11,950,420	(12,152,915)
Total Base General Fund Request & Recommendation	**112,168,365**	**100,015,450**	**(12,152,915)**
One-time Budget Requests:			
Mental Health Services	156,000	156,000	-
Comprehensive Career Planning	600,000	-	(600,000)
Technology Infrastructure	3,200,000	-	(3,200,000)
Emergency Preparedness/Security	2,000,000	-	(2,000,000)
Capital/Infrastructure Emergency Contingency Fund	2,500,000	-	(2,500,000)
Total One-time Budget Request & Recommendation	8,456,000	156,000	(8,300,000)
Total 2011-13 General Fund Request & Recommendation	$ 120,624,365	$ 100,171,450	$ (20,452,915)

1/ The 2009-11 $3 million base general funds removed from the Career Technical Education & Academic Scholarship Program. Base funding, plus the requested $7 million increase is funded as a "continuing appropriation" from the Land & Minerals Trust Fund in the 2011-13 Executive Recommendation, rather than as a specific appropriation in the NDUS Office budget.

G:\CATHY\EXCELFIL\BIENNIAL BUDGETS\2011-13\Executive Recommendation\[Exec Recom Compare to Request.xlsx]GF Compar-NDUSOff

Technology Infrastructure Pool

Goals

- Focus on academic applications and services to bring consistency of approach
- Build upon strategic architecture framework to improve efficiency and effectiveness
- Maintain current ConnectD fee.

Criteria

Required: 1.) fit within NDUS IT strategic architecture; 2.) integrate within existing NDUS systems and/or streamline cross-platform capabilities

Priority: 1.) promote collaboration; 2.) easy, reliable learning resources; 3.) support classroom or library

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #7

Technology Maintenance (100% of request funded)

- Northern Tier Network operating costs ($1.87 M)-A higher ed research and educational optical wave network, which helps facilitate local, regional, national and global collaboration.
- State ITD Data Network Upgrade for 18 mo. ($1.006 M)-Campus end-circuit upgrades and Internet I upgrade.
- NDUS portion of ITD disk and processor capacity upgrades for ConnectND ($651,000)

NORTH DAKOTA
UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals

Connect ND Database Upgrade

Request $0

Recommend $616,000

Difference $616,000

OMB proposal to separate OMB and NDUS CND finance and HR database due to size NDUS database continue to be hosted by ITD

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #8

Request $3.0 M

Recommend $1.0 M

Difference ($2.0) M

- **1.1** Percentage of recent ND high school grads enrolled in NDUS.
  - *Current level: 32%*
  - *Target level: 37%*
- **1.2** Percentage of ND's young adult enrolled for credit.
  - *Current level: 4%*
  - *Target level: 6%*
- **1.3** Percentage of ND's total population enrolled for credit.
  - *Current level: 1.2%*
  - *Target level: 2%*
- **3.1** Increase completions in targeted, high potential programs by X%

NORTH DAKOTA
UNIVERSITY SYSTEM

Academic and Technical Program Fund

Goals

- Programs to meet state needs.
- Allocated primarily on one-time basis to assist with start-up costs until revenues or reallocations available.

Criteria

Required: 1.) address ND workforce needs; 2.) student demand; 3.) business need; 4.) other funding support; 5.) become self-supporting; 6.) SBHE strategic goals; 7.) campus mission; 8.) "for-credit" programs

NORTH DAKOTA UNIVERSITY SYSTEM

Academic and Technical Program Fund (continued)

Goals

- Programs to meet state needs.
- Allocated primarily on one-time basis to assist with start-up costs until revenues or reallocations available.

Criteria

Priority: 1.) Address SBHE high potential areas: ag, energy, health care, life science and adv. Technology; 2.) Address DOC growth industries: adv. manuf., energy, value-added ag, technology-based business and tourism.

NORTH DAKOTA UNIVERSITY SYSTEM

Examples of Programs

- LRSC Wind Energy
- UND/NDSU Joint Master's in Public Health
- NDSCS Nanotechnology program

Facilities Project Management

April 2010 SAO Capital Project Recommendations

- We recommend the State Board of Higher Education establish an effective, system-wide monitoring function to ensure institutions are complying with policies and state law. The monitoring function should report directly to the Budget, Audit, and Finance Committee of the Board.
- We recommend the State Board of Higher Education take appropriate action to address differences relating to capital projects to ensure there is a unified system of higher education.

NORTH DAKOTA
UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #11

Student Mental Health Services

Request $715,140

Recommend $715,140

Difference $0

- 1 FTE licensed mental health counselor each at DSU, LRSC, WSC, DCB, MaSU
- 0.5 FTE at VCSU
- $12,000 for after hrs. services

- **1.4** Increase the total number of certificates, associate and baccalaureate degrees awarded.
  - *Current level: 7,657*
  - *Target level: 7,963*

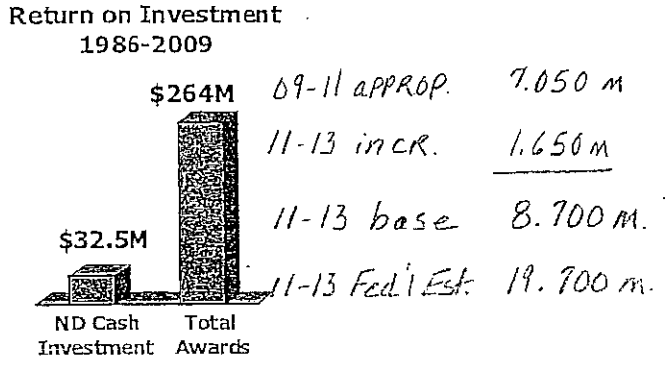
NORTH DAKOTA UNIVERSITY SYSTEM

ND EPSCoR
Advancing Science Excellence in North Dakota
Experimental Program to Stimulate Competitive Research
www.ndepscor.nodak.edu

North Dakota's Best Return on Investment

Investment results with the visionary support of the North Dakota Legislature:

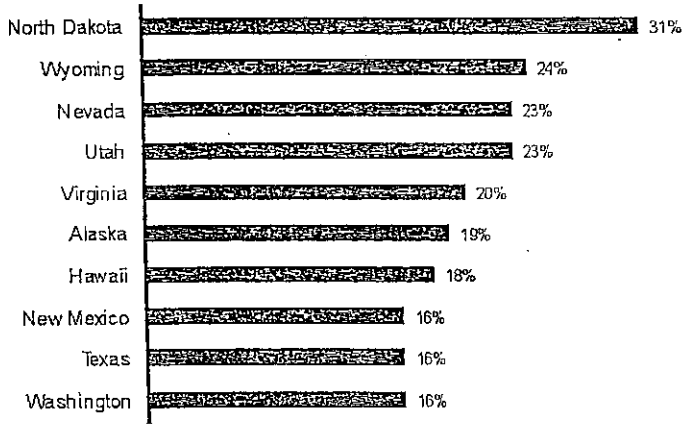
- Appropriated more than $7M to ND EPSCoR for the 2009–11 biennium
- Invested $32.5M in ND EPSCoR 1986-2009
- Resulted in $264M in merit-based awards for ND EPSCoR researchers (8:1 ROI)



ND EPSCoR and the State's two research intensive universities have built capabilities that facilitate and implement North Dakota's abilty to engage in the 21st century world economy.

North Dakota successes include:

- 3rd in the nation for University R&D/$1,000 of Gross State Product
- 1st in state competitiveness factors based on academic R&D, science/engineering grad students and degrees awarded (Beacon Hill Institute)
- In technology factors, North Dakota jumped from 36th in 2001 to 13th in 2010 (Beacon Hill)
- 3rd in the nation Fed R&D Obligations per Capita: 26% increase 2003-07
- 2nd in the nation in percentage change 1986 - 2005, ND's share of National Science Foundation research funds increased by 160%
- 1st in growth of science, technology, engineering and math jobs 2002–2009
- Facilitated recruitment of over 200 new faculty researchers to the state
- Provided research opportunities for over 2,100 students since 1992
- Six federal agencies partnered with ND EPSCoR: NSF, NIH, NASA, EPA, DOE, and DoD



Sources: http://www.ssti.org/Digest/Tables/042110Lhtm. http://www.nsf.gov/statistics/nsf10311/pdf/nsf10311.pdf. http://www.ssti.org/Digest/Tables/021308Lhtm. http://www.nsf.gov/statistics/showpub.cfm?TopID=8&SubID=1. http://www.beaconhill.org/CompetitivenessHomePage.html. http://ncf.uschamber.com/enterprising-states/http://

ND EPSCoR
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North Dakota EPSCoR

Research, Education and Workforce Development Initiatives

Development Directives

ND EPSCoR supports two research clusters. Agriculture is our top industry. SUNRISE develops and capitalizes on advances in renewable energy. Flexible electronics initiatives (FlexEM) partners with national research labs.

Private Sector Partnerships

Product Design Center (PDC) bridges gap between basic discoveries and commercialization. Faculty In Technology Transfer (FITT) and Students in Technology Transfer And Research (STTAR) use university intellectual capital to advance North Dakota's companies.

Leveraging Human Resources

Tapping the resources of major underrepresented groups, specifically, women and Native Americans, to fill our needs for a larger Science, Technology, Engineering and Mathematics (STEM)-trained workforce. Women in Science and Engineering (WISE) provides supplemental funding to faculty, both new hires and current, for upgraded lab equipment, additional graduate students and post-doctoral researchers. Nurturing American Tribal Undergraduate Research and Education (NATURE) provides a STEM education pathway for American Indian high school and tribal college students.

Competitive Research Infrastructure

New Faculty Start-Up, Collaborative Seed Grants, Graduate and Undergraduate Research Assistantships.

Cyberinfrastructure

Deployment of high-speed connectivity to researchers' desktops and development of cyber collaborations.

ND EPSCoR
Advancing Science Excellence in North Dakota
Experimental Program to Stimulate Competitive Research

PROFESSIONAL LIABILITY INSURANCE

The 2009 legislature included an appropriation of $1.1 million in the North Dakota University System office budget for UND's medical malpractice coverage premiums for the 2009-11 biennium. This appropriation is intended to pay the premium for continued coverage for student intern programs as well as UND's medical malpractice coverage, and required coverage for other state agencies (State Hospital and Workforce Safety and Insurance). In addition, an annual amount $25,000 is allocated for HIPPA related costs at UND for partial support for an attorney hired (effective June 15, 2009) by the UND Office of Legal Counsel. Half of the appropriation is allocated to the UND School of Medicine and Health Sciences (SMHS) each year of the biennium, and all deposits and expenditures related to this insurance are in a special fund at SMHS. The following summary of the fund was provided by SMHS, June 2010:

The June 30, 2009 equity balance in the fund was $1,355,018.23.

*Revenues: In FY10 a total of $742,723.18 was deposited into the fund. Included in these deposits is $168,196.78 received from HCIS Insurance for profit sharing. HCIS Insurance computes the profit sharing formula every three years, the last profit sharing was received in FY07.

*Expenditures: Expenditures for FY10 were $379,620.84.

*Equity Balance: The June 30, 2010 equity balance in the fund was $1,718,120.57. This amount was carried forward to FY11 for use, exclusively, to fund liability insurance premiums, HIPPA and possible deductible payments resulting from liability incidents.

*The FY11 budget includes revenues of $560,000 and off-setting expenses of $515,000. The FY11 insurance carrier will be selected by North Dakota Risk Management Agency. The FY11 expenditure budget will be adjusted to reflect the renewal premium costs.

If expenses remain fairly consistent for premiums and the HIPPA-related costs at UND, and there isn't an increase in claims, their expenses for 11-13 are estimated at $400,000-$450,000 per year. The $800,000 that is included in the executive recommendation would cover these costs in 11-13, leaving an estimated balance in the fund of $1.7 million. The insurance market, like all financial markets, is volatile and unpredictable, and the future costs for liability insurance are unknown...the costs have been prone to skyrocket at times. In addition, the SMHS does have some additional risks, besides the costs of the insurance ($100,000 deductible per risk management loss, with a $300,000 annual limit on the deductible). It wouldn't take long to use the fund balance with a few claims. The $300,000 reduction, from the 2009-11 appropriated amount, takes into account uncertainties in the insurance market, no projected profit sharing in the next biennium and the need for a healthy reserve to handle possible deductible payments.

Based on claims history and the projected fund balance of $1.7 million, staff from the NDUS Office and SMHS recently met with Risk Management regarding future funding. It was agreed that Risk Management and SMHS would work together to issue an RFP for coverage. Any potential change in coverage as a result of this process would likely not take effect until 7/1/12.

G:\cathy\worddocs\Biennial Budgets\11-13 Biennial Budget\Professional Liability Insurance

SBHE Budget Priorities and Related Strategic Plan Goals

Adult Learning

Request $300,000

Recommend $0

Difference ($300,000)

Financial aid for adult learners taking less than 6 credit hours per semester, plus other tools and resources to ensure success.

- **1.2** Percentage of ND's young adult enrolled for credit.
  - *Current level: 4%*
  - *Target level: 6%*
- **1.3** Percentage of ND's total population enrolled for credit.
  - *Current level: 1.2%*
  - *Target level: 2%*

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals

Completion Fund

Request $0

Recommend $5.0 M

Difference $5.0 M

Consistent with SBHE action in January 2010 to implement incentive based funding budget component.

Gov. Dalrymple Budget Address

Ask SBHE to develop a new methodology to distribute funds to campuses based on meaningful educational results, such as an increase in the number of degrees awarded; an increase in the number of students graduating on time; the number of degrees completed by low income students; and the number of students transferring from two to four year schools.

I will ask the Board of Higher Education to work with me in establishing a new Commission on Higher Education Funding to develop recommendations to improve the equity, the transparency, and the effectiveness of higher education funding.

NORTH DAKOTA
UNIVERSITY SYSTEM

North Dakota University System
Student Grant Programs By Funding Source
Per 2011-13 Executive Recommendation

	(1) State Grant Program	(2) Scholars Program	(3) PSEP	(4) ND Indian Scholarship Program	(5) Education Incentive Programs	(6) Career/Technical Ed and Academic Scholarships	(7) Total
General Fund:							
2009-11 Adjusted Appropriation	$ 19,579,140	$ 2,456,826	$ 2,590,529	$ 382,467	$ 3,265,994	$ 3,000,000	$ 31,274,956
Increase (Decrease)	-	-	510,000	192,975	-	(3,000,000)	(2,297,025)
2011-13 Executive Recommendation	19,579,140	2,456,826	3,100,529	575,442	3,265,994	-	28,977,931
% Increase (Decrease)	0.0%	0.0%	19.7%	50.5%	0.0%	-100.0%	-7.3%
Other Funds:							
2009-11 Adjusted Appropriation			1,030,326			-	1,030,326
Increase (Decrease)			(565,019)			10,000,000	9,434,981
2011-13 Executive Recommendation			465,307			10,000,000	10,465,307
% Increase (Decrease)			-54.8%			100.0%	915.7%
Federal Funds:							
2009-11 Adjusted Appropriation	348,428						348,428
Increase (Decrease)	-						-
2011-13 Executive Recommendation	348,428						348,428
% Increase (Decrease)	0.0%						0.0%
Total Funds:							
2009-11 Adjusted Appropriation	19,927,568	2,456,826	3,620,855	382,467	3,265,994	3,000,000	32,653,710
Increase (Decrease)	-	-	(55,019)	192,975	-	7,000,000	7,137,956
2011-13 Executive Recommendation	$ 19,927,568	$ 2,456,826	$ 3,565,836	$ 575,442	$ 3,265,994	$ 10,000,000	$ 39,791,666
% Increase (Decrease)	0.0%	0.0%	-1.5%	50.5%	0.0%	233.3%	21.9%

The executive recommendation, along with 09-11 projected carryover, provides sufficient funding for the following, by program:

State Grant Program - The $19.9 million is the same level of funding as 09-11, which experienced a significant funding increase of $12.8 million over the 07-09 biennium. The estimated carryover from 09-11 to 11-13 is $1.1 - $1.4 million, due to larger than anticipated attrition, corresponding refunds and incomplete applications. For example, in the second year of the biennium, 12,676 offers resulted in 8,887 awards. For the 2011-13 biennium, even larger over-awards will be considered for each semester, and consideration will be given to increasing the amount of the award from possibly $1,200 to $1,500 per student per year, as allowed in statute.

Scholars Program - This level of funding, plus estimated general fund carryover of $347,400 from 2009-11, will allow the continuation of all upper-classmen, plus 65 new freshmen per year, as well as continuing to provide one-time stipends of $2,000 to incoming freshmen.

Professional Student Exchange Program (PSEP) - The state general funds, plus estimated 2009-11 carryover of about $465,000, will continue funding the current students in WICHE, Iowa and Minnesota slots, plus the following estimated number of new slots per year: 7 veterinary, 7 dentist and 8 optometry. The $510,000 increase in state general funds is needed to replace reduced funding from the Student Loan Trust Fund, to support currently enrolled students plus 5 new slots per year under the KSU veterinary medicine program. The special fund authority has been reduced to $465,307, and reflects an estimated amount that will continue to be supported by the student loan trust fund.

ND Indian Scholarship Program - Funds approximately the same number of grants (240) as was funded in 2009-11, but increases the award from $800 to $1,200 each.

Education Incentive Program - Includes Teacher Shortage loan forgiveness program ($1,000/year for 3 years) and Technology Occupation and new STEM loan forgiveness programs ($1,500/year for 4 years). In addition to the $3,265,994 appropriation, carryover to 2011-13 is estimated at approximately $331,000. This will provide continued funding of the existing cohorts/slots, plus approximately the same number of new cohorts/slots that were added in 2009-11 without increased state funding, as required in Section 29 of SB2003 (2009): Teacher Shortage Loan Forgiveness - 158 per year @ $1,000; STEM Loan Forgiveness - 193 per year, @ $1,500.

Career/Technical Ed and Academic Grants - This program provides grants of $1,500 per year, up to $6,000 to residents of ND during the past 12 months, who attend a ND institution and meet other requirements outlined in HB1400. The executive recommendation includes a $10 million "continuing appropriation" from the Land and Minerals Trust fund, but does not specifically include an appropriation in HB1003. The $7 million increase is required to continue to grow the program that began in FY2011, to serve four classes for 4-year scholarships.

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

State Grant Program

The North Dakota Student Financial Assistance Program (State Grant) provides $1,200 non-repayable grant each year to North Dakota residents pursuing undergraduate degrees at North Dakota's public, private and and tribal colleges. The purpose of these need-based grants is to assist students with the cost of attending North Dakota postsecondary institutions. A State Grant also reduces the amount of money a student needs to borrow for his or her education. The statutory grant maximum is $1,500 with the SBHE increasing the award from $800 to $1,200 in A Y 2009-10.

More than 35,000 North Dakota students applied for a state grant in 2010-11. The State Grant Program was able to fund over 9,600 needy students or about 28 percent of the eligible students. For 2010-11, the greatest unmet need of a State Grant Program recipient was $17,026. Unmet need for this program is calculated as follows: cost of attendance minus parent/student expected contribution, minus the Federal Pell Grant, equals unmet need. For academic year 2010-11, State Grant dollars were exhausted at an unmet need figure of $1,199. In other words, those students demonstrating an unmet need of $1,199 or less did not receive State Grant support. Historically, of the over 30,000 students who apply for the State Grant program each year, over 20,000 students exhibit some type of unmet financial aid need, after the federal Pell Grant is applied.

State funding of $19 million to support the State Grant Program for the 2009-11 biennium is equivalent to 5 percent of annual tuition collections.

Students Receiving State Grants
Awarded by Institution Type (total 09-11 funding available $19.4 million)

	Public Institution	Private Colleges & Hospital School of Nursing	Native American Community Colleges	Total
2010-2011 School Year (est.)				
# Applying 35,583				
# of Students Receiving Awards	7,249	1,237	1,180	9,666
$ Awarded	$8,679,786	$1,484,400	$1,416,000	$11,580,186
% of Total $ Awarded	75.0%	12.8%	12.2%	100%
% of all ND Students Attending College	85.6%	10.6%	3.7%	100%
2009-2010 School Year				
# Applying 38,372				
# of Students Receiving Awards	6,257	1,075	533	7,865
$ Awarded	$6,803,350	$1,151,845	$567,000	$8,522,195
% of Total $ Awarded	79.8%	13.5%	6.7%	100%
% of all ND Students Attending College	83.7%	12.6%	3.7%	100%

FOR MORE INFORMATION CONTACT:
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701.328.4114 Peggy.Wipf@ndus.edu

State Grant Program (cont.)

The State Grant Program has a federal maintenance of effort (MOE) requirement. Under federal law, states are required to meet or exceed the maintenance of effort requirement to ensure continued federal financial aid funding. The MOE requirement is the average expenditure of non-federal dollars for the past three years. However, in the future, according to federal reporting procedures, not all non-federal sources will be included in the MOE requirement. To maintain the MOE requirement for the 2011-13 biennium, an estimated $5.9 million in non-federal dollars is needed.

FOR MORE INFORMATION CONTACT:
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NORTH DAKOTA
UNIVERSITY SYSTEM

December 2010

North Dakota Scholars Program

The North Dakota Scholars Program, a merit-based scholarship program, was first funded by the Legislature in 1987 to provide scholarships to North Dakota's best and brightest high school graduates to encourage them to remain in North Dakota for postsecondary education.

In order to be a qualified applicant, high school junior must take the ACT Assessment between October and June of his or her junior year and score in the upper 5 percent of all North Dakota ACT test takers. The numeric sum of the English, Math, reading and science reasoning scores will be used as a second selection criteria. The numeric sum of a student's English and mathematics scores will be used as additional selection criteria if a tie-breaker is needed.

- Funding has traditionally been available to fund between 15-20% of the qualified students.
- The scholarship is renewable for up to three years if the recipient maintains a cumulative 3.5 grade-point average.
- The Scholars Program provides full-tuition scholarships for students who attend North Dakota's public and tribal colleges and tuition scholarships not to exceed the highest resident undergraduate tuition rate in the North Dakota University System for students who attend North Dakota's private institutions and a one-time $2,000 stipend to freshmen scholars.

	2006-07	2007-08	2008-09	2009-10	2010-11
# of candidates meeting 5% ACT requirement	326	319	321	327	327
Offers made	68	98	92	103	102
Offers accepted	32	49	43	54	64
% of those offered and accepted	47%	50%	47%	52%	63%
ACT score range funded	32-35	31-35	31-35	31-36	31-36

- North Dakota students who qualify for this program are high academic achievers. These students are heavily recruited by out-of-state colleges and universities that also offer financial incentives to attract them to their campuses. This is demonstrated by

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North Dakota Scholars Program (cont.)

the fact that, in 2010-11, in order to fund 64 new freshmen students, 102 offers were made, which is an acceptance rate of 63 percent. The other 38 students more than likely attended out-of-state institutions.

- The North Dakota University System had sufficient funding to support the following number of North Dakota scholars by class and year:

North Dakota Scholars By Class, By Year					
	2006-07	2007-08	2008-09	2009-10	2010-11
Freshmen	32	49	43	54	64
Sophomores	17	26	42	37	46
Juniors	10	18	25	39	34
Seniors	17	8	15	23	36
Total	76	101	125	153	180

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NORTH DAKOTA
UNIVERSITY SYSTEM

Flexible and Responsive

December 2010

Professional Student Exchange Program (PSEP)

The Professional Student Exchange Program offered through Western Interstate Commission on Higher Education provides North Dakota students access to veterinary medicine, optometry and dentistry programs not offered in the state.

- In exchange for admitting qualified North Dakota students into their programs, out-of-state institutions receive a pre-determined support fee from the state. As a participant in a program, the student pays resident tuition rates to a public out-of-state institution or reduced tuition to a private institution. The support fee paid by North Dakota provides guaranteed access to these programs, assuming that students are academically prepared.

History of WICHE PSEP Per Student Support Fee Paid by North Dakota						
Field	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Veterinary Medicine	$26,300	$27,200	$28,100	$29,100	$29,500	$30,000
Optometry	$14,100	$14,600	$15,100	$15,600	$15,800	$16,100
Dentistry	$20,600	$21,300	$22,000	$22,700	$23,000	$23,400

Three additional contractual agreements provide programmatic access for North Dakota students interested in veterinary medicine and dentistry. A brief description of each agreement follows:

- Since 1991-92, Iowa State has agreed to accept up to 10 North Dakota students per year into their veterinary medicine program at about $6,000 to $7,000 less per student per year than required through the WICHE program. Under the current agreement with Iowa State's College of Veterinary Medicine, North Dakota students who matriculate at Iowa State will be guaranteed enrollment for the duration of their program.

- The second agreement, enacted by the 2005 Legislative Assembly, authorized the State Board of Higher Education and Kansas State University to enter into an agreement whereby KSU allows up to five North Dakota residents to enroll in the veterinary medicine program.

Executive Recommendation Includes:
General Fund $510,000
Stdnt Loan Trust Fund 465,307
$975,307

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PSEP (cont.)

- Under the North Dakota/Minnesota reciprocity agreement, Minnesota provides up to five guaranteed new freshman slots in veterinary medicine each year and 10 guaranteed new freshman slots in dentistry with continuation of these students for the full four years of the program, subject to appropriate academic performance. In exchange, the state of North Dakota and/or the North Dakota student pay 75 percent of the non-resident tuition for veterinary medicine and 100% of the non-resident rate for dentistry. If North Dakota is able to pay a support fee equal to the difference between 75/100 percent of the non-resident rate and the resident tuition rate, then the North Dakota student can attend at resident tuition rates. If the state is not able to provide state support, the student is required to pay the entire 75/100 percent of the non-resident rate. Minnesota may continue to accept North Dakota students above and beyond the five and 10 guaranteed slots; however, for admission and tuition purposes, they would be considered outside of the agreement and would be treated as non-residents for tuition purposes.

- During the 2009-11 biennium, a total of 135 students, freshmen through seniors, received support through PSEP with a total appropriation of $3.3 million. The following table reflects the number of freshmen PSEP slots funded by year.

Total currently supported (10-11) incl. upperclass:
Vets 23 + 19 KSU
Dentistry 26
Optometry 21

Number of Freshmen PSEP Slots Funded by Year			
	Veterinary Medicine	Dentistry	Optometry
2001-2002	6(0)	4(5)	6
2002-2003	4(4)	4(8)	6
2003-2004	4(5)	4(17)	5
2004-2005	4(1)	4(15)	4
2005-2006	7(5) + 2 at KSU	4(11)	4
2006-2007	6* + 2 at KSU	8*	4
2007-2008	5* + 5 at KSU	8*	4
2008-2009	7* + 5 at KSU	6*	4
2009-2010	6* + 3 at KSU	7*	5
2010-2011	6* + 6 at KSU	7*	8
2011-2012 (est.)	7* + 5 at KSU	7*	8
2012-2013 (est.)	7* + 5 at KSU	7*	8

() Number of freshmen North Dakota students enrolled at U. of Minnesota veterinary medicine & dentistry at no cost to the state.
* Includes WICHE and MN supported slots. NOTE: The 2011-13 request assumes the carryover of unspent 2009-11 general fund appropriation of about $442,742.

- Applicant numbers for the PSEP totaled 69 for academic year 2011-12, including 25 in veterinary medicine (12 or 48% funded), 31 in dentistry (7 or 23% funded) and 13 in optometry (8 or 62% funded).

- March 2009 data suggests that of the 97 PSEP slots funded since 1999-2000 (optometry-40, dentistry-22, and veterinary medicine-35), the following percentage of students returned to North Dakota to work in their professions after graduation as of 2009: 36 percent in dentistry, 25 percent in optometry and 37 percent in veterinary medicine.

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PSEP (cont.)

- North Dakota also participates in WICHE as a receiving state for physical and occupational therapy, medicine and pharmacy programs.

Number of Students North Dakota Receives through PSEP Fall 2009					
Sending WICHE State	Physical Therapy	Occup. Therapy	Medicine	Pharmacy	TOTAL
Alaska					0
Arizona					0
Hawaii					0
Idaho					0
Montana			3		3
Nevada					0
New Mexico					0
Oregon					0
Wyoming	9		1		10
TOTAL	9	0	4	0	13

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COLLEGES WHICH NORTH DAKOTA STUDENTS MAY ATTEND UNDER RECIPROCAL AGREEMENTS

VETERINARY MEDICINE

WICHE Schools	Non-WICHE Schools*
Colorado State University	Iowa State University
Oregon State University	Kansas State University
University of California – Davis	University of Minnesota
Washington State University	

DENTISTRY

WICHE Schools	Non-WICHE Schools*
Arizona School of Dentistry and Oral Health	Creighton University
Loma Linda University	Marquette University
Oregon Health and Sciences University	University of Minnesota
University of California – Los Angeles	University of Nebraska
University of California – San Francisco	
University of Colorado Health Science Center	
University of Nevada – Las Vegas	
University of Southern California	
University of the Pacific	
University of Washington	

OPTOMETRY

WICHE Schools	Non-WICHE Schools*
Pacific University	Illinois College of Optometry
Southern California College of Optometry	Ohio State University

*Prior to joining WICHE, North Dakota had separate contracts with the various non-WICHE institutions listed. When North Dakota joined WICHE, WICHE agreed to handle all aspects relative to admission, billing, etc., in the same manner they do for those WICHE schools listed above except for Iowa State and University of Minnesota.

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Indian Scholarship Program

The Indian Scholarship Program assists American Indian students in obtaining a college education by providing grants based upon scholastic ability and financial need. By limiting scholarship awards to $800, the Indian Scholarship Board has been able to make scholarship awards to about 239 eligible applicants each year, 98 percent of whom show financial need in addition to scholastic ability. About 30 program participants graduate each year.

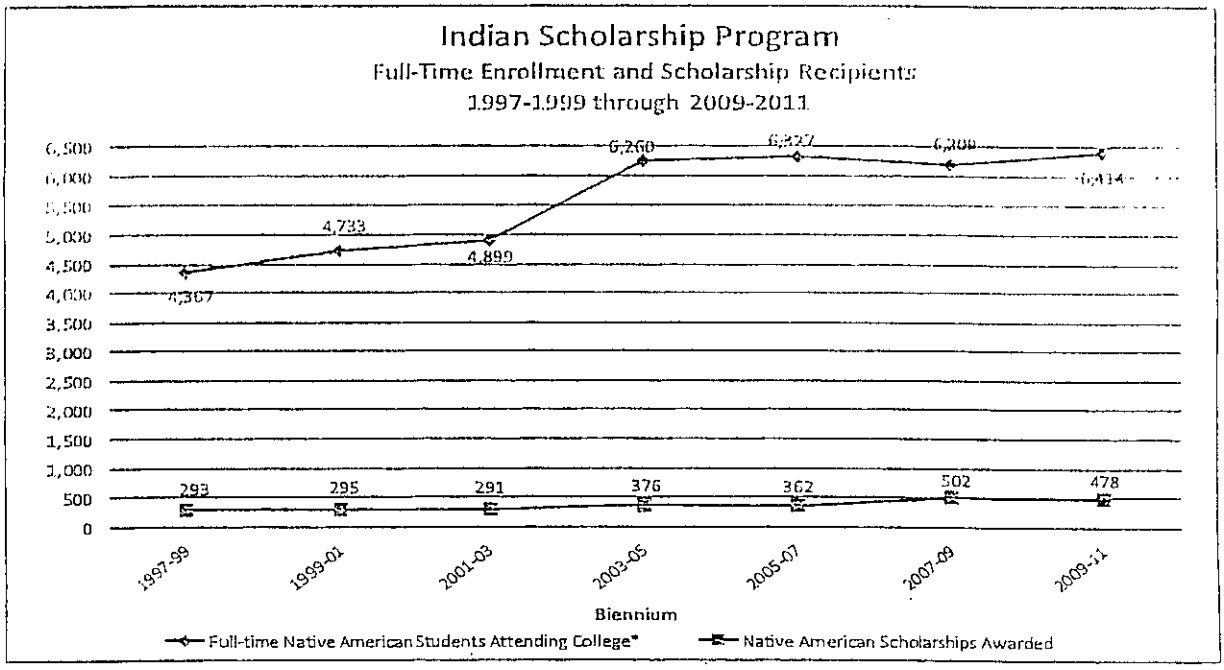
The qualifications for eligibility for the North Dakota Indian Scholarship Program are as follows:

- An applicant must either be a resident of North Dakota who is one-quarter Native American or an enrolled member of any tribe that now resides in North Dakota. Residency for each student will be determined by the institution he or she plans to attend.
- An applicant must have been accepted for admission at an institution of higher learning or a state vocational education program within North Dakota.
- Scholarship recipients must be enrolled full-time and may not have a grade-point average below 2.0.
- A student who participates in an internship, student teaching, teaching assistance or cooperative education program may be eligible for scholarship awards only if participation in that program is required for the degree and only if tuition must be paid for the credits earned.

Executive Recommendation includes increase of $192,975, and would fund approximately the same # of students (240/yr), but at $1,200/award rather than $800/award.

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Indian Scholarship Program (cont.)



*Includes the following schools: Bismarck State College, Dickinson State University, Fort Berthold Community College, Jamestown College, Lake Region State College, Cankdeska Cikana Community College, University of Mary, Mayville State University, Minot State University, Dakota College at Bottineau, North Dakota State University, Standing Rock College, North Dakota State College of Science, Turtle Mountain Community College, University of North Dakota, Valley City State University and Williston State College.

History of Indian Scholarship Program

Biennium	Full-time Native American Students Attending College*	[1]Native American Scholarships Awarded	State General Funds Appropriated	% of Full-time Students Receiving Funding
1997-99	4,367	293	$204,000	6.7%
1999-01	4,733	295	$204,082	6.2%
2001-03	4,899	291	$204,082	5.9%
2003-05	6,260	376	$204,086	6.0%
2005-07	6,327	362	$251,988	5.7%
2007-09	5,973	502	$380,626	8.4%
2009-2011	6,414	478	$381,292	7.4%

*Includes the following schools: Bismarck State College, Dickinson State University, Fort Berthold Community College, Jamestown College, Lake Region State College, Cankdeska Cikana Community College, University of Mary, Mayville State University, Minot State University, Dkota College at Bottineau, North Dakota State University, Standing Rock College, North Dakota State College of Science, Turtle Mountain Community College, University of North Dakota, Valley City State University and Williston State College.

[1]Additional awards were made with carryover funding

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Science, Technology, Engineering and Mathematics (STEM) Occupations Student Loan Forgiveness Program

The STEM occupations student loan forgiveness program, formerly administered under the title "Technology Occupations Student Loan Program," is intended to encourage students to pursue STEM related careers in ND. The program reduces student loan indebtedness for individuals who have: (1) graduated in STEM-related fields and (2) been employed in STEM occupations in the state for one year.

Recipients are eligible to receive $1,500 in loan forgiveness each year they are employed in approved STEM occupations in North Dakota, up to a maximum of four years or $6,000. To be eligible, a recipient must have a student loan from the Bank of North Dakota or other participating lender. Individuals must apply annually for new or continued funding.

- For academic year 2009-10, 784 new and continued-funding applications were received. Of the 784 applicants, 601 were funded at a cost of approximately $900,000. Biennial 2009-11 expenditures are estimated to be $1,893,000.
- The average student loan indebtedness of funded applicants, as reported on their applications, was $10,595.
- A breakdown of funded 2009-10 applicants by program area follows: (Includes 193 new cohorts & est. same # each year for FY11 through FY13)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Aeronautics/Aviation/Aerospace Science and Technology, General	1
Agricultural Mechanization, General	2
Agricultural/Biological Engineering and Bioengineering	9
Airline/Commercial/Professional Pilot and Flight Crew	2
Animal Sciences, General	5
Architectural Engineering Technology/Technician	7
Architecture	7
Atmospheric Sciences and Meteorology, General	2
Automobile/Automotive Mechanics Technology/Technician	1
Aviation/Airway Management and Operations	1
Biology Teacher Education	8
Biology/Biological Sciences, General	7
Chemical Engineering	1
Chemistry Teacher Education	2
Chemistry, General	5

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STEM (cont.)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Civil Engineering Technology/Technician	11
Civil Engineering, General	62
Clinical Laboratory Science/Medical Technology/Technologist	14
Clinical/Medical Laboratory Technician	1
Computer and Information Sciences and Support Services, Other	2
Computer and Information Sciences, General	86
Computer and Information Sciences, Other	1
Computer Engineering, General	2
Computer Programming/Programmer, General	3
Computer Science	15
Computer Systems Analysis/Analyst	11
Computer Systems Networking and Telecommunications	15
Construction Engineering	9
Diagnostic Medical Sonography/Sonographer and Ultrasound Technician	5
Diesel Mechanics Technology/Technician	5
Educational/Instructional Media Design	1
Electrical and Electronic Engineering Technologies/Technicians	10
Electrical, Electronic and Communications Engineering Technology/Technician	5
Electrical, Electronics and Communications Engineering	40
Emergency Medical Technology/ Technician (EMT Paramedic)	3
Engineering Technology/General	9
Engineering, General	2
Food Science	1
Geological/Geophysical Engineering	1
Geology/Earth Science, General	4
Heating, Air Conditioning and Refrigeration Technology/Technician (ACH/ACR/ACHR/HRAC/HVAC/AC Technology	1
Industrial Engineering	10
Industrial Mechanics and Maintenance Technology	1
Industrial Production Technologies/ Technicians, Other	7
Industrial Technology/Technician	12
Lineworker	2
Machine Tool Technology/Machinist	1
Management Information Systems and Services, Other (some qualify)	2
Management Information Systems, General	45
Manufacturing Engineering	1
Manufacturing Technology/Technician	1
Mathematics Teacher Education	8

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STEM (cont.)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Mathematics, General	4
Mechanical Engineering	49
Medical Radiologic Technology/Science - Radiation Therapist	11
Microbiology, General	1
Natural Resources Management and Policy	6
Radiologic Technology/Science-Radiographer	27
Respiratory Care Therapy/Therapist	9
Small Engine Mechanics and Repair Technology/Technician	1
Statistics, General	1
Surgical Technology/Technologist	5
System, Networking, and LAN/WAN Management/Manager	5
Technology Teacher Education/ Industrial Arts Teacher Education	5
Web Page, Digital/Multimedia and Information Resources Design	1
Welding Technology/Welder	1
Wildlife Biology	3
Zoology/Animal Biology	3
TOTAL	601

- A breakdown of funded 2009-10 applicants by technology job occupations follows:

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Administrative Services Managers	1
Agricultural and Food Science Technicians	3
Agricultural Engineers	7
Architects, Except Landscape and Naval	6
Atmospheric and Space Scientists	1
Biological Science Teachers, Postsecondary	2
Biological Scientists, All Other	1
Bus and Truck Mechanics and Diesel Engine Specialists	3
Chemical Engineers	1
Chemical Technicians	3
Chemistry Teachers, Postsecondary	1
Chemists	2
Civil Engineering Technicians	12
Civil Engineers	64
Commercial Pilots	3
Computer and Information Systems Managers	7
Computer Operators	2
Computer Programmers	44

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STEM (cont.)

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Computer Science Teachers, Postsecondary	1
Computer Software Engineers, Applications	19
Computer Software Engineers, Systems Software	2
Computer Specialists, All Other	18
Computer Support Specialists	49
Computer Systems Analysts	12
Conservation Scientists	4
Construction Managers	2
Cost Estimators	2
Diagnostic Medical Sonographers	5
Education, Training, and Library Workers, All Other	2
Electrical and Electronic Engineering Technicians	2
Electrical and Electronic Equipment Assemblers	1
Electrical and Electronics Installers and Repairers, Transportation Equipment	1
Electrical and Electronics Repairers, Commercial and Industrial Equipment	3
Electrical and Electronics Repairers, Powerhouse, Substation, and Relay	3
Electrical Engineers	34
Electrical Power-Line Installers and Repairers	1
Electro-Mechanical Technicians	3
Electronic Equipment Installers and Repairers, Motor Vehicles	1
Electronics Engineers, Except Computer	2
Emergency Medical Technicians and Paramedics	3
Engineering Managers	8
Engineering Technicians, Except Drafters, All Other	7
Engineers, All Other	16
Environmental Science and Protection Technicians, Including Health	1
Environmental Scientists and Specialists, Including Health	3
Farm Equipment Mechanics	1
Farmers and Ranchers	1
First-Line Supervisors/Managers of Construction Trades and Extraction Workers	2
Food Scientists and Technologists	1
Forest and Conservation Technicians	3
Geoscientists, Except Hydrologists and Geographers	1
Graphic Designers	1
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	1
Industrial Engineering Technicians	1

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STEM (cont.)

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Industrial Engineers	10
Industrial Machinery Mechanics	2
Instructional Coordinators	3
Managers, All Other	2
Materials Scientists	1
Mathematicians	1
Mechanical Engineering Technicians	3
Mechanical Engineers	43
Medical and Clinical Laboratory Technicians	1
Medical and Clinical Laboratory Technologists	13
Metal Workers and Plastic Workers, All Other	1
Microbiologists	1
Middle School Teachers, Except Special and Vocational Educat	5
Mixing and Blending Machine Setters, Operators, and Tenders	1
Network and Computer Systems Administrators	32
Network Systems and Data Communications Analysts	3
Operations Research Analysts	1
Petroleum Engineers	1
Petroleum Pump System Operators, Refinery Operators, and Gaugers	2
Power Distributors and Dispatchers	2
Power Plant Operators	7
Radiologic Technologists and Technicians	39
Respiratory Therapists	8
Respiratory Therapy Technicians	1
Secondary School Teachers, Except Special and Vocational Education	16
Soil and Plant Scientists	1
Statisticians	1
Surgical Technologists	5
Surveying and Mapping Technicians	3
Surveyors	3
Telecommunications Equipment Installers and Repairers, Except Line Installers	2
Transportation, Storage, and Distribution Managers	1
Vocational Education Teachers, Middle School	1
Vocational Education Teachers, Postsecondary	1
Vocational Education Teachers, Secondary School	2
Zoologists and Wildlife Biologists	2
TOTAL	601

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Teacher Shortage Loan Forgiveness Program

The student loan forgiveness program is intended to encourage teaching in North Dakota at grade levels and/or in content areas identified by the Department of Public Instruction as having teacher shortages by reducing student loan indebtedness.

Recipients are eligible to receive $1,000 in loan forgiveness each year up to a maximum of three years or $3,000 for teaching in teacher-shortage areas as defined by the Department of Public Instruction. The Bank of North Dakota is responsible for applying and/or forwarding loan forgiveness payments for funded recipients.

- The combined 09-11 general fund appropriation for the Teacher Shortage and STEM loan forgiveness programs and doctoral student program is $3.2 million.
- For academic year 2009-10, 403 new and continued-funding applications were received. Of the 403 applicants, 385 were funded at a cost of $385,000. Biennial 2009-11 estimated expenditures are estimated to be $810,000.
- The average student loan indebtedness of funded applicants, as reported on their applications, was $12,308.
- A breakdown of funded 2009-10 applicants by defined shortage areas follows: (Includes 150 new cohorts in FY10. Estimating 158 new cohorts (each) for FY11-FY13)

Defined Shortage Areas of Funded Applicants for 2009-10	# of Applicants Funded
Agriculture Education	10
Art	6
Business and Office Technology/Business Education	25
Career Clusters	3
English as a Second Language	15
English Language Arts/English as a Second Language	45
Family and Consumer Sciences	8
Health Careers	3
Information Technology	2
Languages/Native American Languages	10
Marketing Education	2
Mathematics	44
Music	31
Physical Education	11
Science	46
Social Studies	24
Special Education Programming	97
Technology Education - Industrial Arts	3
TOTAL	385

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Doctoral Programs

The doctoral program is intended to help grow the number of students obtaining doctoral degrees.

- In June 2009, the SBHE approved the allocation of $130,000 each to UND and NDSU (total $260,000 for the biennium) from the 2009-11 Education Incentive Program in support of the Doctoral Program.

At UND, the funds have/will be used as follows:

- Summer doctoral fellowships to 11 doctoral students
- Doctoral dissertation research support
- Doctoral student conference travel support
- Marketing & Recruitment
  - Hobson's International TOEFL Edition Recruitment Marketing Support
  - Biology Department student recruitment
  - Graduate school marketing (Council of Graduate Schools)
  - GI Jobs Military site advertising
  - Psychology Department recruitment
- Student recognition - Distinguished Doctoral Dissertation Award
- Other professional development for students-Counseling Psychology SAS
- Biology Department doctoral student assistantships

At NDSU, the funds have/will be used as follows:

- NDSU is providing doctoral dissertation fellowships to students who are within one year of completing their doctoral degree. This is a competitive program designed to provide funding for highly qualified students. The program supports degree completion for these students and allows faculty members to recruit a new student to their lab a year earlier than would be possible without this award. In the current biennium, NDSU received 26 applications for funding and is supporting five students.
- NDSU provided matching funds for the Bain fellowship, awarded to a doctoral student in the College of Agriculture, Food Systems, and Natural Resources.
- NDSU is providing a stipend for a student from North Dakota in the Materials and Nanotachnology doctoral program.
- NDSU is providing recruiting funds to graduate programs to highly qualified individuals from North Dakota to their doctoral programs. This is a competitive program; departments must prepare a proposal to access these funds. Priority is given to innovative proposals that target individuals from North Dakota.

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99-01 Gen'l Fund $3.0m
11-13 Land & Minerals $10.0m

ND Academic and ND Career and Technical Education Scholarships
Scholarship Progress Overview as of January 3, 2011

During the 2009 Legislative session, two new scholarships were created. These scholarships are aimed at increasing high school rigor and retaining college students in North Dakota. Students can receive $1,500 per year for 4 years, or a total of $6,000 in the 6 years following high school graduation. To qualify for the Academic Scholarship a ND student had to graduate from high school and achieve an ACT exam score of 24. To qualify for the Career and Technical Education Scholarship a ND student had to graduate from high school and achieve an ACT exam score of 24 or a WorkKeys score of 5 on three assessments.

Qualified Students

From the 2010 ND high school graduating class of 7,677 students, 1,609 students or 21% applied for the scholarships. This is fairly consistent as national data suggests about 20% of students earn an ACT score of 24 or higher or score a "5" on the three WorkKeys exams. Of the 1,609 student who applied for the program 1,589 met the eligibility requirements. The 1,589 qualified students included 798 females and 791 males, almost exactly 50% of each. Of those that were eligible, 195 deferred the use of the scholarship, and 1,394 accepted the scholarship as of January 3, 2011.

The scholarships will automatically be renewed as long as the student maintains a 2.75 or higher college GPA. Students have the option of deferring use of the scholarship, but they are restricted to using the scholarship within 6 years of their high school graduation date.

Counties from which students originated

Scholarships Granted by County

County	Number of Qualified Scholarship Recipients	Number of Graduates	Percentage of Graduates Qualifying for Scholarships
Adams	less than or equal to 5	32	less than 19%
Barnes	31	128	24%
Benson	less than or equal to 5	56	less than 11%
Bottineau	13	77	17%
Bowman	6	43	14%
Burke	7	18	39%
Burleigh	145	857	17%
Cass	249	1,579	16%
Cavalier	11	54	20%
Dickey	35	68	51%
Divide	13	27	48%
Dunn	15	31	48%
Eddy	less than or equal to 5	23	less than 26%
Emmons	15	64	23%
Foster	7	57	12%
Golden Valley	10	27	37%
Grand Forks	125	653	19%
Grant	less than or equal to 5	22	less than 27%
Griggs	7	28	25%

County	Number of Qualified Scholarship Recipients	Number of Graduates	Percentage of Graduates Qualifying for Scholarships
Hettinger	11	36	31%
Kidder	7	36	19%
Lamoure	22	58	38%
Logan	12	28	43%
McHenry	27	88	31%
McIntosh	8	27	30%
McKenzie	7	50	14%
Mclean	33	139	24%
Mercer	48	118	41%
Montrail	11	85	13%
Morton	46	291	16%
Nelson	23	59	39%
Oliver	9	21	43%
Pembina	16	92	17%
Pierce	16	58	28%
Ramsey	26	163	16%
Ransom	11	71	15%
Renville	9	45	20%
Richland	83	215	39%
Rolette	less than or equal to 5	228	less than 3%
Sargent	26	71	37%
Sheridan	7	15	47%
Sioux	less than or equal to 5	64	less than 8%
Slope	less than or equal to 5	less than or equal to 5	less than 100%
Stark	100	349	29%
Steele	6	38	16%
Stutsman	39	211	18%
Towner	9	26	35%
Traill	25	107	23%
Walsh	30	139	22%
Ward	138	610	23%
Wells	11	49	22%
Williams	71	246	29%
Totals	1,589	7,677	21%

Academic Scholarship cohort facts

The students who qualified for the Academic Scholarship include 1,195 students. When broken down by gender, 613 recipients or 51% were female and 582 or 49% were male. The ACT exam is the only assessment available for qualifying for the Academic Scholarship.

Career and Technical Education Scholarship cohort facts

Of the Career and Technical Education Scholarship's 393 qualified students, females received 185 or 47% and males received 208 or 53%. The WorkKeys assessment was used by 337 students to qualify for the Career and Technical Education scholarship, the ACT exam was used by 51 students, and 5 students qualified with both assessments.

Number of students who qualified by ACT score ranges:

	ACT Score												
	24	25	26	27	28	29	30	31	32	33	34	35	Total
Students Qualifying	322	233	175	142	108	98	74	43	30	12	8	4	1,249

Number of students who qualified by WorkKeys score ranges:

	WorkKeys Scores			
Students Qualifying	5	6	7	Total
Reading for Information	214	124	22	360
Applied Mathematics	150	176	34	360
Locating Information	345	15	n/a	360

Of the 1,589 students who met the eligibility requirements, 238 students took both the ACT and WorkKeys exams. Of those 238 students, 208 earned a qualifying score on the WorkKeys assessment but did not earn a 24 or greater on the ACT exam, 10 students earned a qualifying score on the ACT exam but not the WorkKeys Assessment, and 20 students earned qualifying scores on both the ACT exam and the WorkKeys assessment.

Colleges attended by scholarship recipients

Scholarship recipients attending a North Dakota institution this fall indicated 777 students (55.7%) would be attending a research university, 255 students (18.3%) would be attending a 2-year public college, 219 students (15.7%) would be attending a 4-year public university, 141 students (10.1%) would be attending a private institution, and 2 students would be attending a tribal college.

	2 Year Public	4 Year Public	Research	Private	Tribal	Total
Academic	115	154	653	121	1	1,044
Career & Tech	140	65	124	20	1	350
Total	255	219	777	141	2	1,394

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	TBC	TMCC	UM	UND	UTTC	VCSU	WSC	Total
Academic	66	4	30	35	12	14	81	16	355	2	1	84	298	0	29	17	1,044
Career & Tech	61	4	20	3	12	4	28	59	70	1	0	16	54	1	13	4	350
Total	127	8	50	38	24	18	109	75	425	3	1	100	352	1	42	21	1,394

Scholarship Eligibility Requirements – 2010-2011

The eligibility requirements for ND High School graduates become more stringent beginning with the class of 2010-11. Students will have to meet the following requirements to be eligible for the scholarships:

ND Academic Scholarship Eligibility Requirements

1. North Dakota resident student
2. Graduate from a high school in North Dakota or from a high school in a bordering state according to provisions set forth in ND century code 15.1-29
3. Complete ND High School Diploma requirements
4. Complete all of the following course and grade requirements:
   a. 1 unit Algebra II
   b. 1 unit of mathematics for which Algebra II is a prerequisite
   c. 2 units of the same foreign or Native American language
   d. 1 unit of fine arts or career and technical education
   e. 1 unit of a foreign or Native American language, fine arts, or career and technical education
5. Obtain a grade of at least "C" in each unit or ½ unit required for high school graduation
6. Obtain a cumulative grade point of at least "B", with GPA rounded to the nearest hundredth for eligibility purposes
7. Receive a composite score of at least 24 on ACT
8. Complete 1 unit of an AP course and examination or a dual credit course

ND Career and Technical Education Scholarship Eligibility Requirements

1. North Dakota resident student
2. Graduate from a high school in North Dakota or from a high school in a bordering state according to provisions set forth in ND century code 15.1-29
3. Complete ND High School Diploma requirements
4. Complete all of the following course and grade requirements:
   a. 1 unit of Algebra II
   b. 2 units of a coordinated plan of study recommended by the Department of Career and Technical Education
   c. 3 additional units, 2 of which must be in the area of career and technical education
5. Obtain a grade of at least "C" in each unit or ½ unit required for high school graduation
6. Obtain a cumulative grade point of at least "B", with GPA rounded to the nearest hundredth for eligibility purposes
7. Receive a composite score of at least 24 on an ACT or a score of at least "5" on each of 3 WorkKeys assessments to include Reading for Information, Locating Information, and Applied Mathematics

Budget

The 2009 Legislature appropriated $3.0 million for these scholarships in the 2009-11 biennium. It is estimated that $1,045,896 in scholarship aid will be disbursed during the fall 2010 semester, with a similar amount being expended during the spring 2011 semester, for total estimated expenditures of $2,100,000 in 09-11. This would leave an unspent balance of $900,000 which would be carried over to the 2011-13 biennium.

Scholarship projections assume a slight reduction in the number of students who qualify for the award based on the more stringent program requirements. However, given the program will take four years to ramp up to four full classes of students, the 2011-13 total projected cost is $10,500,000, assuming a

$1,500 scholarship, requiring additional funding of $9,600,000 when 09-11 carryover funds are considered.

The 11-13 Executive Budget removed the $3.0 million general fund base funding from the NDUS Office budget (HB1003), and instead includes a $10 million continuing appropriation from the Land Minerals Trust Fund.

G:\Gina\500\Academic and CTE Scholarships\2010 Awards\Statistics\scholarship program annual report 2010.docx

Post GPA Verification Addendum (as of January 5, 2011)

Following the completion of GPA verification for the Fall 2010 semester, the number of students who are eligible based on the original cohort of 1,589 students at the beginning of the semester has shifted. Of the 1,589 who were eligible, 168 deferred the use of the scholarship, 298 failed to meet the GPA criteria, 27 withdrew or did not attend, and 1,096 students are eligible for the scholarship for Spring 2011 as of January 5, 2011.

Original distribution of students receiving scholarships and attending college Fall 2010

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VGSU	WSC	Total
Academic	66	4	31	35	13	14	83	16	359	1	0	2	1	84	300	0	29	18	1,056
Career & Tech	62	4	19	3	12	5	29	64	72	3	1	1	0	16	56	1	13	4	365
Total	128	8	50	38	25	19	112	80	431	4	1	3	1	100	356	1	42	22	1,421

Total attrition of students by campus and scholarship type at end of Fall 2010 semester
(Not meeting GPA requirements, withdrawing, or not attending)

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VGSU	WSC	Total
Academic	16	0	3	5	3	1	19	3	87	1	0	0	0	4	45	0	5	7	199
Career & Tech	22	1	2	0	2	2	13	21	34	3	1	0	0	3	18	1	3	0	126
Total	38	1	5	5	5	3	32	24	121	4	1	0	0	7	63	1	8	7	325

Students who retained their eligibility, by campus and scholarship type, at end of Fall 2010 semester

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VGSU	WSC	Total
Academic	50	4	28	30	10	13	64	13	272	0	0	2	1	80	255	0	24	11	857
Career & Tech	40	3	17	3	10	3	16	43	38	0	0	1	0	13	38	0	10	4	239
Total	90	7	45	33	20	16	80	56	310	0	0	3	1	93	293	0	34	15	1,096

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Tribal College Assistance Grant

The 2007 and 2009 North Dakota Legislative Assembly appropriated $700,000 (or $350,000 for each year of the biennium) from the Permanent Oil Trust Fund for supplemental grant assistance to the tribal community colleges to recognize their service to nonbeneficiary students. A nonbeneficiary student is defined as a resident of North Dakota enrolled in a tribally-controlled community college but not an enrolled member of a federally recognized Indian tribe. For program management purposes a full time equivalent (FTE) student has been defined as 24 credit hours per year.

In Academic Year 2009-10, 112.792 FTE students met the definition of nonbeneficiary students, resulting in a prorated per student allocation of $3,103. Reimbursement received under the tribal college assistance grant program may be used for such things as salaries and wages, operating expenses, equipment, capital expenditures, etc.

The following table provides a breakout of payments by institution:

Tribal College Assistance Grant Payment for 2009-10 AY			
Institution	No. of Credit Hours	FTE Students at 24 Credit Hours Per Year	Total Distribution by Campus
Fort Berthold Community College	545	22.708	$70,465.46
Cankdeska Cikana Community College	158	6.583	$20,428.52
Turtle Mountain Community College	711	29.625	$91,928.32
Sitting Bull College	116	4.833	$14,998.15
United Tribes Technical College	1,177	49.043	$152,179.55
	2,707	112.792	$350,000.00
Annual Allocation		$350,000	
Per Student Allocation		$3,103	

Executive Recommendation includes $1 million from the Permanent Oil Trust Fund for 2011-13, an increase of $300,000 over 2009-11.

FOR MORE INFORMATION CONTACT:
Michel Hillman, Vice Chancellor for Academic and Student Affairs
701.328.2695 Michel.Hillman@ndus.edu

09-11 Base Approp. $800,000
11-13 Base Approp. $800,000

Community College Awareness Initiative (CCAI)

("Two Year Campus Marketing" in HB1003)

Overview for the House Appropriations Committee * January 2011

Development and Implementation Timeline								
Summer & Fall 2008	May 2009	Summer 2009	Fall 2009	January/ February 2010	Mid-February 2010	February 23, 2010	Through June 2011	Fall 2011
Proposal Development	Legislative Funding Approved	Strategic Plan Development/ Project Research	Marketing Plan Development	Approval of Agency Creative Concepts	Mass Media Campaign Launch	Campaign Launch News Conference	Media Campaign Flights/Public Relations Activities/ Social Media Ads	Post-Campaign Survey

Legislative Funding Approved: $800,000 in funding was approved by the 2009 Legislative Assembly and incorporated into SB 2003 as base funding. $614,287 has been spent on campaign activities from July 1, 2009, through Dec. 20, 2010. The remaining $185,713 will be used for a fourth flight of the media campaign and to update the initiative's landing page. All budget items are on track with the initial planning.

Marketing Plan Development: Based on results of the research, community college Public Affairs Council members and the agency developed the overall campaign plan, taking into consideration the best tools for communicating with specific target audiences. PAC members and the agency regularly discuss marketing strategies to make the best investment over the biennium.

Approval of Agency Creative Concepts: The North Dakota Community College logo, landing page, TV, print, radio and social media ads were approved in January and February 2010. The PAC members and community college presidents were involved in the concept approval process, and PAC members provided final approval on all materials prior to the launch.

Campaign Launch News Conference: A news conference was used to kick-off the campaign. The TV and print ads were featured as well as a new website landing page directing viewers to the five community colleges. The news conference coverage is summarized in an attached document.

Media Campaign Tracking and Results: Statewide media campaign flights took place February 22 through March 14, 2010; April 5 through April 19, 2010; and Nov. 8 through Dec. 5, 2010, The campaigns include statewide broadcast and cable TV schedules as well as radio spots, newspaper ads, specialty targeted publications such as Hoopster, Choices Magazine, Farm and Ranch College tab, College Guides and Facebook ads. This current budget includes an additional media flight: Feb. 7 through March 6, 2011.

A website address or URL refers to a series of alpha-numeric characters that define the address of a particular location on the Internet. The Community College Awareness Initiative uses the following trackable URLs:

- TV ads: www.ndcommunitycolleges.com
- Radio ads: www.ndcommunitycolleges.net
- Print ads and brochure: www.ndcommunitycolleges.info
- Facebook ads: www.ndcommunitycolleges.org

All URLs point to a landing page, or miniature website, that directs people to the five community college websites; the North Dakota University System website; RUreadynd.com, a Student Loans of North Dakota career planning tool; and the community college academic program matrix.

The performance of each advertising medium can be measured by using the trackable URLs. This tracking includes where visitors come from as well as where they go to when they leave the landing page.

Inbound Landing Page Activity: Feb. 22 through Dec. 20, 2010

Number of landing page visits generated by each medium:

- TV: 4,593
- Radio: 1,240
- Print: 2,175
- Facebook: 7,940
- **Total: 15,948**

Outbound Landing Page Activity: Feb. 22 through Dec. 20, 2010

Number of website visits generated through the landing page:

- BSC: 1,247
- DCB: 1,104
- LRSC : 904
- NDSCS: 1,033
- WSC: 792
- NDUS: 669
- *RUREADYN*D: 619
- Total : 6,368

These impressive campaign tracking numbers represent the awareness and motivation of the target audience to visit the landing page for more information. While mass media advertising helps build brand awareness and hundreds of thousands of impressions, the tracking system tells us that there were 15,948 visits to the community college landing page because of the campaign. The five community colleges each received several hundred visits to their website through the landing page because of the campaign.

Research: By containing the cost of research, more CCAI funding can be used to reach target audiences. As a result, the agency recommended conducting one survey per biennium, and the campaign timeline includes a post-campaign survey in the fall of 2011. Although it would be ideal to have quantitative research results prior to January 2011, to do so would limit direct campaign efforts to change statewide perceptions of community colleges. Given that this campaign provides the first opportunity to address this issue in the state, it is anticipated that a longer timeline will be needed to affect real changes in perception. Waiting to conduct additional research until 2011 will allow for the marketing efforts to make a more significant impact.

Initiative Purpose: As outlined in the 2008 Community College Awareness Initiative Request for Proposal, the main purpose of the initiative is to " build awareness and enhance the image of North Dakota University System community colleges; this will benefit residents of North Dakota, all North Dakota University System institutions and the state economy."

Increasing awareness and improving perceptions is a necessary first step toward increasing enrollment. Accordingly, increasing enrollment was not included as a goal for fall 2010.

The campaign's success will be measured by comparing the September 2009 benchmark study to the 2011 research results. Responses from the four target audiences (students, parents, counselors and the general public) will be compared using the same critieria:

- Top-of-mind awareness
- Overall view of community colleges
- Convincing someone to enroll at a community college
- Perception of community college and
- Post-secondary plans

Brochure Development: In addition to the media campaign, a brochure has been developed and was direct mailed to junior and senior high school students statewide in December 2010 and distributed at the *Career Opportunities in North Dakota's Energy Industry* conference in Bismarck Aug. 10 and 11, 2010. The brochure also has been mailed to North Dakota school counselors and career advisors and to schools where the media campaign has overlapped in Minnesota, South Dakota and Montana.

Going Forward: Public relations and social media activities will continue; opportunities to partner with key state entities, such as the Department of Career and Technical Education and the Department of Commerce, will be considered.

The community college presidents, PAC members and numerous campus personnel have contributed to the planning process and will continue to be called upon as their expertise is needed.

The 2011-13 Biennium: PAC members have completed a 2011-13 strategic planning process and have created a framework for continuing the campaign. The strategic plan follows the state's economic development goal of "generating a higher standard of living and a better quality of life for all North Dakotans. Developing better-paying jobs and career opportunities, in both our cities and our rural areas, creates stronger communities, and enable our young people to pursue their careers at home."

<u>2011-13 Funding ($800,000) Will Be Used to Support Actions Included in the 2011-13 Strategic Plan:</u>

- Continue brand development
- Use the existing creative, but modify it in the future
- Conduct research to measure changes in perception
- Reinforce marketing efforts for current target audiences
- Expand efforts to other audiences, including the adult population
- Continue media placement through four statewide media flights
- Increase social media activity, based on high Facebook tracking numbers that indicate this is one of the most effective mediums for CCAI's target audiences

NDUS Office

Comparison of Budget to Actual Expenditures For FY2010 and as of 11/30/10 (for FY11)

	(1)	(2)	(3)	(4)	(5)	(6)
	Fiscal Year Ended June 30, 2010			July 1, 2010 Through November 30, 2010		
	(1) FY 2010 Budget	(2) FY2010 Expenditures	(3) Remaining Balance	(4) FY 2011 Budget	(5) Expenditures Through 11/30/10	(6) Remaining Balance
Systems Governance (Operations):						
Total all funds	3,659,542	3,366,648	292,894	3,746,910	1,589,094	2,156,816
Less estimated income	175,818	160,503	15,315	203,977	81,068	122,909
Subtotal general fund appropriation	3,483,724	3,206,145	277,579	3,541,933	1,508,039	2,033,894
Student Grant Programs:						
Student Financial Assistance Grants	8,524,995	8,481,084	43,911	11,401,523	4,833,613	6,567,910
Scholars Program	933,830	933,830	0	1,170,556	562,645	607,911
ND Indian Scholarship Program	189,900	190,700	(800)	192,568	91,200	101,368
Professional Student Exchange Program	1,332,040	1,020,518	311,522	1,590,314	1,004,482	585,832
Education Incentive Programs	1,569,000	1,537,500	31,500	1,535,500	-	1,535,500
Academic & Tech Ed Scholarship	-	-	-	3,000,000	1,046,646	1,953,354
Tribal Community College Grants	350,000	350,000	-	350,000	-	350,000
Subtotal all funds	12,899,765	12,513,631	386,134	19,240,461	7,538,586	11,701,875
Less estimated income	887,781	887,781	-	977,493	289,276	688,217
Subtotal general fund appropriation	12,011,984	11,625,850	386,134	18,262,968	7,249,310	11,013,658
System Grant Programs:						
EPSCoR	3,525,000	3,525,000	-	3,525,000	3,525,000	-
Title II Grant	276,340	276,727	(387)	315,923	212,713	103,210
Professional Liability Insurance	550,000	550,000	-	550,000	550,000	-
System Information Technology Services (SITS)	14,713,464	14,698,231	15,233	15,516,574	15,328,957	187,617
STEM Teacher Education Enhancement	1,500,000	1,500,000	-	-	-	-
[illegible]year Campus Marketing	417,941	423,209	(5,268)	382,059	41,671	340,38[illegible]
[illegible]ity & Emergency Preparedness	700,000	700,000	-	50,000	50,000	
[illegible] Space Grant Consortium	100,000	100,000	-	-	-	-
College Access Grant	206,987	195,211	11,776	238,588	63,382	175,2[illegible]
Subtotal all funds	21,989,732	21,968,378	21,354	20,578,144	19,771,722	806,4[illegible]
Less estimated income	786,640	786,640	-	826,223	326,140	500,083
Subtotal general fund appropriation	21,203,092	21,181,738	21,354	19,751,921	19,445,582	306,339
System Projects:						
Capital Assets-Bond Payments	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
Subtotal all funds	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
Less estimated income	-	-	-	-	-	-
Subtotal general fund appropriation	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
TOTAL						
Total all funds	43,974,801	43,274,420	700,381	49,578,118	33,393,982	16,184,136
Less estimated income	1,850,239	1,834,924	15,315	2,007,693	696,471	1,311,222
Total general fund appropriation	42,124,562	41,439,496	685,066	47,570,425	32,697,512	14,872,913

G:\Sharon\NDUS Office Carryover Budget Hearing 2011\[NDUS office Budget to Actual FY2010 and FY11.xlsx]Annual budget format

North Dakota University System Office
Status of 2007-09 Carryover

	Total General Fund Carryover	Total Other Fund Carryover	Total Carryover	Required Allocation per SB2003-Sec 25 1/	Expended through 01/20/11 2/	Current Unexpended Carryover 3/
System Governance Carryover:	276,862	107,344	$ 384,206	(200,000)	(138,422)	$ 45,784
Other Carryover:						
Student Financial Assist Grants	553,546	-	553,546	-	(553,546)	-
Scholars Program	343,242	-	343,242	-	(343,242)	-
Native American Scholarships	1,175	-	1,175	-	(1,175)	-
Education Incentive	89,650	-	89,650	-	(89,650)	-
Professional Student Exchange	244,398	-	244,398	-	(244,398)	-
SITS	55,332	9,231	64,563		(9,231)	55,332
Other Carryover	1,287,343	9,231	1,296,574	-	(1,241,242)	55,332
Total 2007-09 Carryover Status	$ 1,564,205	$ 116,575	$ 1,680,780	$ (200,000)	$ (1,379,664)	$ 101,116

Estimated Balance for FY11

1/ Section 25 (SB2003) required the SBHE to use $200,000 of NDUS unspent 2007-09 general fund appropriation for marketing and student retention at Valley City State University for the biennium beginning July 1,2009 and ending June 30,2011.

2/ System Governance expenditures included expenses for Peer Review, Adult Council, Mission Review, ITD Enhancements, Computer Equipment, Office Training, Joint Boards Speaker. Expenditures for other line items are for specific grants, i.e.. Student Financial Assist Grant, Scholars Program, etc.

3/ Unexpended funds estimated to be expensed for the following projects: Employee Retirement SL and AL payout, Risk Assessment Services, Intern, Training.

NDUS attachment #3
HB 1003
January 24, 2011

62ND LEGISLATIVE ASSEMBLY

SCR 4003, Senate Appropriations Committee

Northern Tier Network—North Dakota

Marc Wallman

North Dakota State University

January 20, 2011

January 20, 2011

Mr. Chairman and members of the Committee. For the record, I am Marc Wallman, Assistant Vice President for Enterprise Computing and Infrastructure at North Dakota State University. On behalf of the Northern Tier Network—North Dakota (NTN-ND) members from ND ITD, UND and NDSU, I thank you for giving us this opportunity to update you on the Northern Tier Network as well as to respond to questions you may have. Bonnie Neas, NDSU's VP for IT, who usually gives this report sends her regrets.

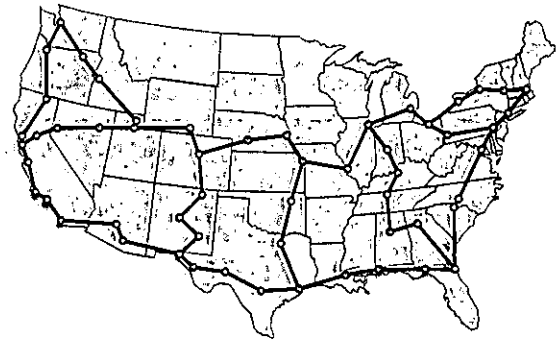


Figure 1: National Research and Education Network (Internet2) Circa 2003. Founding Northern Tier Member States Highlighted.

First, I would like to begin with some background information on the Northern Tier Network. The Northern Tier Network Consortium (NTNC) was established in 2003. The founding member states, highlighted on the map in Figure 1, wished to address the fact that the nation's research and education network had for years bypassed our region of the country. This lack of service to our region of our region **(1)** threatened to disenfranchise Northern Tier states from research activities, including competing for grant money, **(2)** to prevent participation in the future development of the country's research and education network, which supports local to global economic vitality.

Shortly after being founded, the NTNC received a grant from the National Science Foundation to fund an analysis of existing high capacity broadband options in the Northern Tier states as well as an analysis of the options available for deploying a dark fiber network in these states. Following the completion of the study in 2006, Northern Tier states were able to secure sufficient funding to establish an east-west connection between Seattle and Chicago. In 2007, the North Dakota Legislature committed $2,773,800 in startup funds for North Dakota's portion of this network that were added to $3.2 million of equipment contributed by the federal government via the Department of Defense

The remainder of the report will consist of the following: (1) A review of how NTN-ND has met its initial goals, (2) A review of the FY07-09 report, (3) A review of the cost comparison requested by the Interim IT Council on October 14th, 2010. (4) NTN-ND is a snapshot as it exists today.

The initial goals of the NTNC were to (1) ensure competitiveness for the region's research activities in support of its economic vitality, and (2) ensure our region's participation in the ongoing development of the nation's research and education network, which supports economic vitality. How have we done?

With regard to competitiveness in research activities, while we have certainly made important strides, I believe that we are only beginning to see the impact of the Northern Tier Network. Computational research is a growing field at UND and NDSU and the demands we see today are expected to significantly expand in the future. In the Fall of 2010, Dr. Svetlana Kilina, a computational chemist at Los Alamos National Lab, joined the faculty at NDSU. She brought with her a substantial amount of data from her previous research activities. NTN-ND reduced the time to transfer her research data from what would have been a few days before NTN-ND down to a couple of hours. This ability to quickly transfer large data sets will provide Dr. Kilina with future opportunities to share her work with potential collaborators.

The economic impacts of research activities often take time before they are fully realized. We expect NTN-ND to enable research that will contribute to our states economic vitality. In the meantime, NTN-ND has created an immediate economic impact by driving demand for high performance network capacity. Upgrades to STAGEnet metro connections have already taken place in Fargo as a result of NTN-ND. Work on NTN-ND interconnects in Bismarck is underway. We expect this demand to not only continue, but to increase with time.

With regard to ensuring our region's participation in the ongoing development of the nation's research and education network, NTN-ND has been an unqualified success. In July of 2010, the National Telecommunications and Information Administration (NTIA) awarded Internet2 $62.5 million in funding to deploy a singificant enhancements to the nation's research and education network. The NTNC was a partner in this grant submission and will play a key role in the networks deployment and ongoing operation. Further, this partnership will provide NTN-ND with improved service and reduce operating costs by approximately $300,000 per biennium. NTN-ND is now, literally, on the map.

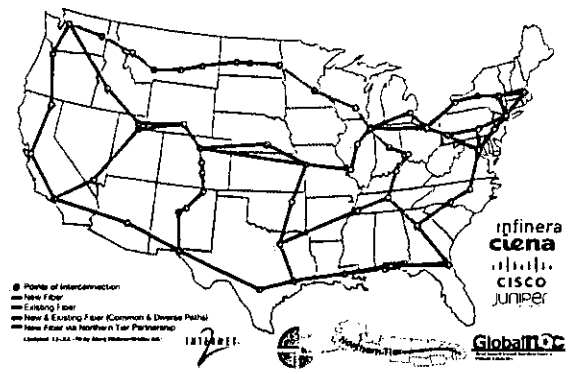


Figure 2: Internet2 Enhancements per NTIA Award

In January of 2009, NTN-ND submitted a preliminary report to the legislature, outlining activities and progress made during the 07-09 bienium. This report, along with an addendum detailing accomplishments between January 2009 and June 30, 2009 has been distributed with a copy of my testimony. Of the materials provided in this report, there are two items I would like to highlight. First is a map showing the deployment of NTN-ND and its relationship to STAGEnet, the state network operated by ND ITD. The map I have included as part of my testimony is derrived from one in the 07-09 report. It shows the routes for both the STAGEnet backbone and NTN-ND. Also included in this map is the South Dakota interconnect, which was funded by an NSF grant, jointly awarded to North Dakota and South Dakta in 2010. Returning to the relationship between STAGEnet and NTN-ND, there are several remarks I would like to make. First, the map in Figure 3 shows both STAGEnet and NTN-ND backbones. For NTN-ND, this is the whole story. It is only a backbone. STAGEnet is much more. It connects government and educational institutions across the state. There are many regional and local network links that are not pictured in this diagram. NTN-ND is part of a national backbone-only network. It does not and will not provide connectivity beyond points-of-presence indicated by the green dots on the map in Figure 3. North Dakota telecommunications companies have played and will continue to play a vital role in North Dakota's abilty to use NTN-ND.

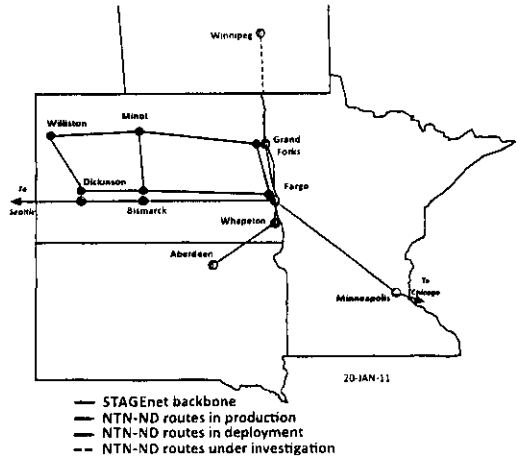


Figure 3: NTN-ND and STAGEnet

The second item that I would like to highlight from this report is the FY08 and FY09 expenditures. I have included charts illustrating FY08 and FY09 expenditures with my testimony. Most of the expenditures in 07-09 came in FY09. That year saw the transition from deployment to production. Expenses during this year included both deployment and operating costs. They were primarily for hardware and telecommunications services. No additional positions have been created at ND ITD, UND, or NDSU with NTN-ND money.

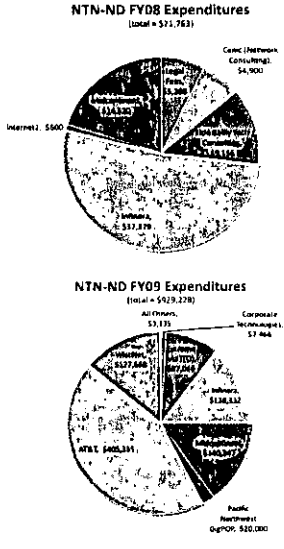


Figure 4: 07-09 Expenditures

At the October 14th, 2010 meeting of the Legislature's Information Technology Committee, there was a request that NTN-ND estimate the cost to acquire equivalent services, if the existing network were not funded. A report has been included with my testimony with this estimate. The report provides a cost comparison with a services bid submitted for an RFI in 2007. It was compared with NTN-ND annual operating costs as submitted to the State Board of Higher Education for inclusion in the University System's appropriation request for this session. This particular cost comparison suggests a tenfold increase would be required to purchase equivalent services to what currently exists in NTN-ND.

Finally, I would like to conclude with a few remarks on the current state of NTN-ND. In October 2010, Bonnie Neas submitted testimony to the Information Technology Committee that included new developments. These include the Internet2 NTIA grant, the NSF grant to connect North and South Dakota, and an NSF award to NTN-ND and the University of Washington to improve network services between Seattle and Chicago. We continue to make progress on these initiatives and expect to have substantial completion on them within 18 months.

NTN-ND Cost Comparison

Prepared January 4, 2011

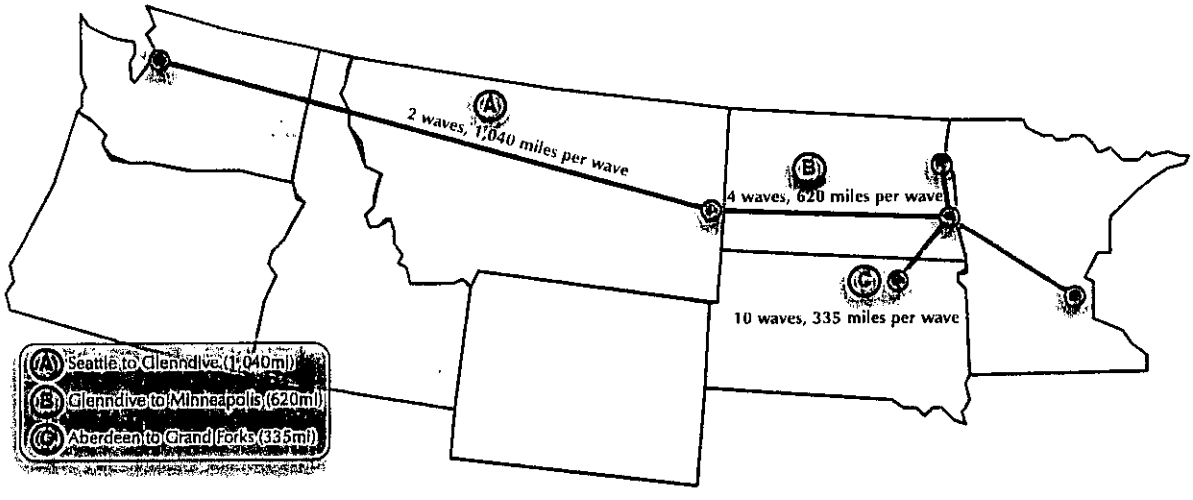
This report is provided at the request of the North Dakota Legislature's Information Technology Committee. As reflected in the minutes of the October 14, 2010 committee meeting in Bismarck, there was discussion of the possible effects of NTN-ND not receiving ongoing funding. As part of this discussion, Ms. Bonnie Neas, Vice President for Information Technology at North Dakota State University, offered to provide a report estimating costs that would be incurred by the North Dakota University System to purchase services equivalent to existing NTN-ND services.

This report provides an estimate of what would be required by the North Dakota University System to purchase services equivalent to what NTN-ND offers. The table below compares current NTN-ND operating costs as of Fall 2010, to a vendor response to an RFI for dark fiber between Fargo and Grand Forks. While the RFI was for dark fiber between Fargo and Grand Forks, one vendor provided a services based response. While dated, this was the most reliable cost data that was available.

Solution	Cost per wave mile	Wave Miles	Annual Cost
Current NTN-ND w/o Internet2 Partnership	$ 118	7,910	$ 935,700
Current NTN-ND with Internet2 Partnership	$ 99	7,910	$ 786,100
Services Model (2007 RFI Response)	$ 1,239	7,910	$9,800,490

Method of Comparison

In order to make a more accurate comparison, the costs from the 2007 vendor response were converted to the cost of one mile of a 10Gb data wave (i.e., a one 10Gbps data link). This figure was then used to calculate the cost equivalent of purchasing 7,910 miles of 10Gb links (i.e., purchasing services that are equivalent to what NTN-ND currently offers). Current NTN-ND services are also shown in the diagram below.



NDUS attachment #4 HB 1003 January 24, 2011

Testimony on HB 1363

Regarding Amendments to Tribal College Assistance for Non-Beneficiary Students North Dakota Century Code Sections 15-70-04; 57-51.1-07

Before the North Dakota House Education Committee

62nd Legislative Assembly
North Dakota State Legislature

January 24, 2011

Laurel Vermillion, President
Sitting Bull College
President, North Dakota Association of Tribal Colleges

Madam Chairwoman and members of the Committee:

The North Dakota Association of Tribal Colleges and the various member institutions are here today to seek amendments to the statute authorizing state funds to be provided to the Tribal colleges that will benefit non-beneficiary students at the Tribal Colleges within North Dakota. We greatly appreciated the support of this Committee and the North Dakota Legislative Assembly in the past two biennia for similar bills as the one before you today.

As most of you on the House Education Committee know, the Tribal Colleges in North Dakota provide educational services at affordable rates for all students including persons who are not citizens of the Tribal Nations. The Tribal Colleges do not receive funds for these non-beneficiary students through the federal funding provided for Tribal colleges generally[1]; those funds are specifically based on a formula that counts only Indians who are enrolled members of federally recognized Indian tribes or who are children of an enrolled member of a federally recognized Indian tribe. In the current state law, these are called "non-beneficiary" students, since the Tribal Colleges receive no federal funds for these students.

As many as 10% of students attending North Dakota Tribal Colleges may be considered "non-beneficiary" students; up until 2007, we did not receive any state funds to assist with the education of these students. Generally, such students are persons who live in or near

[1] The federal legislation is called the "Tribally Controlled College and University Act of 1999", last amended in the "Higher Education Opportunity Act of 2008."

the Tribal communities. Many of these students go on to N.D. four-year state institutions of higher education, and most of them stay in North Dakota after they graduate. Many of the non-beneficiary students, who often are young parents, would not be able to obtain a college education except through the Tribal Colleges.

Since 2007, the Tribal Colleges in North Dakota have been receiving state funds for non-beneficiary students in an amount far less than the average cost per student to educate these students. For these past two biennia, the total amount received has been $700,000 per biennium. This year, the Tribal Colleges are seeking a total of $1.2 million for the upcoming biennium (2011-2013), based on a newly developed formula which assures each Tribal College a minimum amount of funding.

The new formula is found at lines 13-18 of HB 1363. Two of the schools have a relatively small number of non-beneficiary students, usually less than 30 students total for the two schools. These colleges are Sitting Bull College and Cankdeska Cikana Community College. The new formula will ensure that they receive a minimum amount of the funding available for all non-beneficiary students. All of the North Dakota Tribal Colleges are in favor of the new formula. Additional funds are being sought, which will enhance the opportunities for all of the Tribal Colleges to provide education for non-beneficiary students in a local setting. The amount sought will still be less per student than the amount each college receives for its Indian students through its federal funding.

The additional funds requested will significantly help each Tribal Colleges receiving them this next biennium, for several reasons:

1) Despite the best efforts to be efficient, the expenses continue to increase, such as cost of instruction, supplies, overall operations of the facilities, as well as the costs to defray the needs of the students, such as housing and other items. Most of these increases in costs are beyond our control. While the state funds are only supplemental to what the Tribal Colleges receive from other sources, these funds help with the increased expenses we experience every year.

2) A key goal of the colleges is to provide up-to-date curricula and programs which meet the needs of the students and communities. Technology is constantly evolving and so must the teaching methods. Providing updated curricula and using updated technology is expensive and the extra dollars obtained through the modest state funding program will provide a small part of the funds needed to assist the instructors and ensure curricula stay current. That, in turn, helps the non-beneficiary students.

3) Another use of the funds is to provide counselors for all students. Additional funds can support additional counseling, all of which assists in retention and the likelihood that students will graduate.

A brief summary of the non-beneficiary students served by each of the Tribal Colleges is provided below, along with a brief description of how the funds received through the state

have been used thus far. Each of the Colleges directs some of the funds towards indirect costs at the College. These may include costs of the finance office, supplies, and other operational costs of the College. Also attached to this testimony is a "Fact Sheet" summarizing some of the salient facts about the populations served by the Tribal Colleges in North Dakota. The reservations served by the Tribal Colleges generally have high unemployment rates and low rates of higher education graduates. Each of the Tribal College presidents will provide additional information about their Colleges, their programs and who they serve.

Since the state program assisting the Tribal Colleges and the non-beneficiary students began, the Tribal Colleges have received three separate allocations of funds in the 2007-2009 and 2009-2011 biennia, and will soon receive one more allocation of $350,000 for the second year of the current biennium.[2]

Cankdeska Cikana Community College (CCCC)

CCCC serves the Spirit Lake Tribe, located in northeast central North Dakota. For the past three years, CCCC has served an average of approximately 233 students each semester (other than the summer semester), and of those, an average of 9 have been non-beneficiary students. CCCC has used its funds to assist in subsidizing a student financial aid assistant.

Fort Berthold Community College (FBCC)

FBCC serves the Fort Berthold Reservation in northwest North Dakota, home to the Mandan, Hidatsa and Arikara Nations, officially called the Three Affiliated Tribes. In the most recently completed school year, FBCC served an average of 288 students per semester (other than the summer semester) and of those, an average of 32 has been non-Indian students. FBCC has used its funds for student financial aid and counselors.

Sitting Bull College (SBC)

SBC serves the Standing Rock Sioux Tribe, in south central North Dakota, whose population is approximately half in the state of North Dakota and half in the state of South Dakota. For the past three years, SBC has served an average of approximately 304 students each semester (other than the summer semester), and of those, an average of 9 have been eligible North Dakota non-beneficiary students. SBC has used its funds to subsidize student counselors.

[2] Please note: the student figures provided in the summaries for each Tribal College are averages of the number of actual students. The Tribal Colleges report students to the state of North Dakota and to other funding agencies as "FTEs", or "full-time equivalents", which is the number of credits taken by all the students divided by the number 12, which represents the minimum course load for a student.

Turtle Mountain Community College (TMCC)

TMCC serves the Turtle Mountain Band of Chippewa in north-central North Dakota. The Indian population served is roughly 40% of the entire Indian population in the state. For the past three years, TMCC has served an average of 613 students each semester (other than the summer semester), and of those, an average of 51 have been non-Indian students. TMCC has used its funds to defray various general expenses, including faculty costs, student services, operating expenses and textbooks.

United Tribes Technical College (UTTC)

UTTC serves Tribes from across the United States, but approximately 75% of all students are from the federally recognized Indian tribes in North Dakota, South Dakota and Montana. For the past three years, UTTC has served an average of 643 students each semester (other than the summer semester), and of those, an average of 47 have been eligible North Dakota non-beneficiary students. UTTC has used its funds for additional financial aid counselors.

For the reasons stated above, the NDATC urges the House Education Committee to give a "DO PASS" recommendation for HB 1363.

North Dakota Legislative Briefing
North Dakota Association of Tribal Colleges Briefing Document

FACT SHEET

1. The Native American population in North Dakota is comprised of five reservations, seven tribes and over 3.8 million acres of land.

2. The Native American population comprises 6.7% of North Dakota's population.

3. Unemployment rates on the North Dakota five reservations average 59%.

4. Approximately 95% of the North Dakota Native American students qualify for federal financial aid Pell Grants.

5. The five accredited North Dakota Tribal Colleges are currently in operation in the state of North Dakota are: Sitting Bull College, United Tribes Technical College, Berthold Community College, Turtle Mountain Community College, Cankdeska Cikana Community College.

6. The North Dakota Tribal Colleges educate approximately 2800 students of these students the range of non-beneficiary students served is between 5-10%.

7. Tuition collectively at the North Dakota Tribal Colleges averages $108.20 per credit.

8. The North Dakota Tribal Colleges use the non-beneficiary dollars to support institutional counselors, student services such as tutoring, placement, and college visits to NDUS schools.

North Dakota Association of Tribal Colleges--Executive Director---Dr. Jen Janecek-Hartman
3315 University Dr
Bismarck, ND 58504
Phone: 701-223-5886 x 1396--Cell: 701-426-6399

NDUS
Attachment #5
HB 1003
January 24, 2011

HB 1003

HOUSE APPROPRIATIONS COMMITTEE

Good Morning Mr. Chairman and Members of the Committee.

My name is Nancy Kopp

I represent the North Dakota Optometric Association and the North Dakota Veterinary Medical Association and currently serve as Executive Director for both groups.

I appear before you in support of the portion of HB 1003 that provides the funding for the Professional Student Exchange Program and the Kansas State Provision.

North Dakota students pursuing a career in Optometry or Veterinary Medicine are finding it increasingly more difficult to make the choice to obtain professional training in these fields for a number of reasons:

1. North Dakota does not provide access to these programs in our state. I was told that the approximate annual cost to operate a vet school, runs about $40 million.

2. The high cost of out of state tuition. Optometry runs approximately $30,000 at Pacific University in Oregon, per year (not including living expenses) and Veterinary Medical about $37,000 at Iowa State.

3. The potential annual income upon graduation and licensure in North Dakota, is less than other states. The average starting salary is $50,000 - $70,000, all while trying to retire a professional education debt of up to $180,000 plus and perhaps starting a family at the same time.

4. Is there a shortage of optometrists or veterinarians in North Dakota? Yes in the rural areas, not necessarily in the urban areas.

Note: Members of the North Dakota Optometric Association provide optometric services in 23 satellite clinics to serve, primarily the aging population of those rural communities. They travel and practice there 2-3 days per week. This is in addition to their urban practice. Some North Dakota Veterinary Medical Association members provide veterinary services up to a 150 mile radius of their main clinic.

5. Are our North Dakota students coming back to North Dakota to practice? For the most part, we think so; 45% optometry and 70% veterinary medicine.

For these main reasons, I would ask for your favorable consideration to continue North Dakota's obligation and provide funding at the current level for the Professional Student Exchange Program.

HB 1003 January 24, 2011 attachment #6

Doug Goehring
AGRICULTURE COMMISSIONER

Dr. Susan Keller
STATE VETERINARIAN

Dr. Beth Carlson
DEPUTY STATE VETERINARIAN

Dr. Jesse Vollmer
ASSISTANT STATE VETERINARIAN

Nathan Boehm, Mandan
PRESIDENT, DAIRY CATTLE

Melvin Leland, Sidney, MT
SECRETARY, REG. PUREBRED CATTLE

Dr. Charlie Stoltenow, Fargo
CONSULTING VETERINARIAN

STATE BOARD OF ANIMAL HEALTH
ND Department of Agriculture
600 E. Boulevard Ave. Dept. 602
Bismarck, ND 58505-0020
(701) 328-2655
1-800-242-7535
FAX (701) 328-4567
Equal Opportunity in Employment and Services

Dr. Morgan Dallman, Beulah
VETERINARIAN

David Pearson, Hettinger
SHEEP

Joel Olson, Almont
COMMERCIAL BEEF CATTLE

Daryl Dukart, Dunn Center
SWINE

Dr. W.P. Tidball, Beach
VETERINARIAN

Dr. Kenneth Throlson, New Rockford
BISON

Shawn Schafer, Turtle Lake
NONTRADITIONAL LIVESTOCK

Testimony of Beth W. Carlson, DVM
Deputy State Veterinarian
House Bill 1003
House Appropriations Committee-Education and Environment Division
Sakakawea Room
January 24, 2011

Chairman Skarphol and members of the Appropriations Committee, I am Deputy State Veterinarian Beth Carlson. I am here today on behalf of the North Dakota Department of Agriculture and the State Board of Animal Health in support of the portion of HB 1003 pertaining to funding for the Professional Student Exchange Program (PSEP) and the Kansas State Program. As you are aware, the PSEP program assists North Dakota students enrolled in professional programs not offered in the state of North Dakota, including optometry, dentistry, and of greatest importance to agriculture, veterinary medicine. The recent implementation of the Kansas State funding has provided an additional avenue to train food animal veterinarians.

The State Board of Animal Health is responsible for protecting the health of the domestic animals and non-traditional livestock of the state. We cannot do this without the assistance of a strong group of practicing veterinarians and regulatory veterinarians. Accredited veterinarians

issue health certificates, perform regulatory testing, provide services to auction markets, and occasionally assist the Board with other matters.

Rising tuition costs (and, as a result, student loan debt) make it difficult for students who wish to return to North Dakota to do so. Some students who are accepted to veterinary school may choose not to attend and instead pursue another career, rather than incur huge debt loads. This has contributed to the shortage of veterinarians in the state. In some cases, this has made it difficult to find veterinarians to provide services at our livestock auction markets, which are critical to our agricultural economy. When the Board needs to contract with a practicing veterinarian, it is sometimes difficult to find one who is available. I personally was a recipient of Professional Student Exchange funds, and it kept my student loans to a manageable level, which allowed me to choose to return to serve North Dakota, first in private practice and now in the public sector.

Chairman Skarphol and committee members, for these reasons, I support these portions of HB 1003. I would be happy to answer any questions you may have.

NDUS attachment #7

House Bill 1003

62nd Legislative Assembly of North Dakota

House Appropriations Committee – Rep. Robert Skarphol, Chair

Monday, January 24, 2011 – Sakakawea Room

Testimony Provided by: Dr. Jim Davis, President, Turtle Mountain Community College

Good morning! Chairman Robert Sharphol and members of the House Appropriations Committee, my name is Jim Davis, President of the Turtle Mountain Community College, Belcourt, North Dakota, located on the Turtle Mountain Band of Chippewa Indian Reservation. The Turtle Mountain Community College (TMCC) is one of the original six tribal colleges established by various Indian Tribes in the early 1970's and was chartered by the Turtle Mountain Band of Chippewa in 1972. The humble beginnings of TMCC can be traced to operating out of a former Catholic Convent and later, to the basement of an abandoned Indian Health Service facility. In 1977, the college moved into an abandoned tribal building and a Bureau of Indian Affairs facility. This would remain the college's home for the next 20 years. In May of 1999, the college moved to a new campus and a new facility.

In its brief history, the TMCC has emerged as one of the leaders among this nation's 35 tribal colleges and initially received full accreditation in 1984. The college currently offers degrees and certificates that are both state and Higher Learning Commission (HLC) approved.

While tribal colleges are able to offer a tribal focus, student enrollment at TMCC enjoys a diverse population of Native and Non-Native (non-beneficiary) students. Non-Native students include Caucasian, Asian, Hispanic, and Black. Enrollment trends are illustrated in the following table:

	Native American	Non-Native
AY2009-10	91%	9%
AY2008-09	93%	7%
AY2007-08	92%	8%

In addition to producing transfer students, TMCC also graduates both Native and Non-Native students in all degree programs, including Bachelor's, AA, AS, AAS, and Certificate programs. In the past 3 academic years (2007-2010), TMCC has graduated 403 Native students and 25 Non-native students from all its programs.

Currently, TMCC uses funds from the state budget in the following manner: FY's 07, 08, 09, 10 the breakdown is as follows: (1) Faculty Salary 30% (2) Student Services 30%; (3) Operating Expenses, Utilities or indirect cost 25%; (4) Repairs and Maintenance 5%; (5) Other books, calculators, text books 10%. As the enrollment count for TMCC continues to rise for both Native and Non-Native students, it is imperative that TMCC continues to provide quality education to all its students. Additional funding will help to support this effort and it will also allow TMCC to grow in all capacities, leading to better services for all our students. I recommend a "do pass" by this Committee for the increased funding requested. Thank you and I will entertain any questions you may have at this time.

January 24, 2011 HB 1005 WDUS attachment #8

UNITED TRIBES NEWS

www.uttc.edu

JANUARY 2011 • VOL. 20 - NO. 1
UNITED TRIBES TECHNICAL COLLEGE
BISMARCK, NORTH DAKOTA



Joyful Sound page 20

United Tribes Fall Honoring



THREE GENERATIONS: *Five-month-old Rueben Grey Bear was the momentary center of attention December 17 during United Tribes Fall Honoring. Rueben's mother, at left, Lora Lee Grey Bear (Spirit Lake), earned an Associate of Applied Science degree in Business and Office Technology. Rueben was proudly carried through the graduate's receiving line by his grandmother Melissa Grey Bear.* *More on Fall Honoring on pages 14–15.*



ELEMENTS FOR Success

United Tribes Technical College
Spring Semester Orientation

Monday-Tuesday, January 3-4, 2011
Wellness Center Multipurpose Room

Details at www.uttc.edu

Classes Begin Wednesday, January 5, 2011

THE DREAM IS ALIVE

Dr. Martin Luther King, Jr.

January 17, 2011
Jack Barden Center
Student Union
9 am – 12 pm

North Dakota tribal priorities discussed



NEW SENATOR: *Tribal leaders and representatives congratulated North Dakota's new, U. S. Senator on November 29 at the Capitol in Bismarck. From left, United Tribes Technical College President David M. Gipp, Spirit Lake Chairperson Myra Pearson, and Spirit Lake Vice Chair Darwin Brown visited with John Hoeven, then North Dakota Governor and Senator-elect. The three were among a group of tribal leaders who met with Hoeven to talk about tribal issues and priorities as he prepared to assume his role in the U. S. Senate representing North Dakota. Subjects were outlined for each of the tribes represented and the college, which is governed in common by the tribes of North Dakota.*



Lunch Menu

CAFETERIA HOURS:
Breakfast: 7-8:30am
Lunch: 11am-1pm
Dinner: 5-6:30pm

	January 3-7	January 10-14	January 17-21	January 24-28
M	Taco Salad w/ Assorted Toppings	Spaghetti & Garlic Toast	Hotdish (Cook's Choice)	Beef Stew & Biscuits
T	Chicken Sandwich & French Fries	Poor Boy Sandwich & Potato Salad	Bean Soup w/ Ham & Frybread	Baked Ham, Mashed Potatoes & Gravy
W	Grilled Ham & Cheese & Tomato Soup	Turkey ala King, Biscuits & Rice	French Dip w/ Au Jus & Chips	Sloppy Joe & French Fries
T	BBQ Rib Sandwich & Oven Potatoes	Sloppy Joe & French Fries	Cheeseburger & French Fries	Pork Chow Mein, Rice & Egg Roll
F	Fish Sticks & Mac & Cheese	Chicken Nuggets & Mac & Cheese	Fish Sandwich & Soup (Cook's Choice)	Hot Dog & Macaroni Salad

KODA THE WARRIOR "What Are You Waiting For?"

CREATED BY MARK L. MINDT
SPIRIT LAKE NATION



©2005 Pony Gulch Publishing

Classic Koda reprised from UTN Vol. 7 - No. 2

kodathewarrior@yahoo.com

Indian ranchers advised to prepare for claims

[redacted]RCK (UTN) - Native American [redacted]ers and farmers, who were involved in the successful class action lawsuit against the government, should be sure to register at the class action website as soon as they can for information about the case and so they will eventually receive a claims packet.

That was the leading piece of advice provided by the lead plaintiffs and their legal team in the Keepseagle v. Vilsack Native American discrimination lawsuit. It came during a meeting November 22 at United Tribes Technical College attended by 200 ranchers and farmers from North Dakota and surrounding states.

Attorneys explained what comes next as the U.S. Department of Agriculture is required to provide $680 million in damages to thousands of Native American farmers and ranchers nationwide. They cautioned the process will not occur overnight.

The first step is to sign up to receive the court-approved notice to the class and in[redacted]ion from the legal team about the [redacted]ncluding where and when information meetings will be held throughout the country, and to eventually receive a claims packet. The notices sent to potential claimants will also contain information about the case, timelines and deadlines, and information about how to begin preparing for a claim.

The United Tribes meeting was the first large group gathering of the plaintiffs since an October 19, 2010 settlement agreement ended 11 years of litigation over alleged discrimination against Native American ranchers and farmers in the USDA's farm loan programs.


United Tribes News Photo by Dennis J. Neumann

Lead plaintiffs Marilyn and George Keepseagle, Fort Yates, ND, thanked members of the drum group Oakdale, Mandaree, ND, during an honoring November 22 for participants and lawyers in the successful Indian ranchers class action lawsuit against the USDA.

Registering on the website will help the legal team identify the locations of plaintiffs and where to hold future meetings. Attorneys said assistance will be provided in filling out claims forms at meetings.

Information about the terms of the settlement will be circulated nationwide over the next two months along with a request for comments from class members, said lead counsel Joseph M. Sellers, partner, Cohen Milstein Sellers and Toll, PLLC, Washington, DC. Final approval of the settlement by the Federal judge in the case is expected following an April 28, 2011, Fairness Hearing. The actual process of filing claims would begin no sooner than 60 days later, commencing in the Summer of 2011 and extending until the end of the year.

Additional information about the claims timeline, class requirements, settlement categories and amounts, and the claims packet can be obtained at the website set up by the legal team, www.indianfarmclass.com, or by calling the toll free phone number 1-888-223-5506.

United Tribes Technical College
Academic Calendar

January 1 ..... New Year's Eve	*January 20 ..... Last Day to Register for Spring Semester*
January 3-4 ..... Spring Orientation/Registration	*January 20 ..... Spring Graduates Orientation*
January 5 ..... Classes Begin	*January 21 ..... Professional Development Day (No Classes)*
[redacted]uary 6 ..... Last Day to Register for Distance Learners	*January 26 ..... Last Day to Add a UTTC Class*
[redacted]ry 17 ..... Diversity Awareness/MLK Jr. Day (1/2 Day)	

UTTC SELF-STUDY

United Tribes Technical College is currently conducting a self study evaluation. A written report of its findings will be produced for its NCA reaccreditation visit. The NCA comprehensive visit will take place in 2010-2011. If you have questions or comments regarding UTTC's self-study experience, please send them to: ncaaccreditation@uttc.edu. To learn more about the NCA accreditation process, visit the website: http://www.ncahlc.org.

STUDENT FOCUS:

Nathan Stratton, Financial Aid

Elizabeth Sam

Shoshone Paiute Tribe of Nevada
PRACTICAL NURSING



Elizabeth Sam is mother of three and the wife of a Bureau of Indian Affairs police officer. She had long aspired to study nursing, but was unable to attend nursing school in Nevada due to long waiting lists and difficult admission criteria and policies favoring traditional-aged students. Elizabeth and her family saved money for a year to relocate to North Dakota so she could become a nurse.

Elizabeth credits her faith and her family for helping her succeed at UTTC. Her husband found a job in law enforcement on a nearby reservation, and her eldest son got an after-school job to help make ends meet at home. UTTC provided a safe, supportive environment.

Elizabeth performed extremely well at UTTC and is about to earn her degree in Practical Nursing. She has already been accepted to a local hospital's registered nurse program where she will earn a Bachelor of Science in Nursing degree.

"I came into nursing and didn't understand how much work it was going to be. But I wanted to do good, and I'm doing really well!"

– Elizabeth Sam

Wellness Fair fare is Arabic



United Tribes News Photo by Dennis J. Neumann

THE HUMBLE PEA: *Nutrition and Foodservice students Charlie Marshall, left, and John Williams, whipped up a tasty batch of hummus during the United Tribes Wellness Fair in November, under the watchful eye of instructor Annette Broyles. The Middle Eastern dish is a dip or spread made from cooked, mashed chickpeas, blended with flavorful ingredients. If you make yours with garbanzo beans not to worry. Garbanzo is the Spanish translation for chickpea, while Hummus is the Arabic word.*

United Tribes Technical College

MISSION

United Tribes Technical College is dedicated to providing American Indians with postsecondary and technical education in a culturally diverse environment that will provide self-determination and economic development for all tribal nations.

VISION

- United Tribes Technical College is a premiere college, a leader in Tribal education, arts, and cultural preservation; technology; research; and the humanities.
- UTTC foresees a campus community with state-of-the- art facilities.
- UTTC aspires to be self-sustaining in line with its mission for tribal self-sufficiency and self-determination.
- Most importantly, UTTC envisions skilled, knowledgeable, culturally-grounded, healthy graduates who will achieve their educational goals; empower their communities; and preserve the environment, tribal land, water, and natural resources.

VALUES

- United Tribes Technical College Board of Directors, Administration, Staff, Faculty, and Students are guided in their actions by the following values:

U – Unity	**T** – Traditions
N – Native Americans	**R** – Respect
I – Integrity	**I** – Independence
T – Trust	**B** – Bravery
E – Education	**E** – Environment
D –Diversity	**S** – Spirituality

- United Tribes affirms these values as being representative of the tribal medicine wheel concept. This takes into consideration an individual's physical, intellectual, cultural, and emotional wellness. When these ideals are practiced, the UTTC community will flourish.

DISABILITY SUPPORT SERVICES

United Tribes Technical College recognizes its responsibility for making reasonable accommodations to ensure there is no discrimination on the basis of a disability as established under section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Reasonable support services, accommodations, and appropriate referrals are coordinated through the office of Disability Support Services.

The UTTC office of Disability Support Services is a resource for all UTTC Students with a documented disability from a licensed professional and is committed towards supporting the student in accessing all UTTC Academic Programs. The DSS office collaborates in assessing students' needs and provides appropriate reasonable accommodations in a timely manner.

UTTC Students are encouraged to schedule an appointment and visit with the Disability Support Services Coordinator in promoting self advocacy towards Academic Success within the United Tribes Technical College community.

DSS COORDINATOR:

Tammy Kelsch

Jack Barden Center • Room 215

701-255-3285 x 1465

Fax: 701-224-7230

USEFUL STUDY SUGGESTIONS:

STUDY AT THE SAME TIME EVERY DAY.

In so far as possible, you should schedule certain hours which are used for studying almost every day in a habitual, systematic way. Having regular hours at least five days a week will make it easier to habitually follow the schedule and to maintain an active approach to study.

MAKE USE OF THE FREE HOURS DURING THE SCHOOL DAY.

The hours between classes may be your most valuable study time yet, ironically, the most frequently misused. You can use this time effectively by reviewing the material and editing the notes of the preceding class and/or studying the material to be discussed in the following class.

SPACE STUDY PERIODS.

Fifty to ninety minutes of study at a time for each course works best. Relaxation periods of ten or fifteen minutes should be scheduled between study periods. It is more efficient to study hard for a definite period of time and then stop for a few minutes, than to attempt to study on indefinitely.

PLAN FOR WEEKLY REVIEWS.

At least one hour each week for each class (distinct from study time) should be scheduled. The weekend is a good time for review.

LEAVE SOME UNSCHEDULED TIME FOR FLEXIBILITY.

This is important. Lack of flexibility is the major reason why schedules fail. Students tend to over-schedule themselves.

ALLOT TIME FOR RECREATION, CAMPUS AND CHURCH ACTIVITIES, ETC.

When forced to deviate from your planned schedule (and that will invariably occur), you should trade time rather than steal it from your schedule. Thus, if you have an unexpected visitor at a time reserved for study, you can substitute an equal amount of study time for the period you set aside for recreation (or use some of the time you left unscheduled).

Information in this article was obtained from the website www.ulifeline.org, an anonymous, confidential, online resource center for college students offered by the Jed Foundation. To learn more, please contact the Center for Academic and Personal Counseling at the Lewis Goodhouse Wellness Center at United Tribes, or visit the Wellness Services homepage on the United Tribes website, www.uttc.edu, where you can find the link to ULifeline.

NASA One-Stop Shop

NASA has launched a new website specifically for STEM students and faculty and those interested in learning opportunities provided by the agency. The website features on-line applications for Interns, Fellows and Scholars.

At the site, students have the ability to search for hundreds of internship and fellowship opportunities, and can apply for up to 15 opportunities with one application. Mentors will continue to submit opportunities in the upcoming months.

The first deadline to submit an application is February 2, 2011 to be considered for summer internships.

The website address is http://intern.nasa.gov.

For more information contact Nikki Santos nsantos@aihec.org

HOLD THE DATE

Emerging Researchers National Conference in STEM

A conference to help students enhance their science communication skills and to better understand how to prepare for science careers in a global workforce

Washington, D.C.
February 24-26, 2011

More information:
Donna Behar
dbehar@aaas.org

Registration deadline January 28, 2011

Congress passes diabetes legislation

Program reauthorized to address nationwide crisis

WASHINGTON – One of those pieces of unfinished business for North Dakota U. S. Senator Byron Dorgan fell into place December 9 when the U. S. House passed a reauthorization of the nation's Special Diabetes Program.

> *"If there is any doubt about whether [re-]authorizing the Special Diabetes Program is a "must do" during the "lame duck" session, I would urge you to go to a diabetes clinic and listen to the small children talk about "sticking" themselves, as many as a dozen or more times a day. See how their lives are so very different from the care-free childhood we would hope all kids could enjoy. Go to a dialysis center on an Indian reservation and talk with the people hooked up to those machines."*
>
> **– Byron Dorgan**

Dorgan had introduced the legislation in March. It was one of his top priorities before leaving the Senate at the end of the year.

The program was created in 1997 as a response to the nation's diabetes epidemic. It has two parts: the Special Diabetes Program for Type 1 Diabetes and the Special Diabetes Program for Indians.

A long time supporter, Dorgan said the program is "a smart federal investment," that has yielded important discoveries and clinical advances, and provided "life-saving programs to Native Americans."



Byron Dorgan with a group of youngsters affected by diabetes, seen at a recognition program in his honor last summer at United Tribes. United Tribes News photo Dennis J. Neumann

"Without the assurance that the program will be funded next year, life-saving research and crucial programs for Native Americans will begin to wind down and then completely close their doors," wrote Dorgan in a an oped piece for newspapers around the country. He labeled it a top priority for Congress in the "lame duck" session.

With the reauthorization, the program will continue in Indian Country at least through 2013, said Dorgan.

Diabetes affects more than 24 million American adults and children, an increase of more than four-fold over the last 30 years, he said. Native Americans suffer from it at more than twice the rate of the general population. In some tribal communities the rate of diabetes has reached over 60 percent.

Las Vegas Half-Marathon Results

December 5, 2011

Sage Koch (Standing Rock), 22, Marine Lance Corporal and former United Tribes Cross Country athlete, Twenty Nine Palms, CA

1:13:24

1st out of 19,169 total entrants
2nd out of 264 runners in his age bracket
16th out of 7,252 male entrants

Congratulations!

– Sheila Netterville

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Graduate Reminder:
Stop in the Bookstore to order a cap & gown if attending May ceremony.

Gift Ideas:
- UTTC Holiday Towel Sets
- Sister Sky Bath Products
- Pendleton Mugs
- Native American Tea Products
- Pendleton blankets, baby blankets and tote bags various colors and designs & much more!!!

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ARTIST FELLOWSHIPS

Applications Now Available Online

ND Council on the Arts 2011 Fellowships

Traditional Arts, Dance & Theatre Artists

- Two fellowships of $2,500 awarded annually with different disciplines in each fiscal year
- Draft review deadline: January 15, 2011
- Final grant submission deadline: February 15, 2011

Early submission strongly encouraged.

- Online grant system http://northdakota.cgweb.org.

More information:
NDCA 701-328-7590
www.nd.gov/arts/grants/grant.html

Grants are supported by the North Dakota Council on the Arts, a state agency, and the National Endowment for the Arts

Native Languages declared in a "State of Emergency"

ALBUQUERQUE – The National Congress of American Indians has joined with culture and language preservation groups in declaring Native languages in the U.S. in a state of emergency.

See the UNESCO Interactive Atlas of the World's Languages in Danger
http://www.unesco.org/culture/languages-atlas/

The oldest and largest national organization of American Indians and Alaska Natives passed a resolution November 19 calling for a presidential executive order on Native language revitalization.

The resolution noted the latest UNESCO data on Native languages in the U.S. Among 139 remaining Native languages, all are endangered, with 70 on the verge of extinction within the next five years.

The resolution called for an executive order mandating concerted inter-agency federal coordination to realize the unfulfilled potential of the 1990 Native American Languages Act. It also urged the examination of impediments to contemporary Native language immersion programs and schools like those imposed by the No Child Left Behind Act.

A proposed executive order was developed by the National Alliance to Save Native Languages and presented to the Obama administration for consideration in late February 2010.

For more information about the NCAI resolution and the support and work of other organizations for language preservation, visit the NCAI online.

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Please Stop Domestic Violence

Lets help each other stay safe...

If you have any questions or concerns about domestic violence, my office is in the Wellness Center. I am available M – F, 8-5. You may call UTTC Security to get in touch with me after hours.

The United Tribes Domestic Violence program partners with the Abused Adult Resource Center. Their hours are 8-4, M – F. 701-222-8370. After hours 1-866-341-7009.

STAY SAFE, STAY ALIVE.
UTTC respects your privacy and confidentiality.

WE WANT YOU TO BE SAFE.

Julie Beston Sage,
Domestic Violence Advocate
United Tribes Technical College

701-255-3285 x 1456
jbestonsage@uttc.edu

Earning Your Way



Nutrition and Foodservice

Associate of Applied Science Degree

The Nutrition and Foodservice program at United Tribes Technical College is an opportunity for hands-on experience.

- Healthful food preparation
- Food science
- Food safety
- Wellness
- Community nutrition

Graduates are professionally trained with food preparation and nutrition education skills that allow you to make a positive impact on the health of American Indian people.

Follow one of two-degree majors: Nutrition and Wellness or Foodservice/ Culinary arts. You choose depending on your interest. Both are offered on campus and Online.

You have the opportunity to take a national exam to become ServSafe Certified and/or a national exam to be credentialed as a Certified Dietary Managers (CDM).

A degree prepares you for employment or to successfully transfer into programs of advanced training to become a dietitian or chef.

After graduating, you are prepared for employment with school lunch, WIC, diabetes/wellness programs, hospital or elderly care food service, and casino kitchens or private restaurants.

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United Tribes

Technical College

Nutrition and Foodservice Program
Annette Broyles, Chairperson
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THEY NEED YOUR HELP

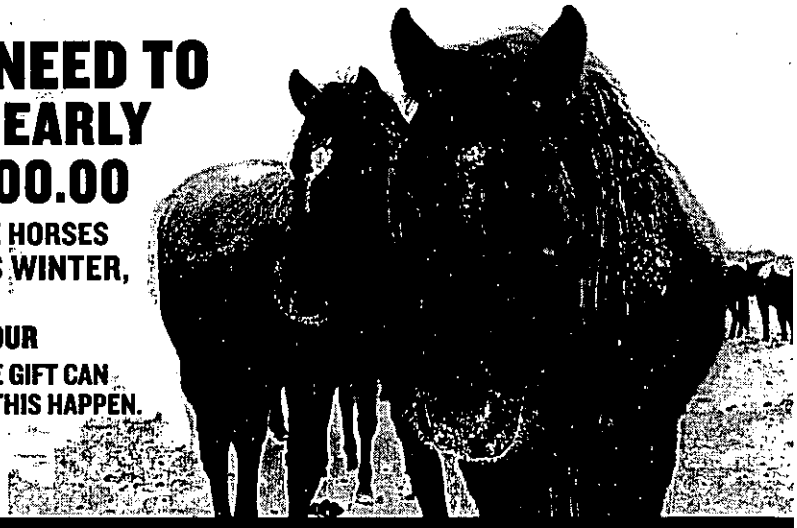
Dear Nokota Friend,

We are writing to ask you to help us preserve the only **foundation herd** of rare and irreplaceable Nokota horses. Witl the long and bitterly cold North Dakota winter fast approaching, we need about 550,000 pounds of hay to keep th horses alive until spring grass. That's over 350 large round bales, at a cost of at least $85 per bale. Can you help?

WE NEED TO RAISE NEARLY $30,000.00

TO KEEP THESE HORSES ALIVE THIS WINTER,

AND YOUR TAX DEDUCTIBLE GIFT CAN HELP MAKE THIS HAPPEN.



As you know, these horses are special. They are descendants of nineteenth century ranch horses and the Sioux Indian buffalo runners. **They are part of America's living history.** A blue roan Nokota horse named Moonshine recently represented all Native American horses in the Opening Ceremonies of the World Equestrian Games in Kentucky. Their ancestors survived wild in the rugged Little Missouri River badlands for almost a century, making them strong, tough, and smart. They're athletic and personable and can do just about anything. Just last year, a Nokota pony cross named Miko was named the national Sport Pony of the Year by the American Warmblood Society!



BUT THEY CAN'T SURVIVE ALONE.

Since 1999, the North Dakota-based non-profit Nokota Horse Conservancy has cared for the few hundred surviving stallions and mares.

The conservancy works all summer producing feed for the winter, but it is not always enough. North Dakota winters are brutal, with temperatures well below zero and nearly constant bitterly cold winds. Winters often last until May.

WITH YOUR AID THESE HORSES WILL SURVIVE.

You can help the horses survive this winter with a tax deductible gift of any size. A donation of $85 will feed one of the conservancy's horses for almost three months - only about a dollar a day. And $350 will keep one Nokota horse healthy for the entire year. Each dollar you can give will feed a stallion, mare or foal for one day.

These horses are the last of their kind. They represent the living history of the Native Americans in our country. Your help, in any amount, will mean the difference between survival and extinction of this breed. And the sooner we receive your gift, the higher quality of hay we can buy to feed them this winter.

YOUR HELP MEANS SO MUCH.

Nokota Horse CONSERVANCY

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Road Safety in Winter

**SUBMITTED BY SHANI BORDEAUX,
UTTC Land Grant Programs
Administrative Assistant**

When winter storms strike, do not drive unless necessary:

- If you must travel, make sure you car is stocked with survival gear like blankets, a shovel, flashlight and extra batteries, extra warm clothing, set of tire chains, battery booster cables, quick energy foods and brightly-colored cloth to use as a distress flag.
- Keep your gas tank full to prevent gasoline freeze-up.
- If you have a cell phone or two-way radio available, keep the battery charged and keep it with you when traveling. If you become stranded, you will be able to call for help.
- Make sure someone knows your travel plans.
- What to do if a winter storm strands you on the road:
- Stay in the car and wait for help to find you.
- Run the engine for short periods of time to stay warm. Keep your down-wind window open and make sure your exhaust pipe is clear of snow.
- Turn on the dome light at night when running the engine to signal rescuers.
- Hang a brightly colored piece of cloth or piece of clothing from the car.
- Exercise from time to time by vigorously moving arms, legs, fingers and toes to keep blood circulating and to keep warm.

This information is from the NYC office of Emergency Management: www.semo.state.ny.us/info/publicsafety/winter_safety_tips.cfm



Tribal College Journal STUDENT WRITING/ ART CONTESTS

DEADLINES
Creative Writing: February 12, 2011
Cover Art: April 18, 2011

WRITING CONTEST: Each year the fall edition of *Tribal College Journal* contains the annual Student Edition and is sent to all 18,000 subscribers. It provides an important opportunity and student writers are encourage to submit their best work. TCJ prefers that instructors submit their students' work.

The contest is open to all tribal college students from AIHEC member schools, Indian or non-Indian. Categories include: Fiction, Memoir/Narrative, Poetry, and Awards & Prizes. The top three entrants in each writing category receive $75 and their work will be published in the TCJ Student Edition and posted on the website.

T CONTEST: TCJ seeks artwork to use on the cover of the TCJ Student Edition. The April 18 deadline will allow time for students in the AIHEC Art Contest to be considered.

Winning entries will be posted at the website and the top winners per category will be published. The cover artist will also receive $75. Winners' certificates/awards will be presented during the AIHEC Conference in April 2011.

For more information please e-mail student@tribalcollegejournal.org, visit the website www.tribalcollegejournal.org, or contact: *Tribal College Journal*, 970-533-9170, PO BOX 720, 130 E. Montezuma, Mancos, CO, 81328.

AIHEC 2011 con

Annual Spring Gathering April 16-19

BISMARCK (UTN) – The American Indian Higher Education Consortium 2011 Student Conference is scheduled for April 16-19 in Bismarck, ND. The theme is: "Strengthening Our Culture through Agri-Culture."

The annual event is attended by about 1,200 students, faculty and administrators involved in American Indian higher education. The main attraction for students is a series of friendly competitions that test mastery in the range of learning at the nation's 37 tribal colleges and universities. The gathering offers workshops featuring American Indian educational professionals, meetings of tribal college leaders, and a basketball tournament with exciting encounters between tribal college teams.

Sponsors are the American Indian Higher Education Consortium, US Department of Agriculture, American Indian College Fund, and the North Dakota Association of Tribal Colleges through its six member organizations: Candeska Cikana Community College, Fort Berthold Community College, Sisseton Wahpeton Community College, Sitting Bull College, Turtle Mountain Community College and United Tribes Technical College.

The conference is headquartered at the Bismarck Civic Center where the majority of the student competitions will take place. Some events and activities will be held at United Tribes.

Conference details, including tentative schedule, lodging and vendor information, are posted at http://aihec.sittingbull.edu/.

For more information, please contact Koreen Ressler, Sitting Bull College, 701-854-8001, koreenr@sbci.edu, or visit the website: www.sittingbull.edu.



The 2011 AIHEC conference logo was designed by Harriet Black Hoop, a student from Sitting Bull College majoring in Environmental Science. Harriet says the theme, "Strengthening Our Culture Through Agri-Culture," came to mind when she was told USDA was sponsoring the conference. "Native Americans are agricultural, growing their own food, helping share the process throughout the ages, and continuing today. The sunflower and corn represent major crops grown in the Dakotas. The buffalo is a sacred animal; it provided most of the basic needs and without it Native Americans would not have been able to survive. The eagle is sacred to most of our cultures and a sign of good luck."

AIHEC DEMOGRAPHIC INFORMATION (estimated)

- Every tribal college in the United States is an AIHEC member
- Expect 1,200 tribal representatives, faculty and students to attend the conference in Bismarck
- 37 tribal colleges will be represented at the event
- TCs are in 13 states around the nation
- TCs have an enrollment of approximately 17,000 students

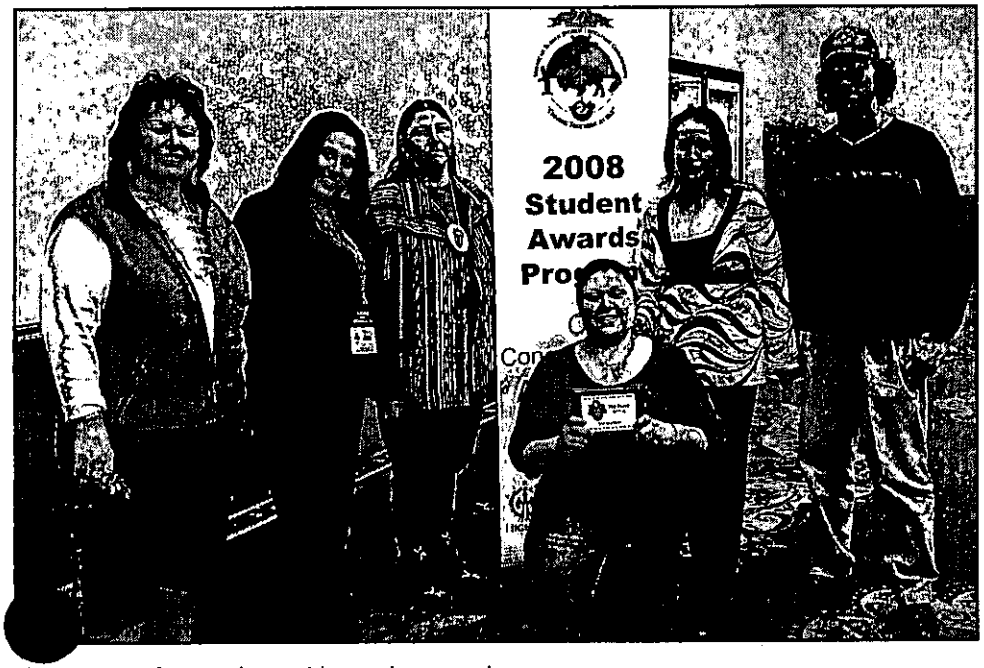
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ference set for Bismarck

TWO AIHEC CONFERENCE DEADLINES

Ads for Conference Program & Exhibit Booths



The AIHEC conference closes with a student award program.

March 15 is the deadline for two steps involved with the 2011 AIHEC Conference in Bismarck: to submit advertisements for the conference printed program and/or to register for an exhibitor/vendor booth.

The conference takes place April 16-19 at the Bismarck Civic Center Exhibit Hall and is expected to attract 1,200 students, faculty and administrators from around the nation who are involved in American Indian higher education.

Details about submitting ads for the printed program can be found at the conference website at http://www.aihec.sittingbull.edu, or by contacting Jaci Two Bears, jacitb@sbci.edu, 701-854-8072, or Pamela Ternes, pamelat@sbci.edu, 701-854-8090, both at Sitting Bull College, Fort Yates, ND, one of the host colleges.

Booth exhibitors/vendors may also visit the conference website for information or contact: Tim Krahler, timk@sbci.edu, 701-854-8059; Jennifer Jewett, Jenniferj@sbci.edu, 701-854-8125; or Laurie Running Hawk, Laurierh@sbci.edu, 701-854-8110.

Space in a central location of the conference is available for 83 booth exhibitors/vendors; The first 83 paid will be allowed in. If booth space is available after March 15, a notice will be posted on the website.

AIHEC COMPETITIONS

Art Show, Business Competitions, Critical Inquiry, Film Festival, Hand Games, Knowledge Bowl, Mr. & Ms. AIHEC, Science Poster & Oral Competition, Science Bowl, Speech, Traditional Plants, Web Page Competition, Writing

AIHEC ACTIVITIES

1st Annual Art Fair: Opportunity for students to highlight more of their work and talent than during the Art Exhibition and Competition. Students are encouraged to show, network and market their work to a larger public audience. All AIHEC students are invited to participate.

AIHEC Powwow: Saturday, April 16. Bismarck Civic Center Exhibit Hall B. Registration 6 p.m. Grand Entry 7 p.m.

Volleyball Tournament: Co-ed (3 men/3 women/1 alternate). United Tribes Technical College Gymnasium

Pool Tournament: Student and staff divisions; Rules, regulations and registration available on-site at United Tribes Technical College

Wii Sports Tournament: Civic Center; On-site registration

Student Dance: Tuesday, April 19, 8 p.m., Civic Center

Cyber Café: Civic Center

CALL FOR PRESENTERS

The conference workshop committee is accepting proposals for presentations for Board of Directors, administration, faculty and staff, and student focused workshops on the theme: "Strengthening Our Culture through Agriculture." Subjects should be associated with higher education and, in particular, tribal colleges as they relate to the theme. Workshops with elders as presenters will be given priority. Workshops take place Sunday and Monday, April 17 and 18 in the following time frames: 11 a.m. – 12:30 p.m., 1 – 2:30 p.m., and 3 – 4:30 p.m.

AIHEC STUDENT ELIGIBILITY

- Currently enrolled at least half-time with a minimum of six credit hours per quarter or ter semester.
- inimum cumulative 2.0 GPA for students previously enrolled; Those not previously enrolled (e.g., new, transfers), must be in good academic standing and making satisfactory progress
- Cannot be a full-time college employee
- Must have written certification of current college credits and academic standing

The Doctor is In

BISMARCK (UTN) – Dr. Sara Jumping Eagle made a house call to United Tribes November 17 for a health fair in the college's Lewis Goodhouse Wellness Center.

Dr. Jumping Eagle is an Oglala Lakota from Kyle, SD, who became a pediatrician and adolescent medicine specialist. She answered health and wellness questions from youngsters and adults in the center's healing room.





Dr. Jumping Eagle earned her medical degree from Stanford University School of Medicine. She did her Pediatrics Residency and Adolescent Medicine Fellowship at Denver Children's Hospital and the University of Colorado Health Sciences Center. Her special medical interests include adolescent medicine, reproductive health, pubertal development, behavioral health, and the prevention of high risk behaviors among youth.

Dr. Jumping Eagle is an Instructor at the Center for American Indian and Alaska Native Health at the University of Colorado's School of Public Health. She serves on the executive board of the Association of American Indian Physicians. And she is an Assistant Professor in the Department of Pediatrics at the UND School of Medicine.

She lives in Bismarck with her husband Chase Iron Eyes and their three children. And she has family ties at the Lower Sioux Indian Community in Minnesota.

Dr. Jumping Eagle practices at Mid Dakota Clinic PrimeCare and can be reached at 530-5550 or toll free 1-877-530-5550.

Tribal Cooks Workshop

Monday, March 7 beginning at 1 pm until noon Friday March 11, 2011

If you plan the menus, maintain the inventory, prepare and serve food to young children in childcare settings, the elderly at senior centers, residents of treatment centers or justice centers this is a skill building workshop for you. The workshop will be held in the Nutrition and Foodservice Department on the UTTC campus. Register early only 20 people will be able to participate.

The cooks attending this hands-on workshop will study food safety and be able to take the National ServSafe® exam. Culinary skills such as knife use, plating, spices and herbs will be taught by a local chef. Nutrition recommendations will be reviewed and menus planned to meet the special needs of the audiences served.

Tentative Schedule	
Monday 1 pm	Welcome and Introductions
	Nutrition Update
Tuesday	Food Safety update
	Food preparation skills (meat, poultry, fish)
Wednesday	Menu planning and food purchases
	Culinary Skills (vegetables and fruits)
Thursday	Portion sizes and food service
	Food preparation skills (beans, rice, pasta)
Friday	National ServSafe® exam

The $150 registration fee will cover food costs and expenses for the National ServSafe® book and exam fee. Interested cooks can contact Pat Aune, UTTC Land Grant Director and Food Safety Educator at (701) 255-3285 x 1399 or email paune@uttc.edu

CATCH



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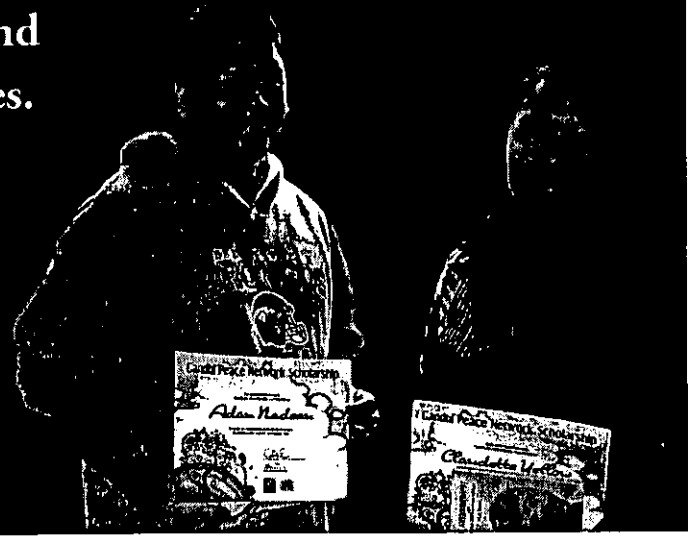
www.infolynx.org

SHARING OUR STORIES

United Tribes Technical College Self-Study

Criterion Two:
Preparing for the Future

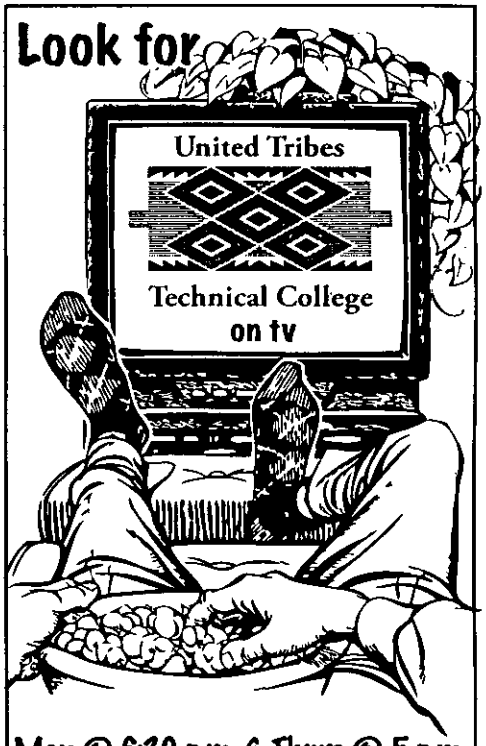
The organization's alocation of resources and its processes for evaluation and planning demonstrate its capacity to fulfill its mission, improve the quality of its education, and respond to future challenges and opportunities.



United Tribes Technical College
Sharing Our Stories
SELF STUDY

United Tribes
Technical College
3315 University Drive
Bismarck, ND 58504

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United Tribes Technical College

Mid-year graduates honore



BISMARCK (UTN) – United Tribes Technical College honored 16 mid-year graduates during a ceremony December 17 at the college in Bismarck.

The college's "Fall Honoring Program" completed the fall semester and marked the beginning of a two week holiday break for students and faculty.

Twelve graduates earned Associate of Applied Science Degrees in seven programs of study; four earned Certificates of Completion in Medical Transcription.

The program's keynote speaker, Chase Iron Eyes, told graduates that his story is not unlike theirs. He described how he grew up at Standing Rock in a single parent household – a HUD home – where, even as a youngster, he knew how little money the family would have each month to survive on.

He's now an attorney, practicing in tribal and federal courts.

"I know that we all come from those same allenging backgrounds," he told the audience in the United Tribes Wellness Center. "It's nothing special anymore. It's just part of the mix, part of what we have to face, part of what we overcome."

What he overcame was the use of alcohol in his early teens. Being committed to attending class every day led him to graduate from Standing Rock High School, attend Sitting Bull College, and later earn an undergraduate degree at the University of North Dakota.

"As you graduate today, one thing I would advise you to do, that I didn't do, is have a backup plan, a plan B," he said. "When I graduated I sort of expected to go back where I grew up...and the tribal government would be waiting for me with open arms and hire me for, whatever. It didn't work out that way. I couldn't get a job and I didn't have a plan B."

After a decline to, what he called, "rock bottom," his fortunes changed. Today he credits it to the subtle, almost imperceptible help of the Creator that he was guided into a positive relationship with the person who became his wife (Dr. Sara Jumping Eagle) and a law degree from the University of Denver.

"I was given another chance," he said. "And I wasn't unwilling to take other jobs. They keep you afloat and buy you time until opportunity comes along, and it will come along."

Evereta Thinn, Miss Indian Nations XVIII, added to the message. She told the graduates not to "hang back" or be timid when they recognize an opportunity. She urged them to seize upon challenges and always do their best as Native people.

The drum group Tatanka Nagi provided opening and closing songs. A reception was held for friends and family in the college's newly renovated cafeteria.

Spring Semester 2011 at UTTC begins with student orientation January 3-4, followed by the start of classes on January 5.



United Tribes News Photos by Dennis J. Neumann



Fall Honoring speakers, from left, United Tribes counselor Russell Gillette, keynote speaker Chase Iron Eyes, and Miss Indian Nations XVIII Evereta Thinn.

d at United Tribes













Mid-year UTTC graduates from left: Ron His Horse Is Thunder Jr., Jamie Cameron, Josiah C. Jacobs, Kathleeen High Cat Brown, Bobbie Jo Wise Spirit, Sheyenne Bruguier, and Lora Lee Grey Bear.

Class of 2011 FALL HONORING

ASSOCIATE OF APPLIED SCIENCE

Business & Office Technology

Lora Lee Grey Bear
Spirit Lake Sioux Tribe

Sophia Little
Oglala Sioux Tribe

Criminal Justice

Sheyenne H. Bruguier
Cheyenne River Sioux Tribe

Early Childhood Education

Bobbi Jo Wise Spirit
Standing Rock Sioux Tribe

Nutrition & Foodservice

Kathleen L. (High Cat) Brown
Standing Rock Sioux Tribe

Josiah C. Jacobs
Fort Peck Tribe

Nutrition & Wellness

Jamie A. Cameron
Standing Rock Sioux Tribe

Ronald I. His Horse Is Thunder
Standing Rock Sioux Tribe

Small Business Management

Desiree P. Black Lance
Rosebud Sioux Tribe

Sarah V. Ghost Dog
Burns Paiute Tribe

Tribal Management

Tracey T. Brown
Omaha Tribe of Nebraska

Nilah M. Griffin
Standing Rock Sioux Tribe

CERTIFICATE

Medical Transcription

Jill A. Connolly
Leslie, MI

Melissa A. Mosbrocker
Mandan, ND

Dina Roberts
Dickinson, ND

Cassandra Rowe
Hayden, ID

Students... Start the New Year with: "Efficient Time Scheduling"

Being successful at the college level will probably require a more careful and effective utilization of time than you have ever achieved before. Using time efficiently involves setting little goals to achieve your big ones. This information will give you steps to look at the "Big Picture" and then narrow down your requirements into smaller and more manageable tasks. Follow these five steps and learn how to manage your schedule utilizing your student handbook: *1) Assignment List; 2) Semester Calendar; 3) Master Weekly Schedule; 4) Weekly Schedule; 5) Daily "To Do" List.*

Step 1.

Prepare an Assignment List for all of your courses for the entire semester.

• List all of your course work for the semester including readings, projects, papers, tests, test preparation time. etc.

Look at each assignment. You will want to break each one into small units which will fit as closely as possible into a 50 minute block of time by breaking big assignments and long-term assignments, like papers, into sub-parts which are listed separately. (e.g., 1) develop topic; 2) library search; 3) outline; 4) first draft; 5) second draft; 6) type). List all readings.

• Estimate how long you expect each activity to take then double it. As you improve your time management, you will probably improve your estimate of how long tasks will take.

• List the dates when assignments (or subparts of assignments) should be completed. Helpful tip - Consider working backward from the due date to help you estimate how much time you will need for each part.

WHY: Completing the Assignment List provides you with the specific things which you need to do during the semester and a timetable for completing them.

Step 2.

Make a Semester Calendar.

• On a calendar for the entire semester, place all of the items from Step 1 onto the calendar. Add other events you know will be occurring (for your particular situation) – e.g. trips, visits by friends or family, concerts, movies, children's sports events, birthdays, etc.

WHY: This is a valuable method of visualizing upcoming events and responsibilities (i.e., exam dates, project dates and meeting dates, etc.). Keep it in a visible place. Don't be tempted to overfill it.

Step 3.

Create a Master Weekly Schedule that contains all of the fixed or regular activities which you expect to remain the same from week to week for the entire semester.

• Enter your course schedule.

• Enter other routine meetings and responsibilities (e.g., work, church, sports practice, etc.)

• Enter routine mealtime, travel time, sleep, exercise, laundry, shopping, cleaning, etc.

• Enter regular times for recreation (social hobbies, athletics, private time.)

WHY: By programming your time you will gain more time. This can be done in two ways; first, by doing a job in a focused and concentrated way you use less time than in the past, and second, by using leftover blocks of time that are normally wasted. By recording your fixed activities, you can visualize available blocks of time.

Step 4.

Construct a Weekly Schedule. You are now ready to use your Master Schedule as a base for your weekly schedule. (Be sure you make enough copies for the whole semester.)

• Plan your activities in time blocks of 50 minutes, followed by a 10 minute break.

• Plug your study times into your schedule using your most alert times of the day for studying.

• For a lecture-type class, use study time blocks immediately after the class to keep material fresh in your mind.

• For a recitation-type class (i.e., a foreign language) use study time blocks immediately before the class to keep material fresh in your mind.

• Prioritize your most important activities into your schedule first to enable you to get them done on time. Start early.

• Use your schedule to allow for 8 hours of sleep a night, and adequate time for eating a well-balanced diet. Both are vital for maximum efficiency during the day.

• Start by allowing at least 2 hours of study for every hour of class time. Then adjust accordingly to master your material, not just cover it.

• After trying your schedule, make the necessary adjustments to create the best and most workable schedule for you. Some students do best with a detailed weekly schedule, or a more simplified list of things to do, or one in between. Your revision is your key to an effective schedule of living. Fit this idea to your personal style.

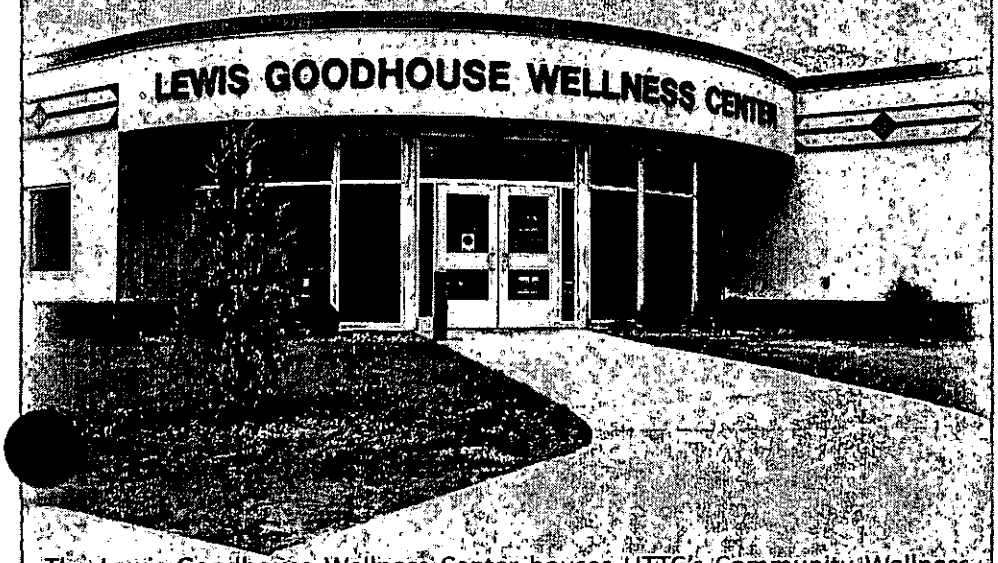
Step 5.

Make a daily "To Do" List.

This list can be the real secret to your success if you do it every day. Some people end the day by listing tasks to do the next day, while others prefer to make a "to do" list in the morning. A 3"x5" card that fits into a pocket for easy and frequent reference works very well. Mark the activities that have a high priority today and will require some special attention. Cross each item off as it is completed during the day. Pay more attention to those marked as a higher priority. Don't go for the higher percentage of tasks (that usually require less time) because you may end with a lower effectiveness level by accomplishing only your lower priorities. Remember, completing your list is not as important as making the best use of your time during the day.

Information here was obtained from the website www.ulifeline.org, an anonymous, confidential, online resource center for college students offered by the Jed Foundation. To learn more, please contact the Center for Academic and Personal Counseling at the Lewis Goodhouse Wellness Center at United Tribes, or visit the Wellness Services homepage on the United Tribes website, www.uttc.edu, where you can find the link to ULifeline. Submitted by Betty Anhorn, Center for Academic & Personal Counseling

THE LEWIS GOODHOUSE WELLNESS CENTER



The Lewis Goodhouse Wellness Center houses UTTC's Community Wellness Services. UTTC has made a major commitment to the health and wellness of our students, staff and visitors within the campus community. United Tribes Technical College promotes a safe environment to experience diverse cultures, sample the mainstream, and focus on building the student's future in a good way on their path of "Life Long Learning".

The Wellness Center provides a multi-disciplinary approach enhanced by professionally trained staff. The departments included are: Center for Academic & Personal Counseling, Chemical Health, Disability Support Services, Domestic Violence Advocate, Resident Life - Single Student Housing, Strengthening Lifestyles, and Student Health.

Mission Statement: Our Wellness Center believes in a holistic approach, blending cultural practices with the best in physical, emotional, mental and spiritual care. The Wellness Center provides students and staff with state of the art exercise equipment along with counseling services and healthy living guidance to include support of spiritual growth utilizing traditional methods.



CENTER FOR ACADEMIC & PERSONAL COUNSELING

(Formerly The Center for Student Success)

LEWIS GOODHOUSE WELLNESS CENTER
Monday - Friday
8:00 a.m. to 5:00 p.m.

Offering Noon Hour Coverage
Appointments Encouraged...
Walk-Ins Welcomed!

In case of an after-hour emergency:
Contact UTTC Security Department
(701) 255-3285 ext. 1200, 1300
An on-call staff member will be contacted

MISSION STATEMENT:
The CA&PC is committed to the UTTC student by providing professional and cultural development services to enhance life-long learning, personal growth and educational success.

VISION STATEMENT:
A holistic, healthy student is the center of our vision. This includes social, mental, physical and spiritual growth in support the UTTC student in an increasingly changing environment of learning.

VALUES:
We will provide standards of ethical conduct to protect the well-being of our students. We value the quality of student life and are committed to honor and respect all Native Americans and their cultures. We express our values through listening, confidentiality, trust, honesty, competence, integrity, courtesy, and serving our students with care and professionalism at all times.

SERVICES:
The Center for Academic & Personal Counseling offers a variety of services. Such services are held in the strictest of confidentiality. The services include, but are not limited to:

- Supportive Academic & Personal counseling (Individual, family, group)
- Assisting in the transition to UTTC Community life
- Supportive Counseling Consultation services
- Referral services
- Mediation services
- Intervention services
- Campus Wellness & Educational activities

UTTC wellness leader named as 'Native Nations Rebuilder'

INT PAUL – Ruth Buffalo Zarazua, head the United Tribes Strengthening Lifestyles Program, has been named to the Bush Foundation's Native Nations Rebuilders Program.

Buffalo Zarazua is among a group of 19 women and men from 13 different tribal nations in the region chosen for the foundation's second cohort of rebuilders in 2010.

According to the Foundation, the Rebuilders bring new expertise and commitment to finding "sustainable solutions to the tough problems that face Native people and nations."

Buffalo Zarazua directs programs in the United Tribes Wellness Center that teach holistic wellness approaches to students from elementary school through college. She has also assisted in coaching the men's and women's basketball teams and coordinates or teaches other wellness-related activities, such as the Thunderbird Half Marathon, tai chi, and first aid/CPR. In 2010, rth Dakota Business Watch named her as 40 under 40 leader."

Buffalo Zarazua holds a BS in criminal justice from Huron University (SD), and a master's in management from the University of Mary (Bismarck). In addition to her enrollment at Three Affiliated Tribes, Buffalo Zarazua is Chirichua Apache.

Also named to the second Rebuilders cohort was Dr. Cheryl Ann Kary, former United Tribes research director, now executive director of the Standing Rock Tribe.

The newest Rebuilders met in early December for a three-day event at the Shakopee Mdewakanton Sioux Community. They were joined by more than 20 Rebuilders chosen earlier in 2010. Together they are committed to moving their nations, in cooperation with elected leadership, toward realizing their tribes' unique nation-rebuilding goals.



Ruth Buffalo-Zarazua

"We see them as an emerging source of energy to support tribal self-determination," said Jaime A. Pinkham (Nez Perce), who leads foundation efforts to partner with tribal nations. "In 19 of the 23 Native nations the Foundation serves, elected leaders now have colleagues who share their commitment to nation-rebuilding and who have embarked on a process to deepen their leadership skills and knowledge about tribal governance."

Applications for the third cohort of Rebuilders will open in late 2011. For more information visit www.bushfoundation.org.

The Bush Foundation was established in 1953 by 3M executive Archibald Bush and his wife, Edyth. It strives to be a catalyst to shape vibrant communities in Minnesota, North Dakota, South Dakota and the 23 Native nations that share the same geography

The Bush Foundation
Native Nations Rebuilders Cohort 2
December 2010

- Sharon (Armstrong) Bellcourt (White Earth Band of Ojibwe); Self-governance coordinator and special projects coordinator for White Earth Tribal Council.
- Twyla B. Baker-Demaray (Three Affiliated Tribes-MHA Nation); Project director of the National Resource Center on Native American Aging for the Center for Rural Health at the UND School of Medicine and Health Sciences, Grand Forks, ND.
- Justin Beaulieu (Red Lake Band of Chippewa Indians); Director of operations for the Boys and Girls Club of the Mille Lacs Band of Ojibwe.
- Frances Big Crow (Oglala Sioux); Program director of the Oglala Sioux Tribe Child Care and Development Program/Volunteer with the SueAnn Center/Boys and Girls Club, Pine Ridge, SD.
- Lori Brown (Spirit Lake Nation); Director of operations and board treasurer at tribally owned Sioux Manufacturing Corporation.
- Ruth Buffalo Zarazua (Three Affiliated Tribes - MHA Nation); Director of the Strengthening Lifestyles Program at United Tribes Technical College, Bismarck, ND.
- Susan Connor (Fond du Lac Band of Lake Superior Chippewa); Employee assistance and employee relations coordinator of the Fond du Lac Reservation.
- Rebecca Crooks (Shakopee Mdewakanton Sioux Community); Tribal administration with the Tribal Business Council and serves on the Tribe's education commission.
- Cherilyn Davies (White Earth Band of Ojibwe/Family ties at Leech Lake); Works with Infinite Campus and manages a BIE technology program for schools where the student population is primarily Native American.
- Joseph Dudley III (Yankton Sioux Tribe); Physical therapy director at Avera St. Luke's Hospital in Aberdeen, SD.
- Anita Fineday (White Earth Band of Ojibwe); Chief judge of the White Earth Tribal Nation.
- Benny Janis (Lower Brule Sioux Tribe); Directs the Tribe's Department of Wildlife, Fish and Recreation.
- Cheryl Ann Kary (Standing Rock Tribe); Executive director of the Standing Rock Tribe, Fort Yates, ND.
- Terri Martin-Parisien (Turtle Mountain Band of Chippewa); Office of the president of Turtle Mountain Community College, Belcourt, ND.
- Anna (Sarcia) Ross (Turtle Mountain Band of Chippewa); Internal operations director at Turtle Mountain Community College, Belcourt, ND.
- Phillip Sam (Mille Lacs Band of Ojibwe); Branch director of the Boys and Girls Club of the Mille Lacs Band of Ojibwe.
- Lisa Schrader-Dillon (Oglala Sioux Tribe); Health administrator for the Oglala Sioux Tribe, Pine Ridge, SD.
- Nick Tilsen (Oglala Sioux Tribe); Founder and executive director of Thunder Valley Community Development Corporation.
- Veronica Veaux (Leech Lake Band of Ojibwe); Registrar at Leech Lake Tribal College, Cass Lake, MN

United Tribes Technical College Criminal Justice Program presents...

TRIBAL LAW ENFORCEMENT TRAINING PROGRAM

January 27, 2011: Crime Photography, FLETC RPI
March 7-11, 2011: Leaders of Character, BIA
March 15-17, 2011: Drug Identification of Uniform Police Officers, FLETC RPI
March 22-24, 2011: Reid Interviewing and Interrogation, FLETC RPI
March 28-April 1, 2011: First Line Leadership, BIA
April 7, 2011: Gangs in Indian Country, FLETC RPI
May 5, 2011: Basic Criminal Investigations, FLETC RPI
June 16, 2011: Intelligence Led Policing for Rural Executives, FLETC RPI

Dates & details subject to change

More information:
Brent LaRocque
701-255-3285 x 1490
blarocque@uttc.edu

New beginnings for UTTC food service operations

[redacted]ssell Swagger, Ph.D., Vice [redacted]dent Student & Campus Services

United Tribes starts the new year with the benefit of new leadership and new facilities at the college's cafeteria.

The college has added an experienced leader to the Student and Campus Services team in Curt Wellington, head of food service operations.



Curt Wellington

Curt is a member of the Hualapai Tribe of Peach Springs, Arizona. He brings with him a wealth of food service industry experience. He graduated from the Bismarck State College Hospitality Management program, where he studied under the late Mandan Mayor Ken Lamont.

He has 24 years of food and beverage in[redacted] experience. He's been involved with [redacted] managed successful food service and hospitality venues, including the State Capitol cafeteria in Bismarck, Grizzlies restaurants, and Breezy Point Resort in Minnesota.

For a short time prior to this new assignment, he worked as a UTTC security officer. Some of you old-timers may recall that Curt's mother, Cynthia Mascarenas, worked for UTTC in the ITAC office. His uncle, Rick Mascarenas, maintained the education building for many years. Curt is married to Tonya, his wife of five years, and they have two wonderful children (a son and daughter).



The renovated United Tribes cafeteria is bright and spacious at over ten-thousand square feet in size.

Curt's positive attitude and technical skill and knowledge are important assets in his new role. He has concrete ideas for how to achieve UTTC's vision of providing quality service and healthy, nutritious meals to our campus community. Under his leadership you will see positive changes in our food service operations as we begin to make full use of our expanded and renovated cafeteria. We're very glad to have Curt aboard.

For those who've suffered through the cafeteria work, there's a new and more comfortable time ahead. Just a little over $1 million in construction and renovation funding brings us a bright, spacious, new food service facility. The completed project expands the cafeteria to over ten-thousand square feet of space to serve the needs of our growing campus population. No more elbow-to-elbow eating during our campus-wide special events. At least not for the foreseeable future.

The cafeteria staff shares in the successful transition to the new facility, working long hours with difficult challenges. They were joined by Kathy Johnson, Veronica Weigel, LuAnn Perkins and Curt Maynard, who assisted through the construction period. Members of the college's Cafeteria Committee provided support and feedback that was invaluable in helping to improve our services.

> *"I feel like I found my place, among my people. I plan to be here a long time."*
>
> **– Curt Wellington**

Because of this successful work together, we are all better prepared to recognize the opportunities and take on the challenges that await us during Spring semester. Thank you to everyone for maintaining the positive attitude it takes for meaningful progress.



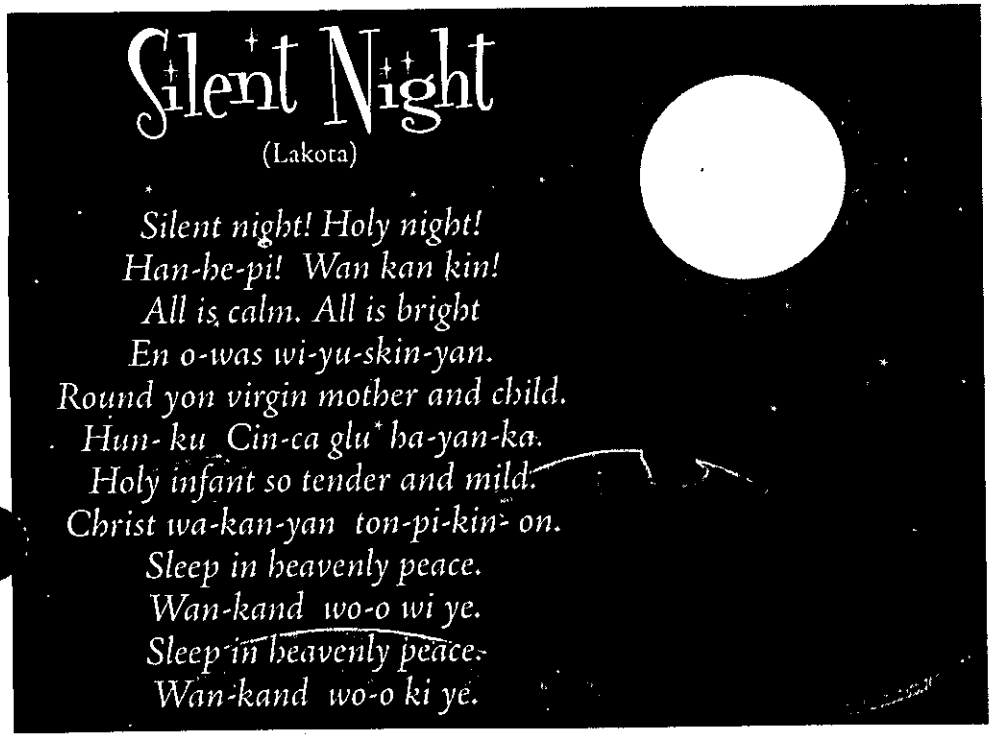
Before dawn, early risers head for the inviting light of the college's newly renovated cafeteria for a warm breakfast before school. United Tribes News photos Dennis J. Neumann

THEODORE JAMERSON ELEMENTARY TIDBITS

Around the World at Christmas Time



JOYFUL SOUND: *With their voices, TJES students showed they were enthusiastic about their annual holiday program December 14, including these Kindergarten students: from left, Wamnionmni Cikala Afraid of Hawk, Shaylee Uses Arrow, Norah Benson, Malik Weasel, Razalia McCoskey, Ryder Traversie and Serenity Eagle Bull. Their program, "Around the World at Christmas Time," featured music and traditions from England, Germany, Sweden, Mexico, France, India, Ireland, Israel and the USA. Also included was the hymn Silent Night in Lakota. They were directed by Lindsay Gietzen, TJES music instructor. The event was well attended by parents and United Tribes staff. United Tribes News/Dennis J. Neumann*



UNITED TRIBES Parenting Classes

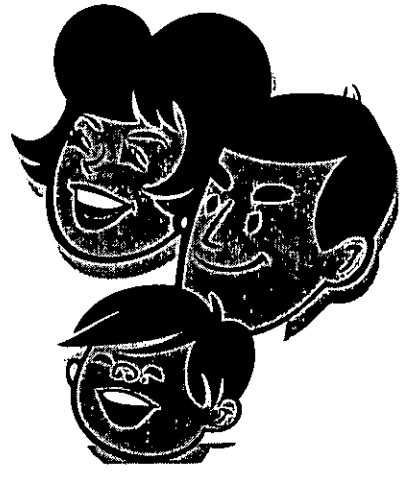
Mondays at 6 pm

Parent Support Group

Noon Luncheon Meetings Every Tuesday

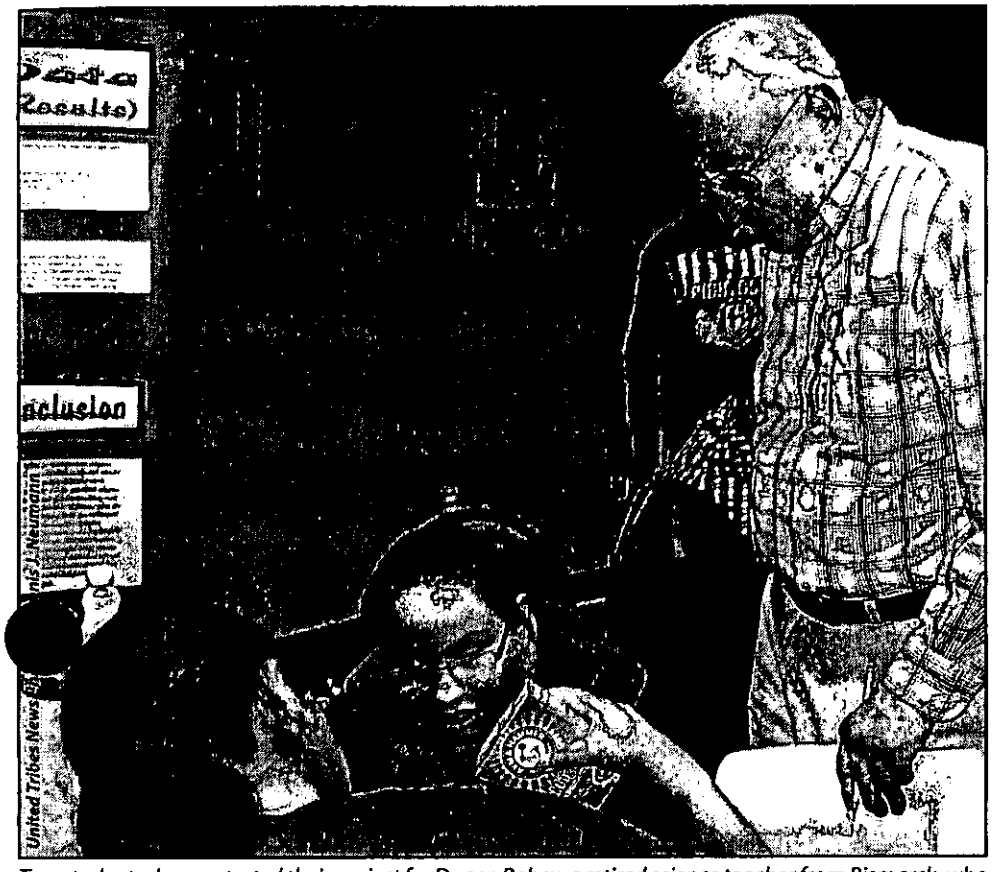
Call to pre-register for lunch 255-3285 x 1323

Lewis Goodhouse Wellness Center Wellness Classroom



More information: Lisa Stump, 255-3285 x1323

Volunteers needed for ND Native American Science & Engineering Fair



Two students demonstrated their project for Duane Robey, a retired science teacher from Bismarck, who helped judge the TJES Science Fair on December 10 at United Tribes.

By Carol Davis, Turtle Mountain Band of Chippewa, Science Fair volunteer

The 27th annual North Dakota Native American Science and Engineering Fair is scheduled for January 16-17 at the Ramkota Inn, Bismarck. And there's plenty of time to get involved and help out.

The event provides Native students with an opportunity to develop their math and science abilities through the application of scientific method.

Nineteen schools are involved, mainly from the state's reservations. Other schools that serve Native students also participate, [illegible]heodore Jamerson Elementary School [illegible]ited Tribes, along with off-reservation Native students who apply. Last year there were 285 entrants.

The event is conducted with the volunteer help of teachers from the participating schools, who organize, judge and recognize the award winners.

For the past three years it was organized and coordinated by Norma Poitra and LaVon Jerome, both from Turtle Mountain Elementary School. Ann Finley from Standing Rock provided the drum group during the same period.

Science fair judges and other volunteers are always welcome. If you are interested, please e-mail your name and contact information to me, Carol Davis, at this e-mail address cadavistmt@yahoo.com. The agenda and judging procedures will be provided to you. Thank You!

2010-11 NATURE PROGRAM SUNDAY ACADEMY SCHEDULE

TURTLE MOUNTAIN COMMUNITY COLLEGE

Jan. 23 ..... "Shapes of NATURE: Fractals"
Feb. 13 ..... "Muscle Contraction & Grip Strength"
Mar. 6 ..... "Laws of Electricity"

SITTING BULL COLLEGE

Jan. 23 ..... "Shapes of NATURE: Fractals"
Feb. 13 ..... "Muscle Contraction & Grip Strength"
Mar. 6 ..... "Hydrogen Bonding & Surface Tension of Water"

CANKDESKA CIKANA COMMUNITY COLLEGE

Jan. 23 ..... "Shapes of NATURE: Fractals"
Feb. 13 ..... "Muscle Contraction & Grip Strength"
Mar. 6 ..... "How Acidic They Are"

FORT BERTHOLD COMMUNITY COLLEGE

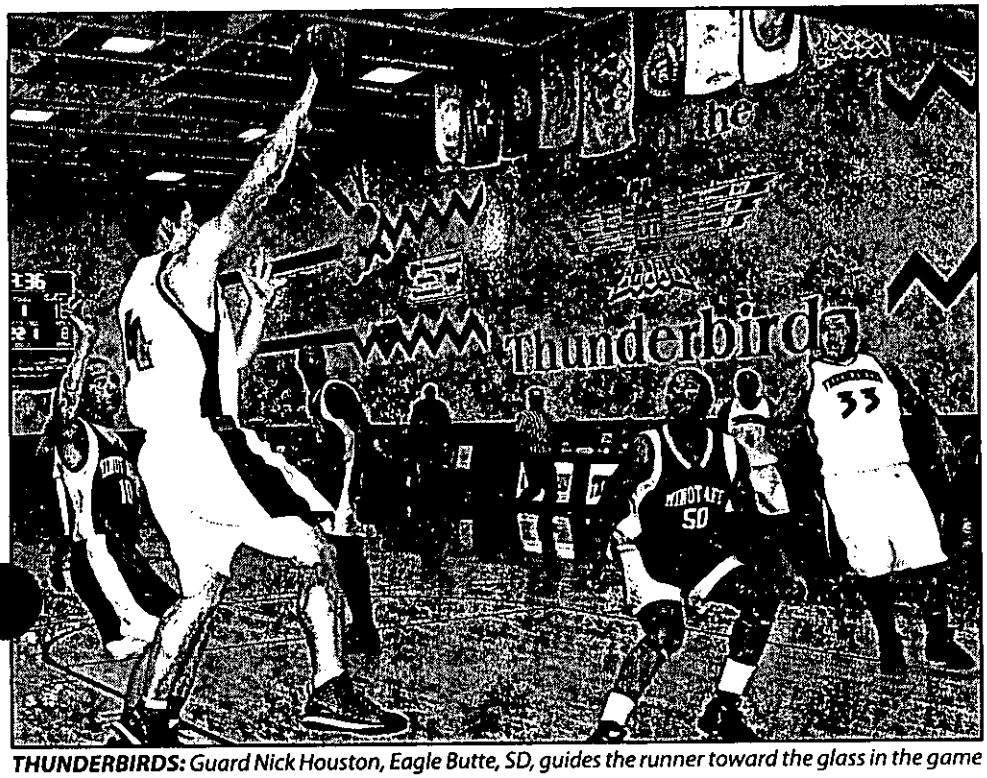
Jan. 23 ..... "Shapes of NATURE: Fractals"
Feb. 13 ..... "Muscle Contraction & Grip Strength"
Mar. 6 ..... "Fun with Physics & Computers"

UNITED TRIBES TECHNICAL COLLEGE

Jan. 23 ..... "Shapes of NATURE: Fractals"
Feb. 13 ..... "Muscle Contraction & Grip Strength"
Mar. 6 ..... "Food Safety: The Importance & Analysis of Aflatoxin in Corn"

2010 Thunderbird

John Thunderhawk Classic



THUNDERBIRDS: *Guard Nick Houston, Eagle Butte, SD, guides the runner toward the glass in the game against Minot Air Force Base. United Tribes News photos Dennis J. Neumann*

December 3-4, 2010

James Henry Community Gymnasium

MEN

BSC 81, JMS JV 74
UTTC 100, MAFB 89
BSC 125, MAFB 101
UTTC 68, JMS JV 58

WOMEN

BSC 73, JMS JV 43
UTTC 93, MAFB 50
BSC 109, MAFB 49
UTTC 62, JMS JV 60

January Schedule

8	Dawson Community College	
	M&W	4-6 pm
9	Miles Community College	
	M&W	2-4 pm
14	Williston State College	
	M&W	6-8 pm
16	NDSCS-Wahpeton	
	M&W	2-4 pm
20	Bismarck State College	
	M&W	6-8 pm
23	Lake Region State College	
	M&W	2-4 pm
28	Trinity Bible College	
	M	6 pm
0	Lake Region State College	
	M&W	1-3 pm

HOME GAMES IN BOLD



LADY THUNDERBIRDS: *Olivia Spotted Bear, Mandaree, ND, works free inside to get to the hoop.*

Two inducted into Thunderbird Hall of Fame

BISMARCK (UTN) – In a program on the floor where they torched opposing teams, two standout basketball players were honored December 3 by United Tribes Technical College. Former Thunderbird athletes Tanner Albers and the late Jason Logg were inducted into the "Thunderbird Hall of Fame."

Albers and Logg were team scoring leaders during the two successful seasons between 1996 and 1998. The two were co-captains when the Thunderbirds won conference, region and district honors, and a berth in the "Elite Eight" of the 1998 NJCAA Division 2 National Tournament.

"Both of these gentlemen were outstanding student-athletes who earned honors for their basketball talents and their academics," [redacted]Daryl Bearstail, United Tribes Athletic [redacted]tor, who coordinated the induction ceremony during the John Thunderhawk Classic Tournament.

Albers (Turtle Mountain) was raised at Eagle Butte, SD, and attended UTTC from 1996 to 1998 in the Health Information Technology Program. As a Thunderbird, the 6'2" guard averaged 26 points, 6 rebounds, 3 assists and 3 steals per game. He later attended



Standout student-athletes Jason Logg, left, and Tanner Albers were inducted December 3 into the United Tribes "Thunderbird Hall of Fame."

Delaware State University and University of Mary.

Logg (Cheyenne River) earned an AAS Degree in Early Childhood Education. As a player, the 6'5" forward averaged 22 points, 8 rebounds, 4 assists and 2 steals per game. He continued his education at Huron University, where he earned NAIA honors, and became a special education teacher in his hometown, Eagle Butte, SD. He passed away in July 2010.

Family members of both athletes applauded two Thunderbird Hall of Fame banners as they were unveiled hanging from the rafters in the James Henry Community Gymnasium.

"These two guys we are honoring here accounted for over 50 points together in each game," said Kevin Finley, who coached Albers and Logg. "Not only that, they were solid citizens of United Tribes. Every one of the guys [on the team] had over a 3.0 GPA. That was better than any victory. Now their academics are carrying them. We always said that basketball will end but your academics are going to carry you through in life."

Finley explained that Albers was too sick to travel from his battle with cancer and, in an emotional moment, urged everyone to keep Tanner in their prayers.

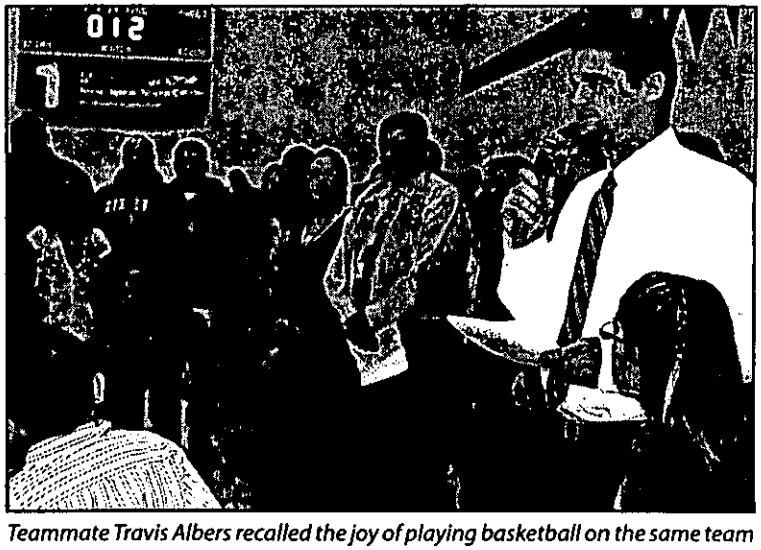
Tanner's older brother Travis, another member of the 1998 team, shared the memory of having two top quality players on the same team. "It's amazing how comfortable it was," he said. "They complimented each other very well. If one had an off-shooting night, which was rare, the other one would step it up and carry the load. When both were shooting well, forget it. It was all over. They were unstoppable."

Tanner sent his thanks for the honoring

Continued on page 24



The late Jason Logg's two children, Brooklyn (10) and Jaxson (5), received star quilts during the ceremony; his mother Robyn, Eagle Butte, SD, accepted a plaque. Also pictured, from left: Kevin Finley, former Thunderbird head coach; Russell Swagger and Harriett Skye, United Tribes vice presidents; and David M. Gipp, United Tribes president.



Teammate Travis Albers recalled the joy of playing basketball on the same team with two great players: his younger brother Tanner and Jason Logg.

United Tribes News photos Dennis J. Neumann

Thunderbird Hall of Fame...

Continued from page 23

d condolences to the Logg family in a statement read by his sister. "He [Jason] was a wonderful teammate and it was an honor to play beside him. There are more Hall of Famers on that 1998 Thunderbird squad."

The addition of Albers and Logg brings to three the number of athletes in the Thunderbird Hall of Fame. The first inductee was Alan Spoonhunter (Blackfeet/Northern Arapaho), Browning, MT, who earned First-Team All American honors in 2000.

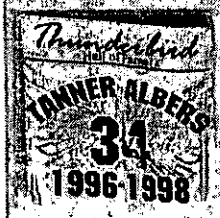
JASON LOGG
(Cheyenne River Tribe)



- Attended United Tribes Technical College 1996-1998
- Graduated 1998: Associate of Applied Science Degree, Early Childhood Education
- As a Thunderbird, the 6'5" forward averaged 22 points, 8 rebounds, 4 assists and 2 steals per game.

ACHIEVEMENTS/RECOGNITIONS

- Two time Mon-Dak All-Conference Player
- Mon-Dak Conference All-Academic Team Member
- 1997 AIHEC Tournament "Most Valuable Player"
- 1998 Providence, Canada All-Tournament Team and "Most Valuable Player"
- 1st Team All-Region 13 Player



TANNER ALBERS
(Turtle Mountain Band of Chippewa)

- Raised in Eagle Butte, SD
- Attended United Tribes Technical College 1996-1998
- Studied Health Information Technology
- As a Thunderbird, the 6'2" guard averaged 26 points, 6 rebounds, 3 assists and 3 steals per game.

ACHIEVEMENTS/RECOGNITIONS

- Two time Mon-Dak All-Conference Player
- Mon-Dak Conference All-Academic Team Member
- 1st Team All-Region 13 Player
- AIHEC All-Tournament Team
- NJCAA National Finals All-Tournament Team
- 1st Team All-American
- Quarterback Club Male Athlete of the year Nominee



United Tribes Athletic Department
Daryl Bearstail, Director

UTTC STAFF NEWS

Congratulations to Lori Brown, Infant Toddler Center director, and her husband Brian, on the birth of their new baby boy Kayston, who arrived December 1 weighing 9 lbs, 5 oz.

– Lisa Azure

Congratulations to math instructor Derek Schulte and his wife on the new arrival in the Schulte household, Tyler John, born at 3:16 p.m. on Thanksgiving Day, at 7 lbs 6 oz and 20.5 inches long.

– Phil Baird

Our sincere condolences from the United Tribes family to general education instructor Marge Palaniuk on the passing of her mother, Anna Dennis.

– Phil Baird

New job is in her field – accounting



Jennifer DeCoteau

Jennifer DeCoteau, an administrative assistant for Teacher Education and the Child Development Center for the past one and one-half years, is moving on to a new and exciting opportunity in the private sector. She has accepted a position with Senger & Associates, a Bismarck accounting firm.

Jennifer is an enrolled member of the Turtle Mountain Band of Chippewa and the daughter of Cindy Hurkes, a long-time United Tribes employee.

The bookends of her formal education are: kindergarten at Theodore Jamerson Elementary School, an AAS in Accounting from BSC, and a Bachelors Degree in Accounting (with minors in Finance and Business Administration) from Dickinson State University. She is currently working on her CPA credentials.

Jenn starts her new position in early January and takes with her the best wishes of the entire United Tribes family. Her friends in Teacher Education are really going to miss her but we are so proud of her for her accomplishment of getting a job in her field. Congratulations, Jenn!

– Lisa J. Azure



Farewell to a friend



VETERAN WHEEL MAN: *United Tribes lost a friend who brought a glimpse of old time transportation to the "Parade of Champions." Eldor Miller, Bismarck, seen here with UTTC President David M. Gipp, passed away November 21. He and his wife Ida, at left, drove their immaculately restored 1929 Model A Ford Phaeton in a handful of the UTTC parades, carrying Miss Indian Nations candidates and tribal leaders. Eldor was an Army Veteran of World War II in the Philippines and Japan. Only after going on one of the recent "Honor Flights" to Washington, DC to see the World War II memorial, did he feel that he was finally honored for his service. Eldor was 87. United Tribes News photo Dennis J. Neumann*

UNITED TRIBES TECHNICAL COLLEGE

VETERANS GROUP

"Freedom Defenders"

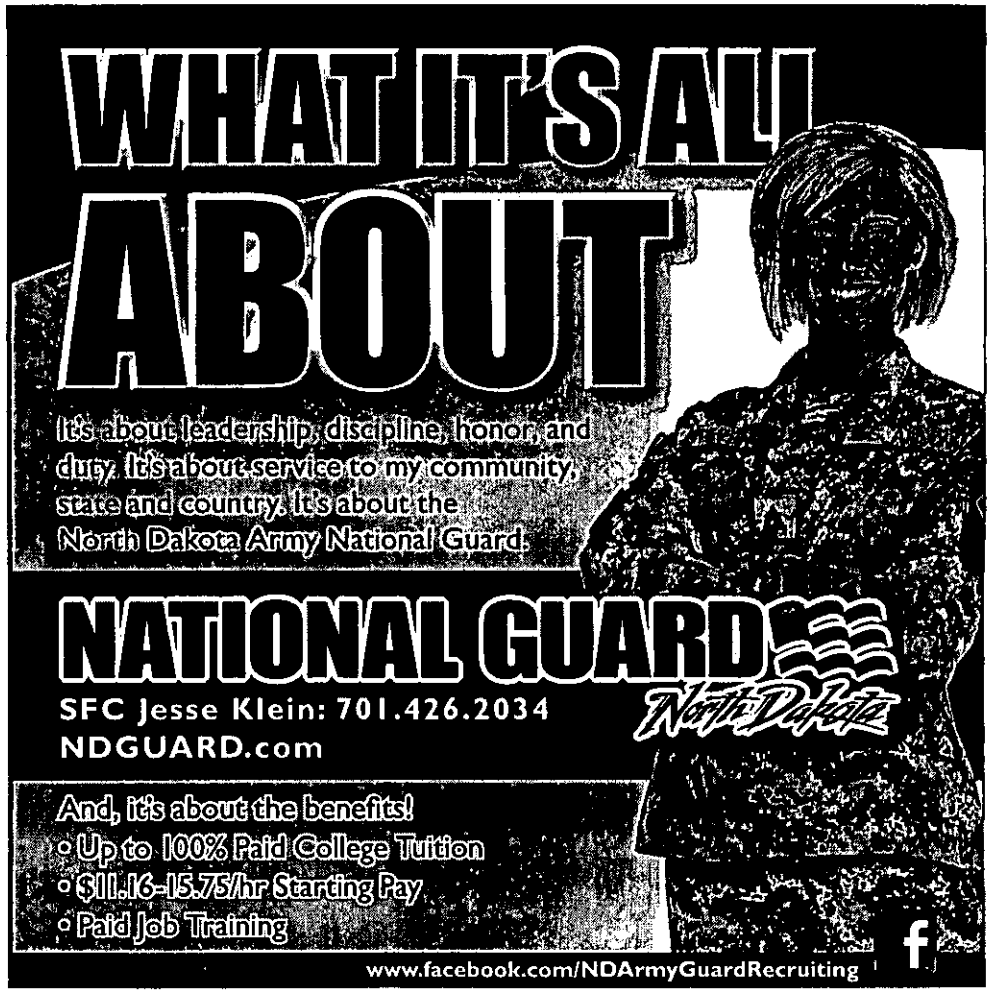
UTTC Wellness Center is starting a new group for on campus UTTC veterans "Freedom Defenders" both students and staff are welcome to attend. The meetings will be monthly on the second Wednesday of every month (except May 2011) from 5:30-6:30 in the Wellness Center conference room. During these gatherings veterans will learn about benefits, community and national resources available. Become educated on topics directly effecting veterans. Coffee, snacks and door prizes will be given out.

For additional information please contact Michael Iken at 255-3285 ext 1277 or miken@uttc.edu.

TIME:
5:30 – 6:30 p.m.

MEETING DATES:
January 12, 2011
February 9, 2011
March 9, 2011
April 13, 2011
May 4, 2011

UNITED TRIBES • WELLNESS PROGRAM •



Support welcomed



United Tribes News Photo by Dennis J. Neumann

NEW CONTRIBUTOR: *American Bank Center is now a supporter of United Tribes Technical College. Bank President Gregory A. Vetter, Bismarck, started the relationship by presenting a $2,500 contribution to United Tribes President David M. Gipp. The welcome support is part of the bank's involvement in communities it serves, in particular, educational institutions in the region. American Bank Center has branches in western North Dakota serving Bismarck, Minot, Dickinson, Killdeer and New England, and is largely owned by its employee stockholders. Vetter presented the check December 13 following a visit with Gipp and other college leaders. For more information about American Bank Center, visit www.weareamerican.com.*

Shakopee honored for philanthropy

PRIOR LAKE – The Shakopee Mdewakanton Sioux Community was honored December 1 with a Jefferson Award for philanthropy.

Vice-Chairman Glynn A. Crooks accepted the award. The Community was selected from 12 regional winners as the overall national winner for 2010 from the Twin Cities region.

Over the past 13 years, the Shakopee Mdewakanton Sioux Community has donated more than $192.7 million to charitable organizations, Indian Tribes, and Native American organizations. The SMSC has also made more than $389 million in loans to other tribes for economic development projects.

The Jefferson Awards for Public Service was establish in 1972 as a 'Nobel Prize' for public community service.

As the 2010 National winner, Shakopee will be honored at a national awards ceremony in Washington D.C. in June.

★ HAPPY NEW YEAR ★

As United Tribes Technical College enters the year, we want to thank you for your support in making dreams come true. The generous support and contributions from the Bismarck/Mandan community have made it possible for 1,762 students to continue their higher education during 2009-2010. The Opportunities in the Making Scholarship Fund has helped 509 students to graduate. Today these graduates are employed as nurses, law-enforcement officers, teachers, auto mechanics, environmental specialists, and in other professions.

Over the past 42 years United Tribes and Bismarck/Mandan have been partners. Thousands of students from around the country receive higher education on our campus. Many come from the poorest areas in the nation. Most need scholarships to complete their post secondary education.

We honor your contribution and hope you will continue to join with us in providing student scholarships throughout the coming year.

Happy New Year,

David M. Gipp

United Tribes Technical College will undergo a comprehensive evaluation visit [illegible] April 18-20, 2011, by a team representing the Higher Learning Commission of the [illegible]orth Central Association of Colleges and Schools. United Tribes Technical College has been accredited by the Commission since 1982.

It is accredited at the Associate of Applied Science degree levels, and offers degree programs on campus as well as online. The HLC evaluation team will be reviewing the College's ongoing ability to meet the Commission's Criteria for Accreditation.

Through the upcoming evaluation process, UTTC will also be requesting Commission approval to offer Baccalaureate degrees and to expand its online programs.

SHARING OUR

United Tribes Technical College Self-Study

In preparation for the comprehensive visit, the College has been engaged in a self-study, addressing the Commission's requirements and criteria for accreditation. UTTC is using the self-study as an opportunity to gather and share its stories about the impact and success of the college. We would like to provide an opportunity for the public to share their stories of their experiences and interactions with United Tribes Technical College.

[illegible]

Mission and Integrity Preparing for the Future Student Learning & Effective Teaching
Acquisition, Discovery & Application of Knowledge Engagement & Service

The public is invited to submit comments regarding United Tribes Technical College to:

Public Comments on United Tribes Technical College
The Higher Learning Commission
230 South LaSalle Street, Suite 7-500
Chicago, IL 60604

Comments must address substantive matters related to the quality of the institution or its academic programs. Written, signed comments must be received no later than March 18, 2011. Comments must be in writing and signed, and will not be treated as confidential.

[illegible] Individuals with a specific dispute or grievance with an institution should request the separate [illegible]licy on Complaints document from the Commission office. The Higher Learning Commission [illegible]annot settle disputes between institutions and individuals, whether faculty, students, or others. Complaints will not be considered as comments.

Comments may be submitted electronically at the following address:
http://www.ncahlc.org/information-for-the-public/third-party-comment.html

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Bismarck, ND 58504

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UNITED TRIBES TECHNICAL COLLEGE
BISMARCK, NORTH DAKOTA

UNITED TRIBES NEWS
Since 1965

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DEADLINE FOR NEXT ISSUE: 5 PM - JANUARY 12, 2011

United Tribes News is printed on acid free paper certified to contain 30% recycled post-consumer fiber.

Handmade winter hats donated to UTTC



United Tribes News Photos by Dennis J. Neumann



LABOR OF LOVE: *United Tribes came to mind when Avis Dissell of Bismarck was thinking about where to donate the product of her knitting. Avis has done handwork all her life and she said she loves to make things and work with her hands. This colorful batch contains some of the over 500 winter hats she's made in the past couple years. Her skill, thoughtfulness and generosity created a fun dilemma for some Theodore Jamerson Elementary students who had to choose from the array of styles and colors. Left photo, from left: Change' Eagleshield (2nd grade) and Elissya Feather Earring (6th grade). Above, from left: Ellyse Moccasin (kindergarten), Tanya Richards (2nd grade), Wakinyan Afraid of Hawk (2nd grade), Ceanna Janis (1st grade), and Angel Turns Plenty (2nd grade).*

NDUS
Attachment #9
HB 1003
Jan. 24, 2011

Written Testimony on North Dakota Indian Scholarship Program

By Robert 'BJ' Rainbow Jr.

University of North Dakota Graduate Student

January 24, 2011– Senate Education Committee

Hello Mr. Chairman and members of the committee. My name is Robert 'BJ' Rainbow Jr. I am an enrolled member of the Turtle Mountain Band of Chippewa. I also have family ties from the Standing Rock and Spirit Lake Nations. I am a United States Marine Corps veteran (2000-2004), I also participated in Operation Iraqi Freedom (2003). I am a father of two beautiful children; Bryann (10) and Bryson (4), and I have been married for just over ten years to my loving wife Deanna who is also in school on route to receive her bachelor's degree in social work from the University of North Dakota. I am a McNair scholar, and I served as president of the University of North Dakota Indian Association for three consecutive years.

I just graduated from UND with a couple bachelor's degrees; Criminal Justice, Indian Studies, and Sociology. I am currently working on my Graduate degree in Sociology at UND and plan on getting my Ph. D in ethnomusicology.

My future goal is to one day start an American Indian Center here in Bismarck, ND. I would like this center to focus on American Indian families that move to Bismarck, ND from another city or the reservation. The American Indian Center would help the family with services that the great city of Bismarck has to offer. The American Indian center would also focus on the cultural education that is needed not just for the American Indians youth, but the non-Indians as well. I grew up here from the age of ten years old all the way till I graduated from Bismarck High, and on to Bismarck State, an American Indian center was never offered. So I decided to take it upon myself to try and create this Center and give the young American Indians in Bismarck a chance to learn more about who they are and the people they come from.

As an American Indian student, I often get asked the question; "don't you get to go to school for free"? Before I answer this question I make sure and look at the person who asked it and validate that they are serious. First I chuckle, and then I answer the best way that I can.

This scholarship has a deep impact on students like me and reaches farther than it is seen on paper. This scholarship has helped me not only pay for tuition and fees, but also daycare, gas money, food, clothing, and household necessities. The inflation is constantly going up, for example when I started college at Bismarck state in 2000 tuition was around half of what I paid at UND as an undergraduate.

Here are two of the Justification for the increase in funding;

- Approximately 300 of the 400 applications received each year are scholarship eligible
- The Indian Scholarship Program averages 100 qualified applicants on a waiting list that are not awarded due to lack of funds

As a student who has received this scholarship, I strongly support the Indian Scholarship Program and urge your favorable consideration. I would like to thank you for allowing me to come and testify on behalf of this scholarship. I will be glad to answer any questions at this time.

NDAS Attachment #10
HB 1003
Jan. 24, 2011



NORTH DAKOTA INDIAN AFFAIRS COMMISSION

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Phone (701) 328-2428 • Fax (701) 328-1537
Homepage: www.nd.gov/indianaffairs
Email: ndiac@nd.gov

Governor Jack Dalrymple
CHAIRMAN

Scott Davis
EXECUTIVE DIRECTOR

Testimony on North Dakota Indian Scholarship Program HB 1003
By Scott J. Davis
Executive Director North Dakota Indian Affairs Commission
House Appropriation Committee

The North Dakota Indian Scholarship Program is authorized under NDCC 15-63-01 which places the budget for the program under the State Board of Higher Education. The program provides scholarships for resident members of federally recognized Indian tribes attending any post-secondary education programs in North Dakota.

The program was funded at $251,988 for the 2005-07 biennium which supported 362 $700 scholarships. Although students would benefit from higher scholarships and state law and Scholarship Board policy permit higher scholarships, the Scholarship Board has attempted to maintain the $700 level of scholarships for the last 13 years. The $700 scholarship level has been viewed as the lowest meaningful level that could positively impact a significant number of students. With approximately 400 scholarship applications each year, the Board receives more applications that it can fund. For example in the 2007-09 biennium, over 180 students were denied scholarships.

Even though state law permits the consideration of both financial need and academic merit in the award of scholarships, limited funding has required the Scholarship Board to focus on academic merit as the students most likely to succeed. In the past, this permitted the Board to continue funding pervious merit scholarship recipients and to fund new students who earned a 3.5 GPA or above. In 2003, the Board had to lower the scholarships from $700 to $600 in order to award all merit and continuing students (95 new merit and 70 continuing), and again in 2004, the Board lowered the scholarships from $600 to $500 in order to award all new merit and continuing students (115 merit and 84 continuing). It should be noted that almost all merit students also have demonstrated financial need. For the 2005-07 biennium, the program received a $47,500 increase in funding which allowed the Board to restore awards to the $700 level.

The 2007-09 budget request for this program is $380,626 which includes a 127,000 general fund increase from the 2005-07 appropriation of $251,988. This increase would fund approximately 270 grants (90 more) per year at $700 and also provide sufficient funding to award qualified applicants with a GPA of 3.0. Currently, there isn't sufficient funding to award new applicants with a GPA of less than 3.5.

Mr. Chairman and members of the committee I fully support HB 1003, this long overdue increase will make significant impacts for Native American students and families attending a North Dakota Higher Education Institution. I've had numerous visits to many colleges and universities and have met many hard working dedicated students and families. They all believe that obtaining a college degree is thee ticket towards self sufficiency and self determination. As a member of the North Dakota State Board for Indian Scholarships, I strongly support the Indian Scholarship Program and we urge your favorable consideration, thank you for the opportunity and I will be glad to answer any questions at this time.

ND INDIAN SCHOLARSHIP PROGRAM
Justification for Increase in Funding

- Approximately 3,651 [1]Native American students attend full-time at State/Tribal/Private institutions. Each year the ND Indian Scholarship Program supports approximately 6.5% of the 3,651 attending
- The average budget for a full time student attending UND for the 2009-10 academic year is $16,600 [2](tuition, fees, room, board, books & miscellaneous) an 84% increase from 2002-03
- Awards are fixed at $800 per year to fund at least 239 students
- Approximately 300 of the 400 applications received each year are scholarship eligible
- The Indian Scholarship Program averages 100 qualified applicants on a waiting list that are not awarded due to lack of funds
- The average cumulative grade point average for the scholarship awardees is 3.00
- The $380,626 appropriated for the 2009-11 biennium did not include an increase
- An increase of $192,974 is requested (50.7%)
- The increase would provide a $1,200 award per year to 239 students

[1] 2009 Fall Enrollment Report
[2] NDUS

1/24/11
NDUS
attachment #11

Written Testimony
Before
The State of North Dakota Education Committee
January 24th, 2011
Regarding HB 1003
North Dakota Indian Scholarship Program
By Alicia Gourd;
Minot State University Student

Mr. Chairman Skarphol and Members of the Committee,

My name is Alicia Gourd and I am a student intern for the North Dakota Indian Affairs Commission. I would like to say thank you for giving me this opportunity to speak in favor of HB 1003 regarding appropriation for funding of the North Dakota Indian Scholarship.

I am writing not only in favor of HB 1003, but also on behalf of the student's who receive the scholarship. I myself have been a recipient of the North Dakota Indian Scholarship while attending college. Although I cannot speak for the students, I would like share with you a student's perspective of how the scholarship has helped student's like myself succeed.

As a young Native American woman and a minority who like many, are faced with many barriers and obstacles that are unique to the rest of the population in North Dakota. For many Native American students trying to succeed in a post-secondary school, these challenges are often economic and financial issues. Competition for financial resources is a large barrier that interferes with a student's journey towards success. As a student, I feel that the competition for financial and economic resources plays a large part in the barrier to success and there is a need.

From a student's perspective, offering scholarships and providing economic opportunities that are focused towards Native American students will help give chance to a better and brighter future. It would make these challenges less difficult to overcome. A scholarship can help students pay for expensive textbooks, fees, and supplies that may not be covered by financial aid. It would help a student make a down payment on a new laptop. A scholarship such as the North Dakota Indian Scholarship would help student's focus on their academics by alleviating the pressure to put in more hours at work to help pay for college expenses.

The North Dakota Indian Scholarship would help students achieve their goals. I personally believe that scholarships bring out the best in students by giving them extra motivation to push even further towards their goals.

Mr. Chairman and Members of the Committee, I hope that my brief comments have given you a better insight to how the North Dakota Indian Scholarship can help change the lives of Native American students. By giving students the opportunity you are giving students a chance a better life in the long run.

I believe that there is importance and need to continue funding for the North Dakota Indian Scholarship. Thank you Mr. Chairman and Members of the Committee for your time.

HB 1003
NDUS
attachment #12
Jan. 24, 2011

ITCND
INFORMATION TECHNOLOGY COUNCIL OF NORTH DAKOTA

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U.S. Toll Free 1-877-311-1648 • (701) 355-4458 • (701) 223-4645 (Fax)
office@itcnd.org • www.itcnd.org

Testimony of Deana Wiese
Executive Director, Information Technology Council of North Dakota
In Support of HB 1003
January 24, 2011

Chairman Skarphol and Members of the Committee:

My name is Deana Wiese, and I am the executive director of the Information Technology Council of North Dakota (ITCND). I am here to testify in support of HB 1003.

ITCND was formed in 2000 by North Dakota business, government and education leaders who recognized the need to strengthen the state's information technology infrastructure and position the state as a national leader in information technology. ITCND has grown to nearly 100 members that believe in growing a stronger North Dakota through information technology excellence and development.

Workforce development remains a top priority for North Dakota's technology-based businesses. Within the next decade the IT industry will need to replace nearly 40 percent of its current workforce. To address these needs, ITCND has created the state's first-ever IT Career Awareness Program focused on informing 7-9th graders, parents and educators of the North Dakota IT job opportunities. The state's university system is an integral component in the development of a high-quality workforce, which is vital to the future growth of North Dakota's IT industry. This is why several items in this bill are so important to ITCND.

We are specifically supporting the funding for the start up of academic or technical programs, tuition freezes at the 2-year institutions and 2.5 percent increase at the 4-year institutions, continuation of the academic and technical scholarship program, and continuation of the STEM loan forgiveness program. Each of these plays a role in attracting IT students and retaining them within the state following graduation.

The North Dakota University System has been very responsive to North Dakota's IT workforce needs, and ITCND has developed a close working relationship with staff and institutions through the IT Career Awareness Program.

We thank you for your support of higher ed in the past, and we encourage you to give HB 1003 a DO PASS recommendation.

2011 House Bill 1003
North Dakota University System
2011-13 Executive Recommendation

	2009-11 Original Appropriation	2011-13 Executive Recommendation	Increase (Decrease)	
Ongoing General Fund Appropriations	533,312,894	605,854,782	72,541,888	13.6%
One-time General Fund Appropriations	59,983,248	42,359,624	(17,623,624)	-29.4%
Total	593,296,142	648,214,406	54,918,264	9.3%

Ongoing General Fund appropriations increased by $71.3 million of Program Enhancements (see below) and $1.2 million of carryover dollars.

2011-13 General Fund capital project and other one-time appropriations (see below) total $42.4 million, which is $17.6 million less than the 2009-11 original appropriation.

Program Enhancements	SBHE General Fund Request		General Fund	Land & Minerals Trust Fund	Permanent Oil Tax Trust Fund	Grand Total
Capital Bond Payments		$ 540,722	$ 540,722			$ 540,722
Parity		51,515,800	32,589,933			32,589,933
2009-11 Second year salary increase - 5%	$ 8,563,037		$ 8,563,037			
Health Insurance Increase - $825.97 per month	10,647,268		3,743,339			
2011-13 Salary Increases - 3.0% per year	24,680,043		16,362,878			
Utility Increases for Existing and New Buildings	3,920,679		3,920,679			
Operating inflation adjustments	3,704,773		-			
	$ 51,515,800		$ 32,589,933			
Total Retirement Contribution		2,465,926	2,426,500			2,426,500
Total College Affordability-Tuition freeze at two-year schools. 2.5% at four-year.		8,998,830	6,640,563			6,640,563
Equity Funding		15,000,000	10,000,000			10,000,000
Completion-Based Funding		-	5,000,000			5,000,000
Facility & Infrastructure Extraordinary Repairs		4,441,130	4,446,035			4,446,035
Technology Infrastructure Pool		4,300,000				
Technology Maintenance		3,527,000	3,527,000			3,527,000
Connect ND Database Upgrade		-	616,000			616,000
New/Expanded Academic & Technical Program Start-Up Revolving Fund		3,000,000	1,000,000			1,000,000
KSU Veterinary Medicine and ConnectND Position Funding		1,100,000	1,100,000			1,100,000
Facilities Project Management, 1.0 new FTE		208,000				
Student Mental Health Services, 5.5 new FTE		715,140	715,140			715,140
Bismarek Higher Education Center		780,000				
EPSCoR		1,650,000	1,650,000			1,650,000
Statewide Nursing Consortium		1,607,270	1,607,270			1,607,270
Decrease in Professional Liability Insurance		(300,000)	(300,000)			(300,000)
Increase Resident Positions		2,170,806				
Sustain RuralMed Program		175,600				
Increase Medical Students		857,600				
Master's in Public Health (50% at each NDSU and UND)		1,215,219	1,215,219			1,215,219
Allied Health Students		402,000				
Geriatrics Training		1,151,810	1,151,810			1,151,810
Forest Service program enhancements		351,019	175,510			175,510
Total Program Enhancements		**$ 105,873,872**	**$ 74,101,702**	**$ -**	**$ -**	**$ 74,101,702**
Student Financial Aid						
Career & Technical Education & Academic Scholarships		$ 7,000,000	$ (3,000,000)	$ 10,000,000		$ 7,000,000
Indian Scholarship program		192,975	192,975			192,975
Adult Learning Financial Aid		300,000				
Non-beneficiary student on tribally controlled community college		-			300,000	300,000
Total Student Financial Aid		**$ 7,492,975**	**$ (2,807,025)**	**$ 10,000,000**	**$ 300,000**	**$ 7,492,975**
Grand Total Program Enhancements & Student Aid		**$ 113,366,847**	**$ 71,294,677**	**$ 10,000,000**	**$ 300,000**	**$ 81,594,677**

One-Time and Capital Projects

		General Fund	Special Funds	Grand Total	General Fund	Land & Minerals Trust Fund	Permanent Oil Tax Trust Fund	Special Funds	Grand Total
Campus-wide	Special Assessments Pay-off	$ 4,302,624		$ 4,302,624	$ 4,302,624				$ 4,302,624
System	Mental Health Services	156,000		156,000	156,000				156,000
Forest Service	State Forest Service - Emerald Ash Borer	500,000		500,000	250,000				250,000
System	Comprehensive Career Planning	600,000		600,000					
System	Technology Infrastructure	3,200,000		3,200,000					
System	Emergency Preparedness/Security	2,000,000		2,000,000					
System	Capital & Infrastructure Emergency Contingency Fund	2,500,000		2,500,000					
UND	Joint NDUS/NDSU/UND IT Facility	17,600,000		17,600,000	11,200,000				11,200,000
VCSU	Rhoades Science Center Addition/Renovation	10,836,000		10,836,000	7,971,000				7,971,000
NDSCS	Old Main Renovation	8,180,000		8,180,000	8,180,000				8,180,000
BSC	Plant Services Building	1,500,000		1,500,000	1,500,000				1,500,000
WSC	Science Lab Remodel Completion			-			$ 1,320,000		1,320,000
WSC	Campus Branding Project			-			1,000,000	$ 500,000	1,500,000
DSU	Stoxen Library			-	8,800,000				8,800,000
SOMHS	Health Sciences Facility	28,890,000		28,890,000					
MiSU	Geothermal Heating & Cooling	5,000,000	$ 11,234,555	16,234,555					
DCB	Road Repairs/Repaving (180,000 sf)	700,000	31,250	731,250					
WSC	Steven's Hall Addition / Renovation	10,434,000		10,434,000					
LRSC	Erlandson Center Addition/Renovation	4,850,000		4,850,000					
Multi	Bismarck HE Center (BSC, DSU, MiSU, UND)	8,500,000		8,500,000					
UND	EERC Office and Lab Addition	12,500,000		12,500,000					
DCB	Heating System Upgrade - Thatcher Hall	265,000		265,000					
BSC	Student Union Renovation/Addition (Revenue Bonds)		7,500,000	7,500,000				$ 7,500,000	7,500,000
UND	EERC Slurry Building Expansion		2,700,000	2,700,000				$ 2,700,000	2,700,000
UND	Wilkerson Hall Renovation/Addition (Revenue Bonds)		14,000,000	14,000,000				$ 14,000,000	14,000,000
UND	University Town Home Apartments (Revenue Bonds)		5,000,000	5,000,000				$ 5,000,000	5,000,000
NDSU	Bison Sports Arena		29,100,000	29,100,000				$ 29,100,000	29,100,000
NDSU	Indoor Practice Facility		5,000,000	5,000,000				$ 5,000,000	5,000,000
NDSU	IT Infrastructure - Phase I		2,000,000	2,000,000				$ 2,000,000	2,000,000
NDSCS	Forkner Hall (Revenue Bonds)		5,000,000	5,000,000				$ 5,000,000	5,000,000
NDSCS	Schulz Renovation (Revenue Bonds)		4,000,000	4,000,000				$ 4,000,000	4,000,000
NDSCS	Vertin Football Complex Renovation		1,500,000	1,500,000				$ 1,500,000	1,500,000
VCSU	Lokken Football Field Turf	180,000	851,000	1,031,000				$ 815,000	815,000
MiSU	Old Main Classrooms		750,000	750,000				$ 750,000	750,000
MiSU	Landscape Plan-Phase II & III of 10-year Plan		800,000	800,000				$ 800,000	800,000
MiSU	New Resident Apartments (Revenue Bonds)		3,500,000	3,500,000				$ 3,500,000	3,500,000
Forest Service	Nursery Freezer Conversion/New Building	550,000		550,000					
	Total One-time and Capital Projects	**$ 122,693,624**	**$ 92,966,805**	**$ 215,660,429**	**$ 42,359,624**	**$ -**	**$ 2,320,000**	**$ 82,165,000**	**$ 126,844,624**

Small to Medium Size Capital Projects

	General Fund	Special Funds	Grand Total	General Fund	Land & Minerals Trust Fund	Permanent Oil Tax Trust Fund	Special Funds	Grand Total
BSC	$ 1,519,600		$ 1,519,600					
LRSC	1,075,577		1,075,577					
WSC	1,539,000		1,539,000					
UND	5,953,000		5,953,000					
NDSU	4,692,000		4,692,000					
NDSCS	2,435,000		2,435,000					
DSU	1,719,000		1,719,000					
MaSU	1,230,000		1,230,000					
MiSU	3,227,000	750,000	3,977,000					
VCSU	1,575,000		1,575,000					
DCB	700,250	25,000	725,250					
Total Small to Medium Size Capital Projects	$ 25,665,427	$ 775,000	$ 26,440,427					

The Governor's recommendation did not include funding for small to medium sized projects. However, the WSC requests related to campus brandingwere the basis for a recommended capital project.

Testimony on HB1003 | North Dakota House Appropriations Committee | Wednesday, January 26, 2011

Mr. Chairman and Members of the Committee:

My name is Andrew Varvel and I live in Bismarck.

You are rightly concerned about accountability in higher education. There is one major problem here – Article 8 of the North Dakota Constitution. A lack of accountability from university administrators isn't a flaw in the system; it is the main feature.

Here are a few suggestions on what can be done about it.

One recommendation is a constitutional amendment to put all power over higher education into the hands of a chancellor with a doctorate from a reputable university who is elected on a No Party Ballot, and turn the board of higher education into an advisory panel. If you truly want accountability, that's what elections are for. Since a doctorate from a reputable university is customarily a prerequisite for being treated respectfully by faculty, this requirement is strongly recommended.

Another recommendation is for the Legislature to institute Voluntary Student Union for all public campuses in North Dakota. Google it yourself. It works in Australia and it can work here. Voluntary Student Union means that students would be no longer required to pay student fees for services they don't want. It means that student fees are optional. Voluntary Student Union is an important step toward no-frills universities that truly serve the people of this state.

Please hold the line in the general budget on both expenditures and tax cuts. We will need that money later. The situation with Devils Lake is unstable. If our campuses in Fargo, Mayville, and Grand Forks wind up damaged by a monster flood coming out of Devils Lake, we will need to rebuild UND, NDSU, Mayville State, and quite possibly Valley City State.

If the damage from a monster flood is severe enough, we should consider whether the campuses of UND and NDSU should be moved higher ground that is not prone to flooding. Sites such as Carrington and Underwood should be considered if it can be shown that they can be engineered to avoid flooding that is historically endemic to the Red River Valley.

Rebuilding our universities after a monster flood from Devils Lake would be a major challenge. Although the federal government and private philanthropic organizations would chip in, most of the responsibility will belong to the people of North Dakota. Hence, we will need to keep a large portion of revenue not merely as a rainy day fund but as de facto flood insurance against a possible catastrophe coming out of Devils Lake.

Budget surpluses create a temptation to increase the fixed costs throughout higher education, but the Legislature should resist that temptation. If new buildings are necessary, so be it, but this must not come at the expense of catching up on deferred maintenance on old buildings.

Admittedly, I am recommending in another committee that the Legislature establish an Indian Languages Department at the University of North Dakota. That, however, requires legislative intervention regardless of the budgetary situation. The UND Medical Center and UND's Indian Studies Department are each the result of legislative intervention, so there is ample precedent.

The Legislature will probably need to pass a law requiring all deans, provosts, and presidents in the North Dakota University System to be hired through a public hiring process using a nationwide search. Although the Board doesn't like interference, I think there is sufficient appearance of impropriety at the University of North Dakota in the hiring of its deans to merit intervention from the North Dakota Legislature.

There is presently another bill to reimburse the state's higher education for a tuition freeze in North Dakota colleges and universities. It's a good idea. At a time when revenues were low in the 1990's, it was understandable to raise tuition to keep quality up. Raising tuition doesn't make sense now. On a nationwide level, North Dakota comparatively low tuition effectively controls tuition elsewhere in the country. Whenever we raise our rates, institutions elsewhere raise theirs, thus giving North Dakota no competitive advantage in higher education. Just because the rest of the university herd is going in the wrong direction doesn't mean we must follow. Let's lead.

In summary, higher education needs to plan for the possibility of a monster flood from Devils Lake. If you want accountability, propose a constitutional amendment to vest power in an elected chancellor. If you want to cut waste, establish Voluntary Student Union. If you want to keep young people in the state, freeze tuition. We can lead; let's lead wisely.

Thank you

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Thank you

Andrew Varvel
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Bismarck, ND 58501-2131
kiksuya74@yahoo.com

HB 1003 NDUS
1/24/11
attachment #2

NDUS Office
Comparison of SBHE General Fund Revised Request And Executive Recommendation

	(1) SBHE 2009-11 Prioritized GF Revised Request	(2) Executive Recommendation	(3) Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 88,065,030	$ 88,065,030	$ -
Base Adjustments	-	-	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	88,065,030	88,065,030	-
Prioritized SBHE Needs Based Request:			
Capital bond payments increase	540,722	540,721	SITS $1,249,508; NDUS Office $330,832
Parity	2,540,744	1,580,340	(960,404)
Technology Infrastructure pool	4,300,000	-	(4,300,000)
Technology Maintenance	3,527,000	3,527,000	-
Connect ND Database Upgrade	-	616,000	616,000
New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	1,000,000	(2,000,000)
KSU Vet. Med and ConnectND position funding	1,100,000	1,100,000	-
Facilities Project Management	208,000	-	(208,000)
Student Mental Health Services	12,000	12,000	-
EPSCoR	1,650,000	1,650,000	-
Employee Retirement Contributions	31,894	31,384	(510)
Professional Liability Insurance	(300,000)	(300,000)	-
Indian Scholarship Program	192,975	192,975	-
Career Technical Education & Academic Scholarship Program	7,000,000	(3,000,000)	(10,000,000)
Adult Learning	300,000	-	(300,000)
Completion Based Funding	-	5,000,000	5,000,000
Total Requested Increase In GF Base Funding	24,103,335	11,950,420	(12,152,915)
Total Base General Fund Request & Recommendation	**112,168,365**	**100,015,450**	**(12,152,915)**
One-time Budget Requests:			
Mental Health Services	156,000	156,000	-
Comprehensive Career Planning	600,000	-	(600,000)
Technology Infrastructure	3,200,000	-	(3,200,000)
Emergency Preparedness/Security	2,000,000	-	(2,000,000)
Capital/Infrastructure Emergency Contingency Fund	2,500,000	-	(2,500,000)
Total One-time Budget Request & Recommendation	8,456,000	156,000	(8,300,000)
Total 2011-13 General Fund Request & Recommendation	$ 120,624,365	$ 100,171,450	$ (20,452,915)

1/ The 2009-11 $3 million base general funds removed from the Career Technical Education & Academic Scholarship Program. Base funding, plus the requested $7 million increase is funded as a "continuing appropriation" from the Land & Minerals Trust Fund in the 2011-13 Executive Recommendation, rather than as a specific appropriation in the NDUS Office budget.

G:\CATHY\EXCELFIL\BIENNIAL BUDGETS\2011-13\Executive Recommendation\[Exec Recom Compare to Request.xlsx]GF Compar-NDUSOff

Technology Infrastructure Pool

Goals

- Focus on academic applications and services to bring consistency of approach
- Build upon strategic architecture framework to improve efficiency and effectiveness
- Maintain current ConnectD fee.

Criteria

Required: 1.) fit within NDUS IT strategic architecture; 2.) integrate within existing NDUS systems and/or streamline cross-platform capabilities

Priority: 1.) promote collaboration; 2.) easy, reliable learning resources; 3.) support classroom or library

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #7

Technology Maintenance (100% of request funded)

- Northern Tier Network operating costs ($1.87 M)-A higher ed research and educational optical wave network, which helps facilitate local, regional, national and global collaboration.
- State ITD Data Network Upgrade for 18 mo. ($1.006 M)-Campus end-circuit upgrades and Internet I upgrade.
- NDUS portion of ITD disk and processor capacity upgrades for ConnectND ($651,000)

NORTH DAKOTA
UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals

Enterprise Database

Request $0

Recommend $616,000

Difference $616,000

OMB proposal to separate OMB and NDUS CND finance and HR database due to size NDUS database continue to be hosted by ITD

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #8

Academic and Technical Education Revolving Student Fund

Request $3.0 M

Recommend $1.0 M

Difference ($2.0) M

- **1.1** Percentage of recent ND high school grads enrolled in NDUS.
  - *Current level: 32%*
  - *Target level: 37%*
- **1.2** Percentage of ND's young adult enrolled for credit.
  - *Current level: 4%*
  - *Target level: 6%*
- **1.3** Percentage of ND's total population enrolled for credit.
  - *Current level: 1.2%*
  - *Target level: 2%*
- **3.1** Increase completions in targeted, high potential programs by X%

NORTH DAKOTA UNIVERSITY SYSTEM

Academic and Technical Program Fund

Goals

- Programs to meet state needs.
- Allocated primarily on one-time basis to assist with start-up costs until revenues or reallocations available.

Criteria

Required: 1.) address ND workforce needs; 2.) student demand; 3.) business need; 4.) other funding support; 5.) become self-supporting; 6.) SBHE strategic goals; 7.) campus mission; 8.) "for-credit" programs

NORTH DAKOTA UNIVERSITY SYSTEM

Academic and Technical Program Fund (continued)

Goals

- Programs to meet state needs.
- Allocated primarily on one-time basis to assist with start-up costs until revenues or reallocations available.

Priority

Priority: 1.) Address SBHE high potential areas: ag, energy, health care, life science and adv. Technology; 2.) Address DOC growth industries: adv. manuf., energy, value-added ag, technology-based business and tourism.

NORTH DAKOTA UNIVERSITY SYSTEM

Examples of Programs

- LRSC Wind Energy
- UND/NDSU Joint Master's in Public Health
- NDSCS Nanotechnology program

NORTH DAKOTA
UNIVERSITY SYSTEM

Facilities Project Management

April 2010 SAO Capital Project Recommendations

- We recommend the State Board of Higher Education establish an effective, system-wide monitoring function to ensure institutions are complying with policies and state law. The monitoring function should report directly to the Budget, Audit, and Finance Committee of the Board.
- We recommend the State Board of Higher Education take appropriate action to address differences relating to capital projects to ensure there is a unified system of higher education.

NORTH DAKOTA
UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals #11

Student Mental Health Services

Request $715,140

Recommend $715,140

Difference $0

- 1 FTE licensed mental health counselor each at DSU, LRSC, WSC, DCB, MaSU
- 0.5 FTE at VCSU
- $12,000 for after hrs. services

- **1.4** Increase the total number of certificates, associate and baccalaureate degrees awarded.
  - *Current level: 7,657*
  - *Target level: 7,963*

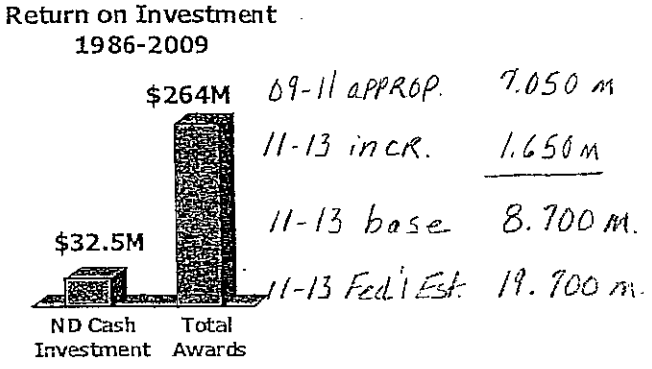
NORTH DAKOTA UNIVERSITY SYSTEM

ND EPSCoR
Advancing Science Excellence in North Dakota
Experimental Program to Stimulate Competitive Research
www.ndepscor.nodak.edu

North Dakota's Best Return on Investment

Investment results with the visionary support of the North Dakota Legislature:

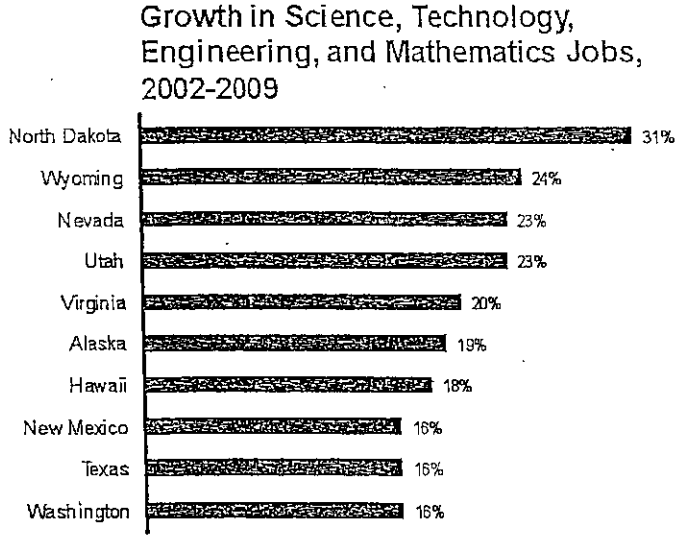
- Appropriated more than $7M to ND EPSCoR for the 2009–11 biennium
- Invested $32.5M in ND EPSCoR 1986-2009
- Resulted in $264M in merit-based awards for ND EPSCoR researchers (8:1 ROI)



ND EPSCoR and the State's two research intensive universities have built capabilities that facilitate and implement North Dakota's abilty to engage in the 21st century world economy.

North Dakota successes include:

- 3rd in the nation for University R&D/$1,000 of Gross State Product
- 1st in state competitiveness factors based on academic R&D, science/engineering grad students and degrees awarded (Beacon Hill Institute)
- In technology factors, North Dakota jumped from 36th in 2001 to 13th in 2010 (Beacon Hill)
- 3rd in the nation Fed R&D Obligations per Capita: 26% increase 2003-07
- 2nd in the nation in percentage change 1986 - 2005, ND's share of National Science Foundation research funds increased by 160%
- 1st in growth of science, technology, engineering and math jobs 2002–2009
- Facilitated recruitment of over 200 new faculty researchers to the state
- Provided research opportunities for over 2,100 students since 1992
- Six federal agencies partnered with ND EPSCoR: NSF, NIH, NASA, EPA, DOE, and DoD



Sources: http://www.ssti.org/Digest/Tables/042110t.htm, http://www.nsf.gov/statistics/nsf10311/pdf/nsf10311.pdf, http://www.ssti.org/Digest/Tables/021308t.htm, http://www.nsf.gov/statistics/showpub.cfm?TopID=8&SubID=1, http://www.beaconhill.org/CompetitivenessHomePage.html, http://ncf.uschamber.com/enterprising-states/http://

ND EPSCoR
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North Dakota EPSCoR

Research, Education and Workforce Development Initiatives

Development Directives

ND EPSCoR supports two research clusters. Agriculture is our top industry. SUNRISE develops and capitalizes on advances in renewable energy. Flexible electronics initiatives (FlexEM) partners with national research labs.

Private Sector Partnerships

Product Design Center (PDC) bridges gap between basic discoveries and commercialization. Faculty In Technology Transfer (FITT) and Students in Technology Transfer And Research (STTAR) use university intellectual capital to advance North Dakota's companies.

Leveraging Human Resources

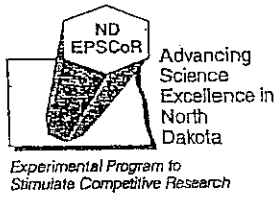
Tapping the resources of major underrepresented groups, specifically, women and Native Americans, to fill our needs for a larger Science, Technology, Engineering and Mathematics (STEM)-trained workforce. Women in Science and Engineering (WISE) provides supplemental funding to faculty, both new hires and current, for upgraded lab equipment, additional graduate students and post-doctoral researchers. Nurturing American Tribal Undergraduate Research and Education (NATURE) provides a STEM education pathway for American Indian high school and tribal college students.

Competitive Research Infrastructure

New Faculty Start-Up, Collaborative Seed Grants, Graduate and Undergraduate Research Assistantships.

Cyberinfrastructure

Deployment of high-speed connectivity to researchers' desktops and development of cyber collaborations.



PROFESSIONAL LIABILITY INSURANCE

The 2009 legislature included an appropriation of $1.1 million in the North Dakota University System office budget for UND's medical malpractice coverage premiums for the 2009-11 biennium. This appropriation is intended to pay the premium for continued coverage for student intern programs as well as UND's medical malpractice coverage, and required coverage for other state agencies (State Hospital and Workforce Safety and Insurance). In addition, an annual amount $25,000 is allocated for HIPPA related costs at UND for partial support for an attorney hired (effective June 15, 2009) by the UND Office of Legal Counsel. Half of the appropriation is allocated to the UND School of Medicine and Health Sciences (SMHS) each year of the biennium, and all deposits and expenditures related to this insurance are in a special fund at SMHS. The following summary of the fund was provided by SMHS, June 2010:

The June 30, 2009 equity balance in the fund was $1,355,018.23.

*Revenues: In FY10 a total of $742,723.18 was deposited into the fund. Included in these deposits is $168,196.78 received from HCIS Insurance for profit sharing. HCIS Insurance computes the profit sharing formula every three years, the last profit sharing was received in FY07.

*Expenditures: Expenditures for FY10 were $379,620.84.

*Equity Balance: The June 30, 2010 equity balance in the fund was $1,718,120.57. This amount was carried forward to FY11 for use, exclusively, to fund liability insurance premiums, HIPPA and possible deductible payments resulting from liability incidents.

*The FY11 budget includes revenues of $560,000 and off-setting expenses of $515,000. The FY11 insurance carrier will be selected by North Dakota Risk Management Agency. The FY11 expenditure budget will be adjusted to reflect the renewal premium costs.

If expenses remain fairly consistent for premiums and the HIPPA-related costs at UND, and there isn't an increase in claims, their expenses for 11-13 are estimated at $400,000-$450,000 per year. The $800,000 that is included in the executive recommendation would cover these costs in 11-13, leaving an estimated balance in the fund of $1.7 million. The insurance market, like all financial markets, is volatile and unpredictable, and the future costs for liability insurance are unknown...the costs have been prone to skyrocket at times. In addition, the SMHS does have some additional risks, besides the costs of the insurance ($100,000 deductible per risk management loss, with a $300,000 annual limit on the deductible). It wouldn't take long to use the fund balance with a few claims. The $300,000 reduction, from the 2009-11 appropriated amount, takes into account uncertainties in the insurance market, no projected profit sharing in the next biennium and the need for a healthy reserve to handle possible deductible payments.

Based on claims history and the projected fund balance of $1.7 million, staff from the NDUS Office and SMHS recently met with Risk Management regarding future funding. It was agreed that Risk Management and SMHS would work together to issue an RFP for coverage. Any potential change in coverage as a result of this process would likely not take effect until 7/1/12.

G:\cathy\worddocs\Biennial Budgets\11-13 Biennial Budget\Professional Liability Insurance

SBHE Budget Priorities and Related Strategic Plan Goals

Request $300,000

Recommend $0

Difference ($300,000)

Financial aid for adult learners taking less than 6 credit hours per semester, plus other tools and resources to ensure success.

- **1.2** Percentage of ND's young adult enrolled for credit.
  - *Current level: 4%*
  - *Target level: 6%*
- **1.3** Percentage of ND's total population enrolled for credit.
  - *Current level: 1.2%*
  - *Target level: 2%*

NORTH DAKOTA UNIVERSITY SYSTEM

SBHE Budget Priorities and Related Strategic Plan Goals

Request $0

Recommend $5.0 M

Difference $5.0 M

Consistent with SBHE action in January 2010 to implement incentive based funding budget component.

Gov. Dalrymple Budget Address

Ask SBHE to develop a new methodology to distribute funds to campuses based on meaningful educational results, such as an increase in the number of degrees awarded; an increase in the number of students graduating on time; the number of degrees completed by low income students; and the number of students transferring from two to four year schools.

I will ask the Board of Higher Education to work with me in establishing a new Commission on Higher Education Funding to develop recommendations to improve the equity, the transparency, and the effectiveness of higher education funding.

NORTH DAKOTA
UNIVERSITY SYSTEM

North Dakota University System
Student Grant Programs By Funding Source
Per 2011-13 Executive Recommendation

	(1) State Grant Program	(2) Scholars Program	(3) PSEP	(4) ND Indian Scholarship Program	(5) Education Incentive Programs	(6) Career/Technical Ed and Academic Scholarships	(7) Total
General Fund:							
2009-11 Adjusted Appropriation	$ 19,579,140	$ 2,456,826	$ 2,590,529	$ 382,467	$ 3,265,994	$ 3,000,000	$ 31,274,956
Increase (Decrease)	-	-	510,000	192,975	-	(3,000,000)	(2,297,025)
2011-13 Executive Recommendation	19,579,140	2,456,826	3,100,529	575,442	3,265,994	-	28,977,931
% Increase (Decrease)	0.0%	0.0%	19.7%	50.5%	0.0%	-100.0%	-7.3%
Other Funds:							
2009-11 Adjusted Appropriation			1,030,326			-	1,030,326
Increase (Decrease)			(565,019)			10,000,000	9,434,981
2011-13 Executive Recommendation			465,307			10,000,000	10,465,307
% Increase (Decrease)			-54.8%			100.0%	915.7%
Federal Funds:							
2009-11 Adjusted Appropriation	348,428						348,428
Increase (Decrease)	-						-
2011-13 Executive Recommendation	348,428						348,428
% Increase (Decrease)	0.0%						0.0%
Total Funds:							
2009-11 Adjusted Appropriation	19,927,568	2,456,826	3,620,855	382,467	3,265,994	3,000,000	32,653,710
Increase (Decrease)	-	-	(55,019)	192,975	-	7,000,000	7,137,956
2011-13 Executive Recommendation	$ 19,927,568	$ 2,456,826	$ 3,565,836	$ 575,442	$ 3,265,994	$ 10,000,000	$ 39,791,666
% Increase (Decrease)	0.0%	0.0%	-1.5%	50.5%	0.0%	233.3%	21.9%

The executive recommendation, along with 09-11 projected carryover, provides sufficient funding for the following, by program:

State Grant Program - The $19.9 million is the same level of funding as 09-11, which experienced a significant funding increase of $12.8 million over the 07-09 biennium. The estimated carryover from 09-11 to 11-13 is $1.1 - $1.4 million, due to larger than anticipated attrition, corresponding refunds and incomplete applications. For example, in the second year of the biennium, 12,676 offers resulted in 8,887 awards. For the 2011-13 biennium, even larger over-awards will be considered for each semester, and consideration will be given to increasing the amount of the award from possibly $1,200 to $1,500 per student per year, as allowed in statute.

Scholars Program - This level of funding, plus estimated general fund carryover of $347,400 from 2009-11, will allow the continuation of all upper-classmen, plus 65 new freshmen per year, as well as continuing to provide one-time stipends of $2,000 to incoming freshmen.

Professional Student Exchange Program (PSEP) - The state general funds, plus estimated 2009-11 carryover of about $465,000, will continue funding the current students in WICHE, Iowa and Minnesota slots, plus the following estimated number of new slots per year: 7 veterinary, 7 dentist and 8 optometry. The $510,000 increase in state general funds is needed to replace reduced funding from the Student Loan Trust Fund, to support currently enrolled students plus 5 new slots per year under the KSU veterinary medicine program. The special fund authority has been reduced to $465,307, and reflects an estimated amount that will continue to be supported by the student loan trust fund.

ND Indian Scholarship Program - Funds approximately the same number of grants (240) as was funded in 2009-11, but increases the award from $800 to $1,200 each.

Education Incentive Program - Includes Teacher Shortage loan forgiveness program ($1,000/year for 3 years) and Technology Occupation and new STEM loan forgiveness programs ($1,500/year for 4 years). In addition to the $3,265,994 appropriation, carryover to 2011-13 is estimated at approximately $331,000. This will provide continued funding of the existing cohorts/slots, plus approximately the same number of new cohorts/slots that were added in 2009-11 without increased state funding, as required in Section 29 of SB2003 (2009): Teacher Shortage Loan Forgiveness - 158 per year @ $1,000; STEM Loan Forgiveness - 193 per year, @ $1,500.

Career/Technical Ed and Academic Grants - This program provides grants of $1,500 per year, up to $6,000 to residents of ND during the past 12 months, who attend a ND institution and meet other requirements outlined in HB1400. The executive recommendation includes a $10 million "continuing appropriation" from the Land and Minerals Trust fund, but does not specifically include an appropriation in HB1003. The $7 million increase is required to continue to grow the program that began in FY2011, to serve four classes for 4-year scholarships.

G:\CATHY\EXCELFIL\BIENNIAL BUDGETS\2011-13\Executive Recommendation\[Student grant prgms by funding source.xlsx]Summary

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

State Grant Program

The North Dakota Student Financial Assistance Program (State Grant) provides $1,200 non-repayable grant each year to North Dakota residents pursuing undergraduate degrees at North Dakota's public, private and and tribal colleges. The purpose of these need-based grants is to assist students with the cost of attending North Dakota postsecondary institutions. A State Grant also reduces the amount of money a student needs to borrow for his or her education. The statutory grant maximum is $1,500 with the SBHE increasing the award from $800 to $1,200 in A Y 2009-10.

More than 35,000 North Dakota students applied for a state grant in 2010-11. The State Grant Program was able to fund over 9,600 needy students or about 28 percent of the eligible students. For 2010-11, the greatest unmet need of a State Grant Program recipient was $17,026. Unmet need for this program is calculated as follows: cost of attendance minus parent/student expected contribution, minus the Federal Pell Grant, equals unmet need. For academic year 2010-11, State Grant dollars were exhausted at an unmet need figure of $1,199. In other words, those students demonstrating an unmet need of $1,199 or less did not receive State Grant support. Historically, of the over 30,000 students who apply for the State Grant program each year, over 20,000 students exhibit some type of unmet financial aid need, after the federal Pell Grant is applied.

State funding of $19 million to support the State Grant Program for the 2009-11 biennium is equivalent to 5 percent of annual tuition collections.

Students Receiving State Grants
Awarded by Institution Type (total 09-11 funding available $19.4 million)

	Public Institution	Private Colleges & Hospital School of Nursing	Native American Community Colleges	Total
2010-2011 School Year (est.)				
# Applying 35,583				
# of Students Receiving Awards	7,249	1,237	1,180	9,666
$ Awarded	$8,679,786	$1,484,400	$1,416,000	$11,580,186
% of Total $ Awarded	75.0%	12.8%	12.2%	100%
% of all ND Students Attending College	85.6%	10.6%	3.7%	100%
2009-2010 School Year				
# Applying 38,372				
# of Students Receiving Awards	6,257	1,075	533	7,865
$ Awarded	$6,803,350	$1,151,845	$567,000	$8,522,195
% of Total $ Awarded	79.8%	13.5%	6.7%	100%
% of all ND Students Attending College	83.7%	12.6%	3.7%	100%

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State Grant Program (cont.)

The State Grant Program has a federal maintenance of effort (MOE) requirement. Under federal law, states are required to meet or exceed the maintenance of effort requirement to ensure continued federal financial aid funding. The MOE requirement is the average expenditure of non-federal dollars for the past three years. However, in the future, according to federal reporting procedures, not all non-federal sources will be included in the MOE requirement. To maintain the MOE requirement for the 2011-13 biennium, an estimated $5.9 million in non-federal dollars is needed.

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NORTH DAKOTA
UNIVERSITY SYSTEM

December 2010

North Dakota Scholars Program

The North Dakota Scholars Program, a merit-based scholarship program, was first funded by the Legislature in 1987 to provide scholarships to North Dakota's best and brightest high school graduates to encourage them to remain in North Dakota for postsecondary education.

In order to be a qualified applicant, high school junior must take the ACT Assessment between October and June of his or her junior year and score in the upper 5 percent of all North Dakota ACT test takers. The numeric sum of the English, Math, reading and science reasoning scores will be used as a second selection criteria. The numeric sum of a student's English and mathematics scores will be used as additional selection criteria if a tie-breaker is needed.

- Funding has traditionally been available to fund between 15-20% of the qualified students.
- The scholarship is renewable for up to three years if the recipient maintains a cumulative 3.5 grade-point average.
- The Scholars Program provides full-tuition scholarships for students who attend North Dakota's public and tribal colleges and tuition scholarships not to exceed the highest resident undergraduate tuition rate in the North Dakota University System for students who attend North Dakota's private institutions and a one-time $2,000 stipend to freshmen scholars.

	2006-07	2007-08	2008-09	2009-10	2010-11
# of candidates meeting 5% ACT requirement	326	319	321	327	327
Offers made	68	98	92	103	102
Offers accepted	32	49	43	54	64
% of those offered and accepted	47%	50%	47%	52%	63%
ACT score range funded	32-35	31-35	31-35	31-36	31-36

- North Dakota students who qualify for this program are high academic achievers. These students are heavily recruited by out-of-state colleges and universities that also offer financial incentives to attract them to their campuses. This is demonstrated by

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North Dakota Scholars Program (cont.)

the fact that, in 2010-11, in order to fund 64 new freshmen students, 102 offers were made, which is an acceptance rate of 63 percent. The other 38 students more than likely attended out-of-state institutions.

- The North Dakota University System had sufficient funding to support the following number of North Dakota scholars by class and year:

North Dakota Scholars By Class, By Year					
	2006-07	2007-08	2008-09	2009-10	2010-11
Freshmen	32	49	43	54	64
Sophomores	17	26	42	37	46
Juniors	10	18	25	39	34
Seniors	17	8	15	23	36
Total	76	101	125	153	180

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NORTH DAKOTA
UNIVERSITY SYSTEM

Flexible and Responsive

December 2010

Professional Student Exchange Program (PSEP)

The Professional Student Exchange Program offered through Western Interstate Commission on Higher Education provides North Dakota students access to veterinary medicine, optometry and dentistry programs not offered in the state.

- In exchange for admitting qualified North Dakota students into their programs, out-of-state institutions receive a pre-determined support fee from the state. As a participant in a program, the student pays resident tuition rates to a public out-of-state institution or reduced tuition to a private institution. The support fee paid by North Dakota provides guaranteed access to these programs, assuming that students are academically prepared.

History of WICHE PSEP Per Student Support Fee Paid by North Dakota						
Field	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Veterinary Medicine	$26,300	$27,200	$28,100	$29,100	$29,500	$30,000
Optometry	$14,100	$14,600	$15,100	$15,600	$15,800	$16,100
Dentistry	$20,600	$21,300	$22,000	$22,700	$23,000	$23,400

Three additional contractual agreements provide programmatic access for North Dakota students interested in veterinary medicine and dentistry. A brief description of each agreement follows:

- Since 1991-92, Iowa State has agreed to accept up to 10 North Dakota students per year into their veterinary medicine program at about $6,000 to $7,000 less per student per year than required through the WICHE program. Under the current agreement with Iowa State's College of Veterinary Medicine, North Dakota students who matriculate at Iowa State will be guaranteed enrollment for the duration of their program.

- The second agreement, enacted by the 2005 Legislative Assembly, authorized the State Board of Higher Education and Kansas State University to enter into an agreement whereby KSU allows up to five North Dakota residents to enroll in the veterinary medicine program.

Executive Recommendation Includes:
General Fund $510,000
Stdnt Loan Trust Fund 465,307
$975,307

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PSEP (cont.)

- Under the North Dakota/Minnesota reciprocity agreement, Minnesota provides up to five guaranteed new freshman slots in veterinary medicine each year and 10 guaranteed new freshman slots in dentistry with continuation of these students for the full four years of the program, subject to appropriate academic performance. In exchange, the state of North Dakota and/or the North Dakota student pay 75 percent of the non-resident tuition for veterinary medicine and 100% of the non-resident rate for dentistry. If North Dakota is able to pay a support fee equal to the difference between 75/100 percent of the non-resident rate and the resident tuition rate, then the North Dakota student can attend at resident tuition rates. If the state is not able to provide state support, the student is required to pay the entire 75/100 percent of the non-resident rate. Minnesota may continue to accept North Dakota students above and beyond the five and 10 guaranteed slots; however, for admission and tuition purposes, they would be considered outside of the agreement and would be treated as non-residents for tuition purposes.

- During the 2009-11 biennium, a total of 135 students, freshmen through seniors, received support through PSEP with a total appropriation of $3.3 million. The following table reflects the number of freshmen PSEP slots funded by year.

Total currently supported (10-11) incl. upperclass:
Vets 13 + 19 KSU
Dentistry 16
Optometry 21

Number of Freshmen PSEP Slots Funded by Year			
	Veterinary Medicine	Dentistry	Optometry
2001-2002	6(0)	4(5)	6
2002-2003	4(4)	4(8)	6
2003-2004	4(5)	4(17)	5
2004-2005	4(1)	4(15)	4
2005-2006	7(5) + 2 at KSU	4(11)	4
2006-2007	6* + 2 at KSU	8*	4
2007-2008	5* + 5 at KSU	8*	4
2008-2009	7* + 5 at KSU	6*	4
2009-2010	6* + 3 at KSU	7*	5
2010-2011	6* + 6 at KSU	7*	8
2011-2012 (est.)	7* + 5 at KSU	7*	8
2012-2013 (est.)	7* + 5 at KSU	7*	8

() Number of freshmen North Dakota students enrolled at U. of Minnesota veterinary medicine & dentistry at no cost to the state.
* Includes WICHE and MN supported slots. NOTE: The 2011-13 request assumes the carryover of unspent 2009-11 general fund appropriation of about $442,742.

- Applicant numbers for the PSEP totaled 69 for academic year 2011-12, including 25 in veterinary medicine (12 or 48% funded), 31 in dentistry (7 or 23% funded) and 13 in optometry (8 or 62% funded).

- March 2009 data suggests that of the 97 PSEP slots funded since 1999-2000 (optometry-40, dentistry-22, and veterinary medicine-35), the following percentage of students returned to North Dakota to work in their professions after graduation as of 2009: 36 percent in dentistry, 25 percent in optometry and 37 percent in veterinary medicine.

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PSEP (cont.)

- North Dakota also participates in WICHE as a receiving state for physical and occupational therapy, medicine and pharmacy programs.

Number of Students North Dakota Receives through PSEP Fall 2009					
Sending WICHE State	Physical Therapy	Occup. Therapy	Medicine	Pharmacy	TOTAL
Alaska					0
Arizona					0
Hawaii					0
Idaho					0
Montana			3		3
Nevada					0
New Mexico					0
Oregon					0
Wyoming	9		1		10
TOTAL	9	0	4	0	13

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COLLEGES WHICH NORTH DAKOTA STUDENTS MAY ATTEND UNDER RECIPROCAL AGREEMENTS

VETERINARY MEDICINE

WICHE Schools
Colorado State University
Oregon State University
University of California – Davis
Washington State University

Non-WICHE Schools*
Iowa State University
Kansas State University
University of Minnesota

DENTISTRY

WICHE Schools
Arizona School of Dentistry and Oral Health
Loma Linda University
Oregon Health and Sciences University
University of California – Los Angeles
University of California – San Francisco
University of Colorado Health Science Center
University of Nevada – Las Vegas
University of Southern California
University of the Pacific
University of Washington

Non-WICHE Schools*
Creighton University
Marquette University
University of Minnesota
University of Nebraska

OPTOMETRY

WICHE Schools
Pacific University
Southern California College of Optometry

Non-WICHE Schools*
Illinois College of Optometry
Ohio State University

*Prior to joining WICHE, North Dakota had separate contracts with the various non-WICHE institutions listed. When North Dakota joined WICHE, WICHE agreed to handle all aspects relative to admission, billing, etc., in the same manner they do for those WICHE schools listed above except for Iowa State and University of Minnesota.

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Indian Scholarship Program

The Indian Scholarship Program assists American Indian students in obtaining a college education by providing grants based upon scholastic ability and financial need. By limiting scholarship awards to $800, the Indian Scholarship Board has been able to make scholarship awards to about 239 eligible applicants each year, 98 percent of whom show financial need in addition to scholastic ability. About 30 program participants graduate each year.

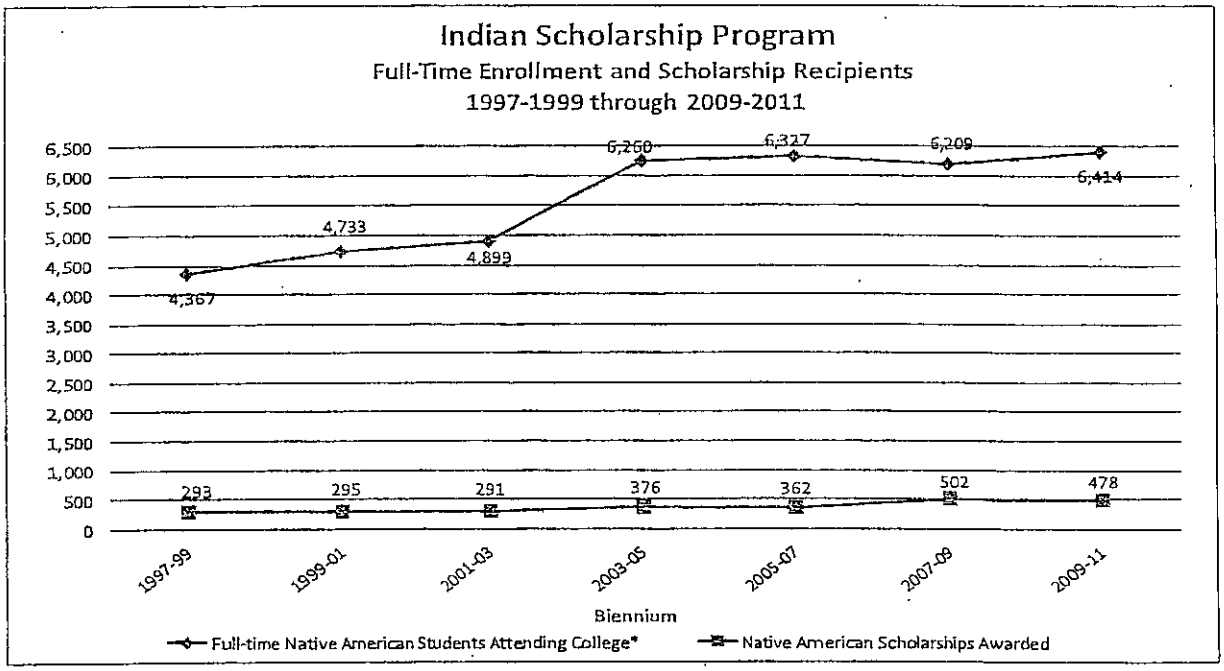
The qualifications for eligibility for the North Dakota Indian Scholarship Program are as follows:

- An applicant must either be a resident of North Dakota who is one-quarter Native American or an enrolled member of any tribe that now resides in North Dakota. Residency for each student will be determined by the institution he or she plans to attend.
- An applicant must have been accepted for admission at an institution of higher learning or a state vocational education program within North Dakota.
- Scholarship recipients must be enrolled full-time and may not have a grade-point average below 2.0.
- A student who participates in an internship, student teaching, teaching assistance or cooperative education program may be eligible for scholarship awards only if participation in that program is required for the degree and only if tuition must be paid for the credits earned.

Executive Recommendation includes increase of $192,975, and would fund approximately the same # of students (240/yr), but at $1,200/award rather than $800/award.

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Indian Scholarship Program (cont.)



*Includes the following schools: Bismarck State College, Dickinson State University, Fort Berthold Community College, Jamestown College, Lake Region State College, Cankdeska Cikana Community College, University of Mary, Mayville State University, Minot State University, Dakota College at Bottineau, North Dakota State University, Standing Rock College, North Dakota State College of Science, Turtle Mountain Community College, University of North Dakota, Valley City State University and Williston State College.

History of Indian Scholarship Program

Biennium	Full-time Native American Students Attending College*	[1]Native American Scholarships Awarded	State General Funds Appropriated	% of Full-time Students Receiving Funding
1997-99	4,367	293	$204,000	6.7%
1999-01	4,733	295	$204,082	6.2%
2001-03	4,899	291	$204,082	5.9%
2003-05	6,260	376	$204,086	6.0%
2005-07	6,327	362	$251,988	5.7%
2007-09	5,973	502	$380,626	8.4%
2009-2011	6,414	478	$381,292	7.4%

*Includes the following schools: Bismarck State College, Dickinson State University, Fort Berthold Community College, Jamestown College, Lake Region State College, Cankdeska Cikana Community College, University of Mary, Mayville State University, Minot State University, Dkota College at Bottineau, North Dakota State University, Standing Rock College, North Dakota State College of Science, Turtle Mountain Community College, University of North Dakota, Valley City State University and Williston State College.

[1]Additional awards were made with carryover funding

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Science, Technology, Engineering and Mathematics (STEM) Occupations Student Loan Forgiveness Program

The STEM occupations student loan forgiveness program, formerly administered under the title "Technology Occupations Student Loan Program," is intended to encourage students to pursue STEM related careers in ND. The program reduces student loan indebtedness for individuals who have: (1) graduated in STEM-related fields and (2) been employed in STEM occupations in the state for one year.

Recipients are eligible to receive $1,500 in loan forgiveness each year they are employed in approved STEM occupations in North Dakota, up to a maximum of four years or $6,000. To be eligible, a recipient must have a student loan from the Bank of North Dakota or other participating lender. Individuals must apply annually for new or continued funding.

- For academic year 2009-10, 784 new and continued-funding applications were received. Of the 784 applicants, 601 were funded at a cost of approximately $900,000. Biennial 2009-11 expenditures are estimated to be $1,893,000.
- The average student loan indebtedness of funded applicants, as reported on their applications, was $10,595.
- A breakdown of funded 2009-10 applicants by program area follows: (Includes 193 new cohorts & est. same # each year for FY11 through FY13)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Aeronautics/Aviation/Aerospace Science and Technology, General	1
Agricultural Mechanization, General	2
Agricultural/Biological Engineering and Bioengineering	9
Airline/Commercial/Professional Pilot and Flight Crew	2
Animal Sciences, General	5
Architectural Engineering Technology/Technician	7
Architecture	7
Atmospheric Sciences and Meteorology, General	2
Automobile/Automotive Mechanics Technology/Technician	1
Aviation/Airway Management and Operations	1
Biology Teacher Education	8
Biology/Biological Sciences, General	7
Chemical Engineering	1
Chemistry Teacher Education	2
Chemistry, General	5

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STEM (cont.)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Civil Engineering Technology/Technician	11
Civil Engineering, General	62
Clinical Laboratory Science/Medical Technology/Technologist	14
Clinical/Medical Laboratory Technician	1
Computer and Information Sciences and Support Services, Other	2
Computer and Information Sciences, General	86
Computer and Information Sciences, Other	1
Computer Engineering, General	2
Computer Programming/Programmer, General	3
Computer Science	15
Computer Systems Analysis/Analyst	11
Computer Systems Networking and Telecommunications	15
Construction Engineering	9
Diagnostic Medical Sonography/Sonographer and Ultrasound Technician	5
Diesel Mechanics Technology/Technician	5
Educational/Instructional Media Design	1
Electrical and Electronic Engineering Technologies/Technicians	10
Electrical, Electronic and Communications Engineering Technology/Technician	5
Electrical, Electronics and Communications Engineering	40
Emergency Medical Technology/ Technician (EMT Paramedic)	3
Engineering Technology/General	9
Engineering, General	2
Food Science	1
Geological/Geophysical Engineering	1
Geology/Earth Science, General	4
Heating, Air Conditioning and Refrigeration Technology/Technician (ACH/ACR/ACHR/HRAC/HVAC/AC Technology	1
Industrial Engineering	10
Industrial Mechanics and Maintenance Technology	1
Industrial Production Technologies/ Technicians, Other	7
Industrial Technology/Technician	12
Lineworker	2
Machine Tool Technology/Machinist	1
Management Information Systems and Services, Other (some qualify)	2
Management Information Systems, General	45
Manufacturing Engineering	1
Manufacturing Technology/Technician	1
Mathematics Teacher Education	8

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STEM (cont.)

Program Areas of Funded Applications for 2009-10	# of Applicants Funded
Mathematics, General	4
Mechanical Engineering	49
Medical Radiologic Technology/Science - Radiation Therapist	11
Microbiology, General	1
Natural Resources Management and Policy	6
Radiologic Technology/Science-Radiographer	27
Respiratory Care Therapy/Therapist	9
Small Engine Mechanics and Repair Technology/Technician	1
Statistics, General	1
Surgical Technology/Technologist	5
System, Networking, and LAN/WAN Management/Manager	5
Technology Teacher Education/ Industrial Arts Teacher Education	5
Web Page, Digital/Multimedia and Information Resources Design	1
Welding Technology/Welder	1
Wildlife Biology	3
Zoology/Animal Biology	3
TOTAL	601

- A breakdown of funded 2009-10 applicants by technology job occupations follows:

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Administrative Services Managers	1
Agricultural and Food Science Technicians	3
Agricultural Engineers	7
Architects, Except Landscape and Naval	6
Atmospheric and Space Scientists	1
Biological Science Teachers, Postsecondary	2
Biological Scientists, All Other	1
Bus and Truck Mechanics and Diesel Engine Specialists	3
Chemical Engineers	1
Chemical Technicians	3
Chemistry Teachers, Postsecondary	1
Chemists	2
Civil Engineering Technicians	12
Civil Engineers	64
Commercial Pilots	3
Computer and Information Systems Managers	7
Computer Operators	2
Computer Programmers	44

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STEM (cont.)

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Computer Science Teachers, Postsecondary	1
Computer Software Engineers, Applications	19
Computer Software Engineers, Systems Software	2
Computer Specialists, All Other	18
Computer Support Specialists	49
Computer Systems Analysts	12
Conservation Scientists	4
Construction Managers	2
Cost Estimators	2
Diagnostic Medical Sonographers	5
Education, Training, and Library Workers, All Other	2
Electrical and Electronic Engineering Technicians	2
Electrical and Electronic Equipment Assemblers	1
Electrical and Electronics Installers and Repairers, Transportation Equipment	1
Electrical and Electronics Repairers, Commercial and Industrial Equipment	3
Electrical and Electronics Repairers, Powerhouse, Substation, and Relay	3
Electrical Engineers	34
Electrical Power-Line Installers and Repairers	1
Electro-Mechanical Technicians	3
Electronic Equipment Installers and Repairers, Motor Vehicles	1
Electronics Engineers, Except Computer	2
Emergency Medical Technicians and Paramedics	3
Engineering Managers	8
Engineering Technicians, Except Drafters, All Other	7
Engineers, All Other	16
Environmental Science and Protection Technicians, Including Health	1
Environmental Scientists and Specialists, Including Health	3
Farm Equipment Mechanics	1
Farmers and Ranchers	1
First-Line Supervisors/Managers of Construction Trades and Extraction Workers	2
Food Scientists and Technologists	1
Forest and Conservation Technicians	3
Geoscientists, Except Hydrologists and Geographers	1
Graphic Designers	1
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	1
Industrial Engineering Technicians	1

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STEM (cont.)

Technology Job Occupations of Funded Applicants for 2009-10	# of Applicants Funded
Industrial Engineers	10
Industrial Machinery Mechanics	2
Instructional Coordinators	3
Managers, All Other	2
Materials Scientists	1
Mathematicians	1
Mechanical Engineering Technicians	3
Mechanical Engineers	43
Medical and Clinical Laboratory Technicians	1
Medical and Clinical Laboratory Technologists	13
Metal Workers and Plastic Workers, All Other	1
Microbiologists	1
Middle School Teachers, Except Special and Vocational Educat	5
Mixing and Blending Machine Setters, Operators, and Tenders	1
Network and Computer Systems Administrators	32
Network Systems and Data Communications Analysts	3
Operations Research Analysts	1
Petroleum Engineers	1
Petroleum Pump System Operators, Refinery Operators, and Gaugers	2
Power Distributors and Dispatchers	2
Power Plant Operators	7
Radiologic Technologists and Technicians	39
Respiratory Therapists	8
Respiratory Therapy Technicians	1
Secondary School Teachers, Except Special and Vocational Education	16
Soil and Plant Scientists	1
Statisticians	1
Surgical Technologists	5
Surveying and Mapping Technicians	3
Surveyors	3
Telecommunications Equipment Installers and Repairers, Except Line Installers	2
Transportation, Storage, and Distribution Managers	1
Vocational Education Teachers, Middle School	1
Vocational Education Teachers, Postsecondary	1
Vocational Education Teachers, Secondary School	2
Zoologists and Wildlife Biologists	2
TOTAL	601

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Teacher Shortage Loan Forgiveness Program

The student loan forgiveness program is intended to encourage teaching in North Dakota at grade levels and/or in content areas identified by the Department of Public Instruction as having teacher shortages by reducing student loan indebtedness.

Recipients are eligible to receive $1,000 in loan forgiveness each year up to a maximum of three years or $3,000 for teaching in teacher-shortage areas as defined by the Department of Public Instruction. The Bank of North Dakota is responsible for applying and/or forwarding loan forgiveness payments for funded recipients.

- The combined 09-11 general fund appropriation for the Teacher Shortage and STEM loan forgiveness programs and doctoral student program is $3.2 million.
- For academic year 2009-10, 403 new and continued-funding applications were received. Of the 403 applicants, 385 were funded at a cost of $385,000. Biennial 2009-11 estimated expenditures are estimated to be $810,000.
- The average student loan indebtedness of funded applicants, as reported on their applications, was $12,308.
- A breakdown of funded 2009-10 applicants by defined shortage areas follows: (Includes 150 new cohorts in FY10. Estimating 158 new cohorts (each) for FY11-FY13)

Defined Shortage Areas of Funded Applicants for 2009-10	# of Applicants Funded
Agriculture Education	10
Art	6
Business and Office Technology/Business Education	25
Career Clusters	3
English as a Second Language	15
English Language Arts/English as a Second Language	45
Family and Consumer Sciences	8
Health Careers	3
Information Technology	2
Languages/Native American Languages	10
Marketing Education	2
Mathematics	44
Music	31
Physical Education	11
Science	46
Social Studies	24
Special Education Programming	97
Technology Education - Industrial Arts	3
TOTAL	385

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NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Doctoral Programs

The doctoral program is intended to help grow the number of students obtaining doctoral degrees.

- In June 2009, the SBHE approved the allocation of $130,000 each to UND and NDSU (total $260,000 for the biennium) from the 2009-11 Education Incentive Program in support of the Doctoral Program.

At UND, the funds have/will be used as follows:

- Summer doctoral fellowships to 11 doctoral students
- Doctoral dissertation research support
- Doctoral student conference travel support
- Marketing & Recruitment
  - Hobson's International TOEFL Edition Recruitment Marketing Support
  - Biology Department student recruitment
  - Graduate school marketing (Council of Graduate Schools)
  - GI Jobs Military site advertising
  - Psychology Department recruitment
- Student recognition - Distinguished Doctoral Dissertation Award
- Other professional development for students-Counseling Psychology SAS
- Biology Department doctoral student assistantships

At NDSU, the funds have/will be used as follows:

- NDSU is providing doctoral dissertation fellowships to students who are within one year of completing their doctoral degree. This is a competitive program designed to provide funding for highly qualified students. The program supports degree completion for these students and allows faculty members to recruit a new student to their lab a year earlier than would be possible without this award. In the current biennium, NDSU received 26 applications for funding and is supporting five students.
- NDSU provided matching funds for the Bain fellowship, awarded to a doctoral student in the College of Agriculture, Food Systems, and Natural Resources.
- NDSU is providing a stipend for a student from North Dakota in the Materials and Nanotachnology doctoral program.
- NDSU is providing recruiting funds to graduate programs to highly qualified individuals from North Dakota to their doctoral programs. This is a competitive program; departments must prepare a proposal to access these funds. Priority is given to innovative proposals that target individuals from North Dakota.

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99-01 Gen'l Fund $3.0m
11-13 Land & Minerals $10.0m

ND Academic and ND Career and Technical Education Scholarships
Scholarship Progress Overview as of January 3, 2011

During the 2009 Legislative session, two new scholarships were created. These scholarships are aimed at increasing high school rigor and retaining college students in North Dakota. Students can receive $1,500 per year for 4 years, or a total of $6,000 in the 6 years following high school graduation. To qualify for the Academic Scholarship a ND student had to graduate from high school and achieve an ACT exam score of 24. To qualify for the Career and Technical Education Scholarship a ND student had to graduate from high school and achieve an ACT exam score of 24 or a WorkKeys score of 5 on three assessments.

Qualified Students

From the 2010 ND high school graduating class of 7,677 students, 1,609 students or 21% applied for the scholarships. This is fairly consistent as national data suggests about 20% of students earn an ACT score of 24 or higher or score a "5" on the three WorkKeys exams. Of the 1,609 student who applied for the program 1,589 met the eligibility requirements. The 1,589 qualified students included 798 females and 791 males, almost exactly 50% of each. Of those that were eligible, 195 deferred the use of the scholarship, and 1,394 accepted the scholarship as of January 3, 2011.

The scholarships will automatically be renewed as long as the student maintains a 2.75 or higher college GPA. Students have the option of deferring use of the scholarship, but they are restricted to using the scholarship within 6 years of their high school graduation date.

Counties from which students originated

Scholarships Granted by County

County	Number of Qualified Scholarship Recipients	Number of Graduates	Percentage of Graduates Qualifying for Scholarships
Adams	less than or equal to 5	32	less than 19%
Barnes	31	128	24%
Benson	less than or equal to 5	56	less than 11%
Bottineau	13	77	17%
Bowman	6	43	14%
Burke	7	18	39%
Burleigh	145	857	17%
Cass	249	1,579	16%
Cavalier	11	54	20%
Dickey	35	68	51%
Divide	13	27	48%
Dunn	15	31	48%
Eddy	less than or equal to 5	23	less than 26%
Emmons	15	64	23%
Foster	7	57	12%
Golden Valley	10	27	37%
Grand Forks	125	653	19%
Grant	less than or equal to 5	22	less than 27%
Griggs	7	28	25%

County	Number of Qualified Scholarship Recipients	Number of Graduates	Percentage of Graduates Qualifying for Scholarships
Hettinger	11	36	31%
Kidder	7	36	19%
Lamoure	22	58	38%
Logan	12	28	43%
McHenry	27	88	31%
McIntosh	8	27	30%
McKenzie	7	50	14%
Mclean	33	139	24%
Mercer	48	118	41%
Montrail	11	85	13%
Morton	46	291	16%
Nelson	23	59	39%
Oliver	9	21	43%
Pembina	16	92	17%
Pierce	16	58	28%
Ramsey	26	163	16%
Ransom	11	71	15%
Renville	9	45	20%
Richland	83	215	39%
Rolette	less than or equal to 5	228	less than 3%
Sargent	26	71	37%
Sheridan	7	15	47%
Sioux	less than or equal to 5	64	less than 8%
Slope	less than or equal to 5	less than or equal to 5	less than 100%
Stark	100	349	29%
Steele	6	38	16%
Stutsman	39	211	18%
Towner	9	26	35%
Traill	25	107	23%
Walsh	30	139	22%
Ward	138	610	23%
Wells	11	49	22%
Williams	71	246	29%
Totals	1,589	7,677	21%

Academic Scholarship cohort facts

The students who qualified for the Academic Scholarship include 1,195 students. When broken down by gender, 613 recipients or 51% were female and 582 or 49% were male. The ACT exam is the only assessment available for qualifying for the Academic Scholarship.

Career and Technical Education Scholarship cohort facts

Of the Career and Technical Education Scholarship's 393 qualified students, females received 185 or 47% and males received 208 or 53%. The WorkKeys assessment was used by 337 students to qualify for the Career and Technical Education scholarship, the ACT exam was used by 51 students, and 5 students qualified with both assessments.

Number of students who qualified by ACT score ranges:

	ACT Score												
	24	25	26	27	28	29	30	31	32	33	34	35	Total
Students Qualifying	322	233	175	142	108	98	74	43	30	12	8	4	1,249

Number of students who qualified by WorkKeys score ranges:

	WorkKeys Scores			
Students Qualifying	5	6	7	Total
Reading for Information	214	124	22	360
Applied Mathematics	150	176	34	360
Locating Information	345	15	n/a	360

Of the 1,589 students who met the eligibility requirements, 238 students took both the ACT and WorkKeys exams. Of those 238 students, 208 earned a qualifying score on the WorkKeys assessment but did not earn a 24 or greater on the ACT exam, 10 students earned a qualifying score on the ACT exam but not the WorkKeys Assessment, and 20 students earned qualifying scores on both the ACT exam and the WorkKeys assessment.

Colleges attended by scholarship recipients

Scholarship recipients attending a North Dakota institution this fall indicated 777 students (55.7%) would be attending a research university, 255 students (18.3%) would be attending a 2-year public college, 219 students (15.7%) would be attending a 4-year public university, 141 students (10.1%) would be attending a private institution, and 2 students would be attending a tribal college.

	2 Year Public	4 Year Public	Research	Private	Tribal	Total
Academic	115	154	653	121	1	1,044
Career & Tech	140	65	124	20	1	350
Total	255	219	777	141	2	1,394

	BSC	DCB	DSU	JCC	LRSC	MaSU	MiSU	NDSCS	NDSU	TBC	TMCC	UM	UND	UTTC	VCSU	WSC	Total
Academic	66	4	30	35	12	14	81	16	355	2	1	84	298	0	29	17	1,044
Career & Tech	61	4	20	3	12	4	28	59	70	1	0	16	54	1	13	4	350
Total	127	8	50	38	24	18	109	75	425	3	1	100	352	1	42	21	1,394

Scholarship Eligibility Requirements – 2010-2011

The eligibility requirements for ND High School graduates become more stringent beginning with the class of 2010-11. Students will have to meet the following requirements to be eligible for the scholarships:

ND Academic Scholarship Eligibility Requirements

1. North Dakota resident student
2. Graduate from a high school in North Dakota or from a high school in a bordering state according to provisions set forth in ND century code 15.1-29
3. Complete ND High School Diploma requirements
4. Complete all of the following course and grade requirements:
   a. 1 unit Algebra II
   b. 1 unit of mathematics for which Algebra II is a prerequisite
   c. 2 units of the same foreign or Native American language
   d. 1 unit of fine arts or career and technical education
   e. 1 unit of a foreign or Native American language, fine arts, or career and technical education
5. Obtain a grade of at least "C" in each unit or ½ unit required for high school graduation
6. Obtain a cumulative grade point of at least "B", with GPA rounded to the nearest hundredth for eligibility purposes
7. Receive a composite score of at least 24 on ACT
8. Complete 1 unit of an AP course and examination or a dual credit course

ND Career and Technical Education Scholarship Eligibility Requirements

1. North Dakota resident student
2. Graduate from a high school in North Dakota or from a high school in a bordering state according to provisions set forth in ND century code 15.1-29
3. Complete ND High School Diploma requirements
4. Complete all of the following course and grade requirements:
   a. 1 unit of Algebra II
   b. 2 units of a coordinated plan of study recommended by the Department of Career and Technical Education
   c. 3 additional units, 2 of which must be in the area of career and technical education
5. Obtain a grade of at least "C" in each unit or ½ unit required for high school graduation
6. Obtain a cumulative grade point of at least "B", with GPA rounded to the nearest hundredth for eligibility purposes
7. Receive a composite score of at least 24 on an ACT or a score of at least "5" on each of 3 WorkKeys assessments to include Reading for Information, Locating Information, and Applied Mathematics

Budget

The 2009 Legislature appropriated $3.0 million for these scholarships in the 2009-11 biennium. It is estimated that $1,045,896 in scholarship aid will be disbursed during the fall 2010 semester, with a similar amount being expended during the spring 2011 semester, for total estimated expenditures of $2,100,000 in 09-11. This would leave an unspent balance of $900,000 which would be carried over to the 2011-13 biennium.

Scholarship projections assume a slight reduction in the number of students who qualify for the award based on the more stringent program requirements. However, given the program will take four years to ramp up to four full classes of students, the 2011-13 total projected cost is $10,500,000, assuming a

$1,500 scholarship, requiring additional funding of $9,600,000 when 09-11 carryover funds are considered.

The 11-13 Executive Budget removed the $3.0 million general fund base funding from the NDUS Office budget (HB1003), and instead includes a $10 million continuing appropriation from the Land Minerals Trust Fund.

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Post GPA Verification Addendum (as of January 5, 2011)

Following the completion of GPA verification for the Fall 2010 semester, the number of students who are eligible based on the original cohort of 1,589 students at the beginning of the semester has shifted. Of the 1,589 who were eligible, 168 deferred the use of the scholarship, 298 failed to meet the GPA criteria, 27 withdrew or did not attend, and 1,096 students are eligible for the scholarship for Spring 2011 as of January 5, 2011.

Original distribution of students receiving scholarships and attending college Fall 2010

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VCSU	WSC	Total
Academic	66	4	31	35	13	14	83	16	359	1	0	2	1	84	300	0	29	18	1,056
Career & Tech	62	4	19	3	12	5	29	64	72	3	1	1	0	16	56	1	13	4	365
Total	128	8	50	38	25	19	112	80	431	4	1	3	1	100	356	1	42	22	1,421

Total attrition of students by campus and scholarship type at end of Fall 2010 semester
(Not meeting GPA requirements, withdrawing, or not attending)

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VCSU	WSC	Total
Academic	16	0	3	5	3	1	19	3	87	1	0	0	0	4	45	0	5	7	199
Career & Tech	22	1	2	0	2	2	13	21	34	3	1	0	0	3	18	1	3	0	126
Total	38	1	5	5	5	3	32	24	121	4	1	0	0	7	63	1	8	7	325

Students who retained their eligibility, by campus and scholarship type, at end of Fall 2010 semester

	BSC	DCB	DSU	JC	LRSC	MaSU	MiSU	NDSCS	NDSU	RC-BIS	RC-FAR	TBC	TMCC	UM	UND	UTTC	VCSU	WSC	Total
Academic	50	4	28	30	10	13	64	13	272	0	0	2	1	80	255	0	24	11	857
Career & Tech	40	3	17	3	10	3	16	43	38	0	0	1	0	13	38	0	10	4	239
Total	90	7	45	33	20	16	80	56	310	0	0	3	1	93	293	0	34	15	1,096

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - General

December 2010

Tribal College Assistance Grant

The 2007 and 2009 North Dakota Legislative Assembly appropriated $700,000 (or $350,000 for each year of the biennium) from the Permanent Oil Trust Fund for supplemental grant assistance to the tribal community colleges to recognize their service to nonbeneficiary students. A nonbeneficiary student is defined as a resident of North Dakota enrolled in a tribally-controlled community college but not an enrolled member of a federally recognized Indian tribe. For program management purposes a full time equivalent (FTE) student has been defined as 24 credit hours per year.

In Academic Year 2009-10, 112.792 FTE students met the definition of nonbeneficiary students, resulting in a prorated per student allocation of $3,103. Reimbursement received under the tribal college assistance grant program may be used for such things as salaries and wages, operating expenses, equipment, capital expenditures, etc.

The following table provides a breakout of payments by institution:

Tribal College Assistance Grant Payment for 2009-10 AY			
Institution	No. of Credit Hours	FTE Students at 24 Credit Hours Per Year	Total Distribution by Campus
Fort Berthold Community College	545	22.708	$70,465.46
Cankdeska Cikana Community College	158	6.583	$20,428.52
Turtle Mountain Community College	711	29.625	$91,928.32
Sitting Bull College	116	4.833	$14,998.15
United Tribes Technical College	1,177	49.043	$152,179.55
	2,707	112.792	$350,000.00
Annual Allocation		$350,000	
Per Student Allocation		$3,103	

Executive Recommendation includes $1 million from the Permanent Oil Trust Fund for 2011-13, an increase of $300,000 over 2009-11.

FOR MORE INFORMATION CONTACT:
Michel Hillman, Vice Chancellor for Academic and Student Affairs
701.328.2695 Michel.Hillman@ndus.edu

09-11 Base Approp. $800,000
11-13 Base Approp. $800,000

Community College Awareness Initiative (CCAI)

("Two Year Campus Marketing" in HB1003)

Overview for the House Appropriations Committee * January 2011

Development and Implementation Timeline								
Summer & Fall 2008	May 2009	Summer 2009	Fall 2009	January/ February 2010	Mid-February 2010	February 23, 2010	Through June 2011	Fall 2011
Proposal Development	Legislative Funding Approved	Strategic Plan Development/ Project Research	Marketing Plan Development	Approval of Agency Creative Concepts	Mass Media Campaign Launch	Campaign Launch News Conference	Media Campaign Flights/Public Relations Activities/ Social Media Ads	Post-Campaign Survey

Legislative Funding Approved: $800,000 in funding was approved by the 2009 Legislative Assembly and incorporated into SB 2003 as base funding. $614,287 has been spent on campaign activities from July 1, 2009, through Dec. 20, 2010. The remaining $185,713 will be used for a fourth flight of the media campaign and to update the initiative's landing page. All budget items are on track with the initial planning.

Marketing Plan Development: Based on results of the research, community college Public Affairs Council members and the agency developed the overall campaign plan, taking into consideration the best tools for communicating with specific target audiences. PAC members and the agency regularly discuss marketing strategies to make the best investment over the biennium.

Approval of Agency Creative Concepts: The North Dakota Community College logo, landing page, TV, print, radio and social media ads were approved in January and February 2010. The PAC members and community college presidents were involved in the concept approval process, and PAC members provided final approval on all materials prior to the launch.

Campaign Launch News Conference: A news conference was used to kick-off the campaign. The TV and print ads were featured as well as a new website landing page directing viewers to the five community colleges. The news conference coverage is summarized in an attached document.

Media Campaign Tracking and Results: Statewide media campaign flights took place February 22 through March 14, 2010; April 5 through April 19, 2010; and Nov. 8 through Dec. 5, 2010, The campaigns include statewide broadcast and cable TV schedules as well as radio spots, newspaper ads, specialty targeted publications such as Hoopster, Choices Magazine, Farm and Ranch College tab, College Guides and Facebook ads. This current budget includes an additional media flight: Feb. 7 through March 6, 2011.

A website address or URL refers to a series of alpha-numeric characters that define the address of a particular location on the Internet. The Community College Awareness Initiative uses the following trackable URLs:

- TV ads: www.ndcommunitycolleges.com
- Radio ads: www.ndcommunitycolleges.net
- Print ads and brochure: www.ndcommunitycolleges.info
- Facebook ads: www.ndcommunitycolleges.org

All URLs point to a landing page, or miniature website, that directs people to the five community college websites; the North Dakota University System website; RUreadynd.com, a Student Loans of North Dakota career planning tool; and the community college academic program matrix.

The performance of each advertising medium can be measured by using the trackable URLs. This tracking includes where visitors come from as well as where they go to when they leave the landing page.

Inbound Landing Page Activity: Feb. 22 through Dec. 20, 2010

Number of landing page visits generated by each medium:

- TV: 4,593
- Radio: 1,240
- Print: 2,175
- Facebook: 7,940
- Total: 15,948

Outbound Landing Page Activity: Feb. 22 through Dec. 20, 2010

Number of website visits generated through the landing page:

- BSC: 1,247
- DCB: 1,104
- LRSC : 904
- NDSCS: 1,033
- WSC: 792
- NDUS: 669
- *RUREADYN*D: 619
- Total : 6,368

These impressive campaign tracking numbers represent the awareness and motivation of the target audience to visit the landing page for more information. While mass media advertising helps build brand awareness and hundreds of thousands of impressions, the tracking system tells us that there were 15,948 visits to the community college landing page because of the campaign. The five community colleges each received several hundred visits to their website through the landing page because of the campaign.

Research: By containing the cost of research, more CCAI funding can be used to reach target audiences. As a result, the agency recommended conducting one survey per biennium, and the campaign timeline includes a post-campaign survey in the fall of 2011. Although it would be ideal to have quantitative research results prior to January 2011, to do so would limit direct campaign efforts to change statewide perceptions of community colleges. Given that this campaign provides the first opportunity to address this issue in the state, it is anticipated that a longer timeline will be needed to affect real changes in perception. Waiting to conduct additional research until 2011 will allow for the marketing efforts to make a more significant impact.

Initiative Purpose: As outlined in the 2008 Community College Awareness Initiative Request for Proposal, the main purpose of the initiative is to " build awareness and enhance the image of North Dakota University System community colleges; this will benefit residents of North Dakota, all North Dakota University System institutions and the state economy."

Increasing awareness and improving perceptions is a necessary first step toward increasing enrollment. Accordingly, increasing enrollment was not included as a goal for fall 2010.

The campaign's success will be measured by comparing the September 2009 benchmark study to the 2011 research results. Responses from the four target audiences (students, parents, counselors and the general public) will be compared using the same critieria:

- Top-of-mind awareness
- Overall view of community colleges
- Convincing someone to enroll at a community college
- Perception of community college and
- Post-secondary plans

Brochure Development: In addition to the media campaign, a brochure has been developed and was direct mailed to junior and senior high school students statewide in December 2010 and distributed at the *Career Opportunities in North Dakota's Energy Industry* conference in Bismarck Aug. 10 and 11, 2010. The brochure also has been mailed to North Dakota school counselors and career advisors and to schools where the media campaign has overlapped in Minnesota, South Dakota and Montana.

Going Forward: Public relations and social media activities will continue; opportunities to partner with key state entities, such as the Department of Career and Technical Education and the Department of Commerce, will be considered.

The community college presidents, PAC members and numerous campus personnel have contributed to the planning process and will continue to be called upon as their expertise is needed.

The 2011-13 Biennium: PAC members have completed a 2011-13 strategic planning process and have created a framework for continuing the campaign. The strategic plan follows the state's economic development goal of "generating a higher standard of living and a better quality of life for all North Dakotans. Developing better-paying jobs and career opportunities, in both our cities and our rural areas, creates stronger communities, and enable our young people to pursue their careers at home."

<u>2011-13 Funding ($800,000) Will Be Used to Support Actions Included in the 2011-13 Strategic Plan:</u>

- Continue brand development
- Use the existing creative, but modify it in the future
- Conduct research to measure changes in perception
- Reinforce marketing efforts for current target audiences
- Expand efforts to other audiences, including the adult population
- Continue media placement through four statewide media flights
- Increase social media activity, based on high Facebook tracking numbers that indicate this is one of the most effective mediums for CCAI's target audiences

NDUS Office
Comparison of Budget to Actual Expenditures For FY2010 and as of 11/30/10 (for FY11)

	(1)	(2)	(3)	(4)	(5)	(6)
	Fiscal Year Ended June 30, 2010			July 1, 2010 Through November 30, 2010		
	(1) FY 2010 Budget	(2) FY2010 Expenditures	(3) Remaining Balance	(4) FY 2011 Budget	(5) Expenditures Through 11/30/10	(6) Remaining Balance
Systems Governance (Operations):						
Total all funds	3,659,542	3,366,648	292,894	3,745,910	1,589,094	2,156,816
Less estimated income	175,818	160,503	15,315	203,977	81,055	122,922
Subtotal general fund appropriation	3,483,724	3,206,145	277,579	3,541,933	1,508,039	2,033,894
Student Grant Programs:						
Student Financial Assistance Grants	8,524,995	8,481,084	43,911	11,401,523	4,833,613	6,567,910
Scholars Program	933,830	933,830	0	1,170,556	562,645	607,911
ND Indian Scholarship Program	189,900	190,700	(800)	192,568	91,200	101,368
Professional Student Exchange Program	1,332,040	1,020,518	311,522	1,590,314	1,004,482	585,832
Education Incentive Programs	1,569,000	1,537,500	31,500	1,535,500	-	1,535,500
Academic & Tech Ed Scholarship	-	-	-	3,000,000	1,046,646	1,953,354
Tribal Community College Grants	350,000	350,000	-	350,000	-	350,000
Subtotal all funds	12,899,765	12,513,631	386,134	19,240,461	7,538,586	11,701,875
Less estimated income	887,781	887,781	-	977,493	289,276	688,217
Subtotal general fund appropriation	12,011,984	11,625,850	386,134	18,262,968	7,249,310	11,013,658
System Grant Programs:						
EPSCoR	3,525,000	3,525,000	-	3,525,000	3,525,000	-
Title II Grant	276,340	276,727	(387)	315,923	212,713	103,210
Professional Liability Insurance	550,000	550,000	-	550,000	550,000	-
System Information Technology Services (SITS)	14,713,464	14,698,231	15,233	15,516,574	15,328,957	187,617
STEM Teacher Education Enhancement	1,500,000	1,500,000	-	-	-	-
[illegible]-year Campus Marketing	417,941	423,209	(5,268)	382,059	41,671	340,38[illegible]
[illegible]urity & Emergency Preparedness	700,000	700,000	-	50,000	50,000	
[illegible]D Space Grant Consortium	100,000	100,000	-	-	-	-
College Access Grant	206,987	195,211	11,776	238,588	63,382	175,2[illegible]
Subtotal all funds	21,989,732	21,968,378	21,354	20,578,144	19,771,722	806,4[illegible]
Less estimated income	786,640	786,640	-	826,223	326,140	500,083
Subtotal general fund appropriation	21,203,092	21,181,738	21,354	19,751,921	19,445,582	306,339
System Projects:						
Capital Assets-Bond Payments	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
Subtotal all funds	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
Less estimated income	-	-	-	-	-	-
Subtotal general fund appropriation	5,425,762	5,425,762	(0)	6,013,603	4,494,581	1,519,022
TOTAL						
Total all funds	43,974,801	43,274,420	700,381	49,578,118	33,393,982	16,184,136
Less estimated income	1,850,239	1,834,924	15,315	2,007,693	696,471	1,311,222
Total general fund appropriation	42,124,562	41,439,496	685,066	47,570,425	32,697,512	14,872,913

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North Dakota University System Office
Status of 2007-09 Carryover

	Total General Fund Carryover	Total Other Fund Carryover	Total Carryover	Required Allocation per SB2003-Sec 25 1/	Expended through 01/20/11 2/	Current Unexpended Carryover 3/
System Governance Carryover:	276,862	107,344	$ 384,206	(200,000)	(138,422)	$ 45,784
Other Carryover:						
Student Financial Assist Grants	553,546	-	553,546	-	(553,546)	-
Scholars Program	343,242	-	343,242	-	(343,242)	-
Native American Scholarships	1,175	-	1,175	-	(1,175)	-
Education Incentive	89,650	-	89,650	-	(89,650)	-
Professional Student Exchange	244,398	-	244,398	-	(244,398)	-
SITS	55,332	9,231	64,563		(9,231)	55,332
Other Carryover	1,287,343	9,231	1,296,574	-	(1,241,242)	55,332
Total 2007-09 Carryover Status	$ 1,564,205	$ 116,575	$ 1,680,780	$ (200,000)	$ (1,379,664)	$ 101,116

Estimated Balance for FY11

1/ Section 25 (SB2003) required the SBHE to use $200,000 of NDUS unspent 2007-09 general fund appropriation for marketing and student retention at Valley City State University for the biennium beginning July 1,2009 and ending June 30,2011.

2/ System Governance expenditures included expenses for Peer Review, Adult Council, Mission Review, ITD Enhancements, Computer Equipment, Office Training, Joint Boards Speaker. Expenditures for other line items are for specific grants, i.e.. Student Financial Assist Grant, Scholars Program, etc.

3/ Unexpended funds estimated to be expensed for the following projects: Employee Retirement SL and AL payout, Risk Assessment Services, Intern, Training.

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HB 1003
NDUS
Attachment #3
1/24/11

62ND LEGISLATIVE ASSEMBLY

SCR 4003, Senate Appropriations Committee

Northern Tier Network—North Dakota

Marc Wallman

North Dakota State University

January 20, 2011

January 20, 2011

Mr. Chairman and members of the Committee. For the record, I am Marc Wallman, Assistant Vice President for Enterprise Computing and Infrastructure at North Dakota State University. On behalf of the Northern Tier Network—North Dakota (NTN-ND) members from ND ITD, UND and NDSU, I thank you for giving us this opportunity to update you on the Northern Tier Network as well as to respond to questions you may have. Bonnie Neas, NDSU's VP for IT, who usually gives this report sends her regrets.



Figure 1: National Research and Education Network (Internet2) Circa 2003. Founding Northern Tier Member States Highlighted.

First, I would like to begin with some background information on the Northern Tier Network. The Northern Tier Network Consortium (NTNC) was established in 2003. The founding member states, highlighted on the map in Figure 1, wished to address the fact that the nation's research and education network had for years bypassed our region of the country. This lack of service to our region of our region **(1)** threatened to disenfranchise Northern Tier states from research activities, including competing for grant money, **(2)** to prevent participation in the future development of the country's research and education network, which supports local to global economic vitality.

Shortly after being founded, the NTNC received a grant from the National Science Foundation to fund an analysis of existing high capacity broadband options in the Northern Tier states as well as an analysis of the options available for deploying a dark fiber network in these states. Following the completion of the study in 2006, Northern Tier states were able to secure sufficient funding to establish an east-west connection between Seattle and Chicago. In 2007, the North Dakota Legislature committed $2,773,800 in startup funds for North Dakota's portion of this network that were added to $3.2 million of equipment contributed by the federal government via the Department of Defense

The remainder of the report will consist of the following: (1) A review of how NTN-ND has met its initial goals, (2) A review of the FY07-09 report, (3) A review of the cost comparison requested by the Interim IT Council on October 14th, 2010. (4) NTN-ND is a snapshot as it exists today.

The initial goals of the NTNC were to (1) ensure competitiveness for the region's research activities in support of its economic vitality, and (2) ensure our region's participation in the ongoing development of the nation's research and education network, which supports economic vitality. How have we done?

With regard to competitiveness in research activities, while we have certainly made important strides, I believe that we are only beginning to see the impact of the Northern Tier Network. Computational research is a growing field at UND and NDSU and the demands we see today are expected to significantly expand in the future. In the Fall of 2010, Dr. Svetlana Kilina, a computational chemist at Los Alamos National Lab, joined the faculty at NDSU. She brought with her a substantial amount of data from her previous research activities. NTN-ND reduced the time to transfer her research data from what would have been a few days before NTN-ND down to a couple of hours. This ability to quickly transfer large data sets will provide Dr. Kilina with future opportunities to share her work with potential collaborators.

The economic impacts of research activities often take time before they are fully realized. We expect NTN-ND to enable research that will contribute to our states economic vitality. In the meantime, NTN-ND has created an immediate economic impact by driving demand for high performance network capacity. Upgrades to STAGEnet metro connections have already taken place in Fargo as a result of NTN-ND. Work on NTN-ND interconnects in Bismarck is underway. We expect this demand to not only continue, but to increase with time.

With regard to ensuring our region's participation in the ongoing development of the nation's research and education network, NTN-ND has been an unqualified success. In July of 2010, the National Telecommunications and Information Administration (NTIA) awarded Internet2 $62.5 million in funding to deploy a singificant enhancements to the nation's research and education network. The NTNC was a partner in this grant submission and will play a key role in the networks deployment and ongoing operation. Further, this partnership will provide NTN-ND with improved service and reduce operating costs by approximately $300,000 per biennium. NTN-ND is now, literally, on the map.

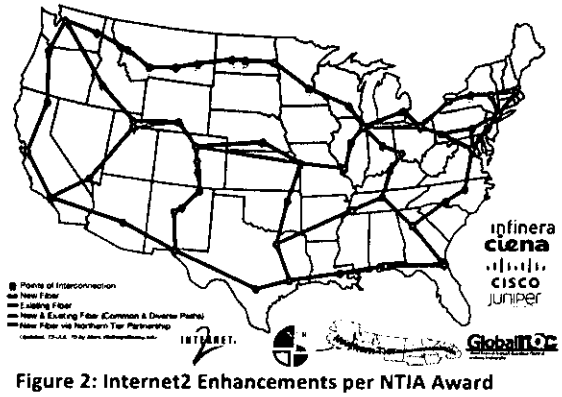


Figure 2: Internet2 Enhancements per NTIA Award

In January of 2009, NTN-ND submitted a preliminary report to the legislature, outlining activities and progress made during the 07-09 bienium. This report, along with an addendum detailing accomplishments between January 2009 and June 30, 2009 has been distributed with a copy of my testimony. Of the materials provided in this report, there are two items I would like to highlight. First is a map showing the deployment of NTN-ND and its relationship to STAGEnet, the state network operated by ND ITD. The map I have included as part of my testimony is derrived from one in the 07-09 report. It shows the routes for both the STAGEnet backbone and NTN-ND. Also included in this map is the South Dakota interconnect, which was funded by an NSF grant, jointly awarded to North Dakota and South Dakta in 2010. Returning to the relationship between STAGEnet and NTN-ND, there are several remarks I would like to make. First, the map in Figure 3 shows both STAGEnet and NTN-ND backbones. For NTN-ND, this is the whole story. It is only a backbone. STAGEnet is much more. It connects government and educational institutions across the state. There are many regional and local network links that are not pictured in this diagram. NTN-ND is part of a national backbone-only network. It does not and will not provide connectivity beyond points-of-presence indicated by the green dots on the map in Figure 3. North Dakota telecommunications companies have played and will continue to play a vital role in North Dakota's abilty to use NTN-ND.

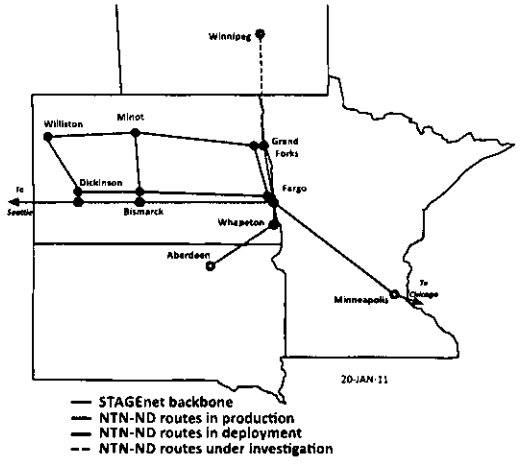


Figure 3: NTN-ND and STAGEnet

The second item that I would like to highlight from this report is the FY08 and FY09 expenditures. I have included charts illustrating FY08 and FY09 expenditures with my testimony. Most of the expenditures in 07-09 came in FY09. That year saw the transition from deployment to production. Expenses during this year included both deployment and operating costs. They were primarily for hardware and telecommunications services. No additional positions have been created at ND ITD, UND, or NDSU with NTN-ND money.

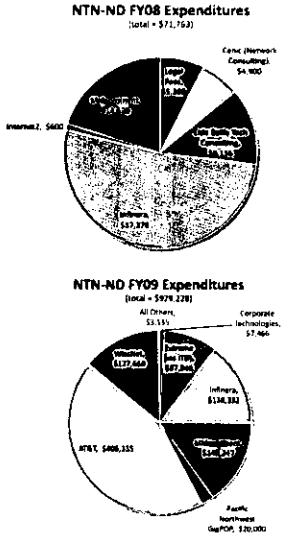


Figure 4: 07-09 Expenditures

At the October 14th, 2010 meeting of the Legislature's Information Technology Committee, there was a request that NTN-ND estimate the cost to acquire equivalent services, if the existing network were not funded. A report has been included with my testimony with this estimate. The report provides a cost comparison with a services bid submitted for an RFI in 2007. It was compared with NTN-ND annual operating costs as submitted to the State Board of Higher Education for inclusion in the University System's appropriation request for this session. This particular cost comparison suggests a tenfold increase would be required to purchase equivalent services to what currently exists in NTN-ND.

Finally, I would like to conclude with a few remarks on the current state of NTN-ND. In October 2010, Bonnie Neas submitted testimony to the Information Technology Committee that included new developments. These include the Internet2 NTIA grant, the NSF grant to connect North and South Dakota, and an NSF award to NTN-ND and the University of Washington to improve network services between Seattle and Chicago. We continue to make progress on these initiatives and expect to have substantial completion on them within 18 months.

NTN-ND Cost Comparison

Prepared January 4, 2011

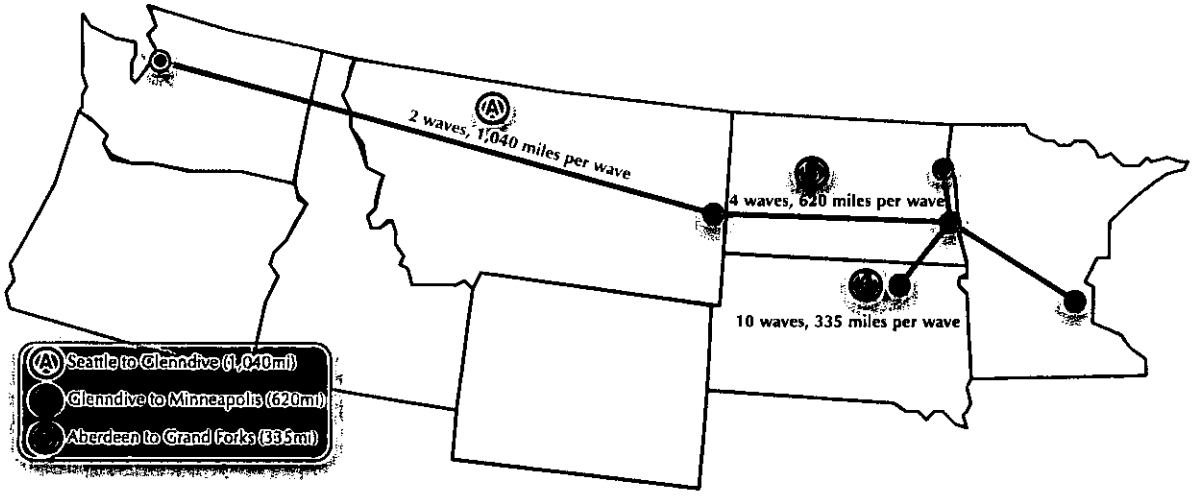
This report is provided at the request of the North Dakota Legislature's Information Technology Committee. As reflected in the minutes of the October 14, 2010 committee meeting in Bismarck, there was discussion of the possible effects of NTN-ND not receiving ongoing funding. As part of this discussion, Ms. Bonnie Neas, Vice President for Information Technology at North Dakota State University, offered to provide a report estimating costs that would be incurred by the North Dakota University System to purchase services equivalent to existing NTN-ND services.

This report provides an estimate of what would be required by the North Dakota University System to purchase services equivalent to what NTN-ND offers. The table below compares current NTN-ND operating costs as of Fall 2010, to a vendor response to an RFI for dark fiber between Fargo and Grand Forks. While the RFI was for dark fiber between Fargo and Grand Forks, one vendor provided a services based response. While dated, this was the most reliable cost data that was available.

Solution	Cost per wave mile	Wave Miles	Annual Cost
Current NTN-ND w/o Internet2 Partnership	$ 118	7,910	$ 935,700
Current NTN-ND with Internet2 Partnership	$ 99	7,910	$ 786,100
Services Model (2007 RFI Response)	$ 1,239	7,910	$9,800,490

Method of Comparison

In order to make a more accurate comparison, the costs from the 2007 vendor response were converted to the cost of one mile of a 10Gb data wave (i.e., a one 10Gbps data link). This figure was then used to calculate the cost equivalent of purchasing 7,910 miles of 10Gb links (i.e., purchasing services that are equivalent to what NTN-ND currently offers). Current NTN-ND services are also shown in the diagram below.



North Da[redacted]a University System
NDUS/UND IT Facility Program - Space Comparison
21-Jan-11

Type Space	Included in $17.6M Preplanned Site Budget & 52,500 SF	Included in $14.3M Revised Budget & 39,288 SF	Included in $11.2M Governor's Budget & 19,500 SF (See Note#1 below)	Comments: Square footage are preplanning estimates and may vary during design phase.
Office, Sheetrock Wall	16	16		Floor to ceiling sheetrocked office. Most at 150 SF per office
Office Cubicle - Leads	6	6		120 SF per cubicle
Office Cubicle - Staff	127	99 (See Note#2)		100 SF per cubicle
Data Center Tier II	7,500 SF	7,500 SF	7,500 SF	
Data Center Mech/Elec	2,500 SF	2,500 SF	2,500 SF	
SHARED SPACES				
Conference Rooms	2	0		Seating for 10 with one per floor - 350 SF per conference room
Training Rooms	2	0		Seating for 16 with removable wall between rooms - 900 SF per training room
Team Rooms 1	6	6		Hard walls, seating for 10 - 320 SF per team room
Team Rooms 2	6	6		Hard walls, seating for 4 - 140 SF per team room
Video Conference Room	1	0		Seating for 25 - 600 SF
Media Center	2	2		Area for mail, printers, supplies, etc. One per floor - 150 SF per room
Break Room	1 @ 1,400 SF	1@ 500 SF		1,400 SF reduced to 500 SF. Was to double as conferenc space
Serving Kitchen	1	0		For refrig, microwave, etc out of the way of sit down area - 150 SF
Vending	2	0		One per floor @ 100 SF for staff convenience.
Phone Room	2	0		Private calls for staff with one per floor - 50 SF
Telecom Equipment Storage	1	0		Telecom equipment and wire storage - 400 SF
Data Center Equipment Storage	1	1		Data Center storage in association with Data Center - 600 SF
Desktop Eq Storage/Staging	1	1		Desktop Computing storage/staging - 1,500 SF
Work Rooms - Setup & Configuration	2	0		IVN & Network Services eq configuration/testing prior to being installed. - 300 SF
Loading Dock/Receiving	1	1		300 SF
Custodial Rooms	4	2		One per 15,000 SF in $14.3 budget - 60 SF
Communications Wiring Rooms	2 @ 280 SF ea	1 @ 250 SF		Were 280 SF each reduced to one 250 SF
Restrooms	2 Pair	2 Pair		Code would drive quantity - 360 SF
New Mother's Room	1	0		60 SF
General Storage	3	3		160 SF per room
Mechanical/ Electrical	1	2		240 SF per room, additional one will double as part communications wiring room

Notes:

#1: Governor's budget includes 19,500 SF of space. 7,500 SF for data center and 2,500 SF for data center mechanical/electrical eq. Remaining 9,500 SF space to be determined.

#2: Numbers in RED indicate reductions from the $17.6M budget.

HB 1003

HOUSE APPROPRIATIONS COMMITTEE

Good Morning Mr. Chairman and Members of the Committee.

My name is Nancy Kopp

I represent the North Dakota Optometric Association and the North Dakota Veterinary Medical Association and currently serve as Executive Director for both groups.

I appear before you in support of the portion of HB 1003 that provides the funding for the Professional Student Exchange Program and the Kansas State Provision.

North Dakota students pursuing a career in Optometry or Veterinary Medicine are finding it increasingly more difficult to make the choice to obtain professional training in these fields for a number of reasons:

1. North Dakota does not provide access to these programs in our state. I was told that the approximate annual cost to operate a vet school, runs about $40 million.

2. The high cost of out of state tuition. Optometry runs approximately $30,000 at Pacific University in Oregon, per year (not including living expenses) and Veterinary Medical about $37,000 at Iowa State.

3. The potential annual income upon graduation and licensure in North Dakota, is less than other states. The average starting salary is $50,000 - $70,000, all while trying to retire a professional education debt of up to $180,000 plus and perhaps starting a family at the same time.

4. Is there a shortage of optometrists or veterinarians in North Dakota? Yes in the rural areas, not necessarily in the urban areas.

Note: Members of the North Dakota Optometric Association provide optometric services in 23 satellite clinics to serve, primarily the aging population of those rural communities. They travel and practice there 2-3 days per week. This is in addition to their urban practice. Some North Dakota Veterinary Medical Association members provide veterinary services up to a 150 mile radius of their main clinic.

5. Are our North Dakota students coming back to North Dakota to practice? For the most part, we think so; 45% optometry and 70% veterinary medicine.

For these main reasons, I would ask for your favorable consideration to continue North Dakota's obligation and provide funding at the current level for the Professional Student Exchange Program.

HB 1003
Higher Education
1/24/11
attachment #6

UND THE UNIVERSITY OF NORTH DAKOTA

Required Reporting to 2011 Appropriation Committees

07-09 Final Carryover

23051 Capital Assets-Carryover - Line 51	**1,565,182.00**
Expenses as of 06/30/10	(1,558,637.57)
Expenses as of 11/30/10	(5,387.11)
Unspent Appropriation	**1,157.32**

Project Completed

23053 Capital-Off System-Carryover - Line 53	**104,717,112.00**
Detail of Active 2007 Legislatively Approved Major Capital Projects	
O'Kelly Hall-Ireland Laboratory Renovation	220,000.00
Expenses as of 06/30/10	(181,150.69)
Expenses as of 11/30/10	(19,481.43)
Projected Expenditures thru 06/30/11	(17,315.36)
Unspent Authorization	**2,052.52**

Project Completed

Energy Projects - Mechanical	1,421,028.60
Expenses as of 06/30/10	(102,575.18)
Expenses as of 11/30/10	(869.32)
Projected Expenditures thru 06/30/11	(646,555.10)
Unspent Authorization	**671,029.00**
College of Nursing Research Facility	10,323.48
Expenses as of 06/30/10	(6,786.60)
Expenses as of 11/30/10	0.00
Projected Expenditures thru 06/30/11	0.00
Unspent Authorization	**3,536.88**
Energy Projects - Lighting	185,882.43
Expenses as of 06/30/10	(90,865.31)
Expenses as of 11/30/10	(1,218.33)
Projected Expenditures thru 06/30/11	(7,916.79)
Available Balance	**85,882.00**

Detail of Inactive Major Capital Projects (other funds)	102,879,877.50
Inactive - Wilkerson Dining Center	(4,000,000.00)
Inactive - Squires Dining Center Renovation	(117,715.40)
Inactive - SOM PET Scanner/Related Renovation Costs	(1,156,523.93)
Inactive - SOM Center for Excellence in Neuroscience	(824,900.46)
Inactive - Neuroscience Research Phase II	(17,000,000.00)
Inactive - Athletic Complex/Wellness Center	(1,368,070.22)
Inactive - Carnegie Library Renovation	(2,968,124.90)
Inactive - University Housing Replacement	(102,514.09)
Inactive - Parking Ramp Structure	(1,642,028.50)
Inactive - SOMHS Lab & Adm	(9,800,000.00)
Inactive - Memorial Union	(4,500,000.00)
Inactive - Indoor Track Facility	(15,000,000.00)
Inactive - American Indian Center	(10,000,000.00)
Inactive - Earth Systems Sciences	(5,000,000.00)
Inactive - SMHS-Bismarck FPG	(4,000,000.00)
Inactive - EERC Commercialization	(5,000,000.00)
Inactive - Allied Health Facility	(20,400,000.00)
	0.00

UND THE UNIVERSITY OF NORTH DAKOTA

Required Reporting to 2011 Appropriation Committees

09-11 One-Time Funding

23050 Capital Assets - Line 50	**5,400,000.00**
SMHS Bismarck Family Practice Clinic	
Expenses as of 06/30/10	(11,780.29)
Expenses as of 11/30/10	(226,192.33)
Projected Expenditures thru 06/30/11	(2,762,027.38)
Available Balance - Carryforward	**2,400,000.00**

Anticipated closeout Nov, 2011

23052 Capital Assets-Off System - Line 52	**48,684,661.00**
Detail of Active Major Capital Projects (other funds)	
Law School Renovation	500,000.00
Expenses as of 06/30/10	(23,229.30)
Expenses as of 11/30/10	(359,185.32)
Projected Expenditures thru 06/30/11	(117,585.38)
Available Balance	-
EERC Building	1,900,000.00
Expenses as of 11/30/10	(490,105.26)
Projected Expenditures thru 06/30/11	(1,209,894.74)
Available Balance	**200,000.00**
Northern Plains Ctr for Behav Research	409,000.00
Projected Expenditures thru 06/30/11	(409,000.00)
Available Balance	-
Hangar Addition & Renovation	1,456,660.81
Expenses as of 06/30/10	(1,269,983.39)
Expenses as of 11/30/10	(84,386.07)
Projected Expenditures thru 06/30/11	(214.20)
Available Balance	**102,077.15**
Education Building - Equip/Furnishings	1,400,000.00
Projected Expenditures thru 06/30/11	(700,000.00)
Available Balance - Carryforward	**700,000.00**
Detail of Inactive Major Capital Projects (other funds)	43,019,000.00
Inactive - COBPA Renovation and Addition	(20,500,000.00)
Inactive - SMHS Forensic Pathology Facility	(129,000.00)
Inactive - Oxford House Relocation and Renovation	(750,000.00)
Inactive - Indoor Track and Football Practice Field	(19,500,000.00)
Inactive - EERC Storage and Support Building	(1,540,000.00)
Inactive - Starcher Emergency Generator System	(600,000.00)
Available Balance	-

23054 Deferred Maintenance - Line 54	**7,178,674.00**
Expenses as of 06/30/10	(1,423,649.67)
Expenses as of 11/30/10	(624,399.06)
Projected Expenditures thru 06/30/11	(3,613,930.34)
Available Balance - Carryforward	**1,516,694.93**

23055 Federal Stimulus Funds-2009	**11,700,000.00**
Education Building Renovation & Addition	11,200,000.00
Expenses as of 06/30/10	(1,178,856.49)
Expenses as of 11/30/10	(2,544,844.99)
Projected Expenditures thru 06/30/11	(5,576,298.52)
Available Balance - Carryforward	**1,900,000.00**

Anticipated closeout Nov, 2011

ARRA Simulation Laboratory Initiative	500,000.00
Expenses as of 06/30/10	(147,083.33)
Expenses as of 11/30/10	(289,639.87)
Projected Expenditures thru 06/30/11	(63,276.80)
Available Balance - ARRA Simulation Laboratory	-

Completion date by 06/30/2011

Updated 1/28/2011

NORTH DAKOTA UNIVERSITY SYSTEM OF
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION (HB) BY LINE ITEM

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change	
NDUS Office					
System Governance:					
Operations	$7,654,134	$7,386,676			This funds the operations of the SBHE, NDUS Office, CTEC, Articulation and Transfer, ND Higher Ed Consortium for Substance Abuse Prevention and State Approving Agency (federal funds). The GF increase includes the following: $330,832 Parity and $31,384 retirement increase
Subtotal all funds	7,654,134	7,386,676	267,458	3.6%	
Less estimated income	288,696	383,454	(94,758)	-24.7%	
Subtotal general fund appropriation	7,365,438	7,003,222	362,216	5.2%	
Student Grant Programs:					
Student Financial Assistance Grants	19,927,568	19,927,568	0		Pages 3-27
Scholars Program	2,456,826	2,456,826	0		
Professional Student Exchange Program	3,565,836	3,620,855	(55,019)		
ND Indian Scholarship Program	575,442	382,467	192,975		
Education Incentive Programs	3,265,994	3,265,994	0		
Academic and Technical Education Scholarships[1]	0	3,000,000	(3,000,000)		
Tribal Community College Grants	1,000,000	700,000	300,000		
Subtotal all funds	30,791,666	33,353,710	(2,562,044)	-7.7%	
Less estimated income	1,813,735	2,078,754	(265,019)	-12.7%	
Subtotal general fund appropriation	28,977,931	31,274,956	(2,297,025)	-7.3%	
System Grant Programs:					
EPSCoR	8,700,000	7,050,000	1,650,000		This level of research matching funds will provide an estimated $19.7 million in federal funds, an increase of $2.23 M over 09-11. Without the increased $1.65 million state cash match, federal funds are estimated at $15.96 million, a reduction of $1.51 M from 09-11. See also pages 28-29.
Title II Grant	695,600	695,600	0		Federal grants to secondary/elementary teachers to improve teaching & learning process in math and science
Professional Liability Insurance	800,000	1,100,000	(300,000)		Page 30
System Information Technology Services	36,061,999	30,569,885	5,492,114		Pages 31-33
Two-year Campus Marketing	800,000	800,000	0		Page 34-36
Completion Based Funding	5,000,000	0	5,000,000		Page 37
Academic and Technical Program Revolving Fund	1,000,000	0	1,000,000		Page 38
Student Mental Health	168,000	0	168,000		Page 39
Subtotal all funds	53,225,599	40,215,485	13,010,114	32.4%	
Less estimated income	1,235,037	1,725,431	(490,394)	-28.4%	
Subtotal general fund appropriation	51,990,562	38,490,054	13,500,508	35.1%	
System Projects:					
Capital Assets-Bond Payments	12,254,769	12,014,048	240,721		Est provided by Industrial Commission
Subtotal all funds	12,254,769	12,014,048	240,721	2.0%	
Less estimated income	417,250	717,250	(300,000)	-41.8%	
Subtotal general fund appropriation	11,837,519	11,296,798	540,721	4.8%	
TOTAL					
Total all funds	103,926,168	92,969,919	10,956,249	11.8%	
Less estimated income	3,754,718	4,904,889	(1,150,171)	-23.4%	
Total general fund appropriation	100,171,450	88,065,030	12,106,420	13.7%	

[1]Continuing appropriation language from the Land and Minerals Trust Fund is included in another bill. Estimated cost for 11-13 is $10 million.

HB1002
NDUS
Attachment #4
1/24/11

HB1003 General Discussion NDUS attachment # 5

1/24/11



SBHE Policies

[<< return]

SUBJECT: 900s: Facilities **EFFECTIVE:** October 23, 2009

Section: 902.1 Construction Process-Legislative Approval; List of Funding Requests

---

1. Board approval is required prior to making a request or application for state or federal legislative appropriations and all other fund sources, or to begin a formal fundraising campaign for new building construction, major renovations, or major building additions. The Chancellor shall adopt an implementing procedure that includes definitions or guidelines to identify "major" projects governed by this policy.

2. In conjunction with biennial budget preparation, each campus shall submit to the Chancellor a prioritized list of projects that are defined below in subparagraphs a and b, consistent with the goals and strategies set forth in the campus master plan. The project descriptions shall include the total estimated purchased or donated project costs, including but not limited to, design and preplanning costs (including OMB preplanning revolving funds), architect and engineer fees, permits, insurance, land acquisition and site preparation or development, demolition and disposal, foundation and building construction or renovation, landscaping, infrastructure and utilities, mechanical and electrical, parking and driveways or roadways, fixed or movable appliances, furniture and equipment, third-party costs, contingencies, value of work completed by institution staff and billed to the project and all other costs, including costs the institution does not intend to include in the legislative budget request, which must be separately identified. The project descriptions shall also include estimates of current and future costs and funding sources of operating costs and all other improvements directly related to or necessitated by the requested improvements. The Chancellor, in consultation with the campuses, shall submit a prioritized list of system projects to the Board for their consideration. The Board shall approve a rank order list of funding requests for major capital projects from all fund sources listed in categories defined in subparagraphs a and b.

   a. (1) Major renovations to existing facilities.
      (2) Major renovations to existing infrastructure, including technology upgrading.

   b. New construction and additions to existing facilities, including the cost of renovating existing facilities that are made necessary by an addition or new construction.

3. Major capital project priorities shall be consistent with the following categories, which are listed in order of priority (except that a and b have equal priority):

   a. Projects to meet life, health and safety requirements.
   b. Projects that are necessary to comply with local, state, or federal law or requirements.
   c. Projects that preserve current assets.
   d. Projects that represent new strategic investments through the enhancement of current assets or the creation of new assets.

4. The Board shall use the following criteria to determine a rank order of projects listed. These criteria are not weighted, but shall be considered in their totality when determining rank order of priorities.

   a. Project addresses current life, health and safety issues.
   b. Project addresses compliance with local, state or federal law or requirements.
   c. Project corrects significant deferred maintenance.
   d. Project addresses a critical maintenance need defined by those which must be addressed, and which, if neglected, could result in substantial damage to the structural integrity of the building.
   e. Project meets a compelling programmatic or accreditation justification consistent with campus mission and strategic goals.
   f. Project has been partially funded by the legislature in a previous biennium, but is not yet complete.
   g. Project is supported by significant outside funding.
   h. Space will be used to advance a specific program or activity that is a high priority of the state.

i. Project addresses an urgent infrastructure need.
j. Project is consistent with campus master plan and is highly rated by the campus.
k. Project is necessary based on clearly demonstrated condition of existing space.
l. Project fosters the consolidation of services or enhances operating efficiencies.
m. Project enables the institution to remove obsolete or unnecessary facilities.

5. According to NDCC Section 15-10-12.1, approval of the legislature (or, if the legislature is not in session and it is not within six months prior to a legislative session, budget section approval) is required to use donated funds, gifts or grants to construct buildings or other improvements if the cost exceeds $385,000. Institutions must have Board approval to seek legislative or budget section authorization to proceed with a project funded with donations, gifts or grants.

6. Improvements may be financed by issuance and sale of bonds under NDCC chapter 15-55 and other applicable laws and regulations. Institutions must have Board approval to request required legislative authorization for revenue bonds.

REFERENCE: N.D.C.C. Section 15-10-12.1; N.D.C.C. Section 48-01.2-25

History:
New policy. SBHE Minutes, January 12-13, 1984, page 5200.
Amendment SBHE Minutes, December 7, 1989, page 5915.
Amendment SBHE Minutes, January 20, 1994, page 6430.
Amendment SBHE Minutes, December 21, 1995, page 6603.
Amendment SBHE Minutes, December 20, 1996, page 6711.
Amendment SBHE Minutes, April 4, 2000.
Amendment SBHE Minutes, February 19, 2004.
Amendment SBHE Minutes, September 18, 2008.
Amendment SBHE Minutes, October 23, 2009.

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HB 1003
Higher Education
1/24/11
Attachment #6

Doug Goehring
AGRICULTURE COMMISSIONER

Dr. Susan Keller
STATE VETERINARIAN

Dr. Beth Carlson
DEPUTY STATE VETERINARIAN

Dr. Jesse Vollmer
ASSISTANT STATE VETERINARIAN

Nathan Boehm, Mandan
PRESIDENT, DAIRY CATTLE

Melvin Leland, Sidney, MT
SECRETARY, REG. PUREBRED CATTLE

Dr. Charlie Stoltenow, Fargo
CONSULTING VETERINARIAN

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SHEEP

Joel Olson, Almont
COMMERCIAL BEEF CATTLE

Daryl Dukart, Dunn Center
SWINE

Dr. W.P. Tidball, Beach
VETERINARIAN

Dr. Kenneth Throlson, New Rockford
BISON

Shawn Schafer, Turtle Lake
NONTRADITIONAL LIVESTOCK

Testimony of Beth W. Carlson, DVM
Deputy State Veterinarian
House Bill 1003
House Appropriations Committee-Education and Environment Division
Sakakawea Room
January 24, 2011

Chairman Skarphol and members of the Appropriations Committee, I am Deputy State Veterinarian Beth Carlson. I am here today on behalf of the North Dakota Department of Agriculture and the State Board of Animal Health in support of the portion of HB 1003 pertaining to funding for the Professional Student Exchange Program (PSEP) and the Kansas State Program. As you are aware, the PSEP program assists North Dakota students enrolled in professional programs not offered in the state of North Dakota, including optometry, dentistry, and of greatest importance to agriculture, veterinary medicine. The recent implementation of the Kansas State funding has provided an additional avenue to train food animal veterinarians.

The State Board of Animal Health is responsible for protecting the health of the domestic animals and non-traditional livestock of the state. We cannot do this without the assistance of a strong group of practicing veterinarians and regulatory veterinarians. Accredited veterinarians

issue health certificates, perform regulatory testing, provide services to auction markets, and occasionally assist the Board with other matters.

Rising tuition costs (and, as a result, student loan debt) make it difficult for students who wish to return to North Dakota to do so. Some students who are accepted to veterinary school may choose not to attend and instead pursue another career, rather than incur huge debt loads. This has contributed to the shortage of veterinarians in the state. In some cases, this has made it difficult to find veterinarians to provide services at our livestock auction markets, which are critical to our agricultural economy. When the Board needs to contract with a practicing veterinarian, it is sometimes difficult to find one who is available. I personally was a recipient of Professional Student Exchange funds, and it kept my student loans to a manageable level, which allowed me to choose to return to serve North Dakota, first in private practice and now in the public sector.

Chairman Skarphol and committee members, for these reasons, I support these portions of HB 1003. I would be happy to answer any questions you may have.

HB 1003
Higher Education
1/24/11
Attachment #7

Estimated Current Deferred Maintenance on State Buildings Based on 2007-09 Estimated Outstanding Deferred Maintenance, Adjusted for 2009-11 Funding, Plus CPI Adjustment

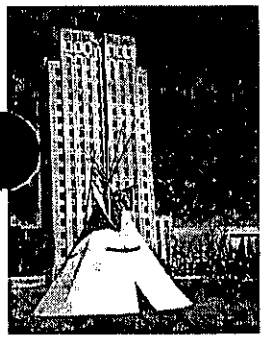
	Estimated 2009-11 Deferred Maintenace Balance
BSC	$1,583,158
LRSC	$435,983
WSC	$1,775,402
UND	$33,363,935
NDSU	$24,891,943
NDSCS	$4,806,331
DSU	$7,725,186
MASU 1/	$8,877,561
MISU	$2,765,866
VCSU	$6,064,812
DCB	$450,917
FOREST SERVICE	$211,822
TOTAL	$92,952,916

1/ The 2009-11 outstanding balance (column 1) was estimated by starting with amounts per 2006 master plans, adding 5% increases per year, based on 2006 and 2007 BLS All Urban Consumer Index for Mpls/St Paul, and deducting 07-09 one-time deferred maintenance funding and deferred

3/ Column 5 assumes a 3.8% increase for 1 year, and nothing for the second year, based on 2008 (3.8%) and 2009 (-.5%) BLS All Urban Consumer Index for Mpls/St Paul.

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NDIAS
Attachment 9
HB 1003
Jan. 24, 2011



NORTH DAKOTA INDIAN AFFAIRS COMMISSION

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Governor Jack Dalrymple
CHAIRMAN

Scott Davis
EXECUTIVE DIRECTOR

Testimony on North Dakota Indian Scholarship Program HB 1003
By Scott J. Davis
Executive Director North Dakota Indian Affairs Commission
House Appropriation Committee

The North Dakota Indian Scholarship Program is authorized under NDCC 15-63-01 which places the budget for the program under the State Board of Higher Education. The program provides scholarships for resident members of federally recognized Indian tribes attending any post-secondary education programs in North Dakota.

The program was funded at $251,988 for the 2005-07 biennium which supported 362 $700 scholarships. Although students would benefit from higher scholarships and state law and Scholarship Board policy permit higher scholarships, the Scholarship Board has attempted to maintain the $700 level of scholarships for the last 13 years. The $700 scholarship level has been viewed as the lowest meaningful level that could positively impact a significant number of students. With approximately 400 scholarship applications each year, the Board receives more applications that it can fund. For example in the 2007-09 biennium, over 180 students were denied scholarships.

Even though state law permits the consideration of both financial need and academic merit in the award of scholarships, limited funding has required the Scholarship Board to focus on academic merit as the students most likely to succeed. In the past, this permitted the Board to continue funding pervious merit scholarship recipients and to fund new students who earned a 3.5 GPA or above. In 2003, the Board had to lower the scholarships from $700 to $600 in order to award all merit and continuing students (95 new merit and 70 continuing), and again in 2004, the Board lowered the scholarships from $600 to $500 in order to award all new merit and continuing students (115 merit and 84 continuing). It should be noted that almost all merit students also have demonstrated financial need. For the 2005-07 biennium, the program received a $47,500 increase in funding which allowed the Board to restore awards to the $700 level.

The 2007-09 budget request for this program is $380,626 which includes a 127,000 general fund increase from the 2005-07 appropriation of $251,988. This increase would fund approximately 270 grants (90 more) per year at $700 and also provide sufficient funding to award qualified applicants with a GPA of 3.0. Currently, there isn't sufficient funding to award new applicants with a GPA of less than 3.5.

Mr. Chairman and members of the committee I fully support HB 1003, this long overdue increase will make significant impacts for Native American students and families attending a North Dakota Higher Education Institution. I've had numerous visits to many colleges and universities and have met many hard working dedicated students and families. They all believe that obtaining a college degree is thee ticket towards self sufficiency and self determination. As a member of the North Dakota State Board for Indian Scholarships, I strongly support the Indian Scholarship Program and we urge your favorable consideration, thank you for the opportunity and I will be glad to answer any questions at this time.

ND INDIAN SCHOLARSHIP PROGRAM
Justification for Increase in Funding

Approximately 3,651 [1]Native American students attend full-time at State/Tribal/Private institutions. Each year the ND Indian Scholarship Program supports approximately 6.5% of the 3,651 attending

- The average budget for a full time student attending UND for the 2009-10 academic year is $16,600 [2](tuition, fees, room, board, books & miscellaneous) an 84% increase from 2002-03
- Awards are fixed at $800 per year to fund at least 239 students
- Approximately 300 of the 400 applications received each year are scholarship eligible
- The Indian Scholarship Program averages 100 qualified applicants on a waiting list that are not awarded due to lack of funds
- The average cumulative grade point average for the scholarship awardees is 3.00
- The $380,626 appropriated for the 2009-11 biennium did not include an increase
- An increase of $192,974 is requested (50.7%)
- The increase would provide a $1,200 award per year to 239 students

[1] 2009 Fall Enrollment Report
[2] NDUS

HB 1003
NDUS
attachment #12
1/24/11

INFORMATION TECHNOLOGY COUNCIL
OF NORTH DAKOTA

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Testimony of Deana Wiese
Executive Director, Information Technology Council of North Dakota
In Support of HB 1003
January 24, 2011

Chairman Skarphol and Members of the Committee:

My name is Deana Wiese, and I am the executive director of the Information Technology Council of North Dakota (ITCND). I am here to testify in support of HB 1003.

ITCND was formed in 2000 by North Dakota business, government and education leaders who recognized the need to strengthen the state's information technology infrastructure and position the state as a national leader in information technology. ITCND has grown to nearly 100 members that believe in growing a stronger North Dakota through information technology excellence and development.

Workforce development remains a top priority for North Dakota's technology-based businesses. Within the next decade the IT industry will need to replace nearly 40 percent of its current workforce. To address these needs, ITCND has created the state's first-ever IT Career Awareness Program focused on informing 7-9th graders, parents and educators of the North Dakota IT job opportunities. The state's university system is an integral component in the development of a high-quality workforce, which is vital to the future growth of North Dakota's IT industry. This is why several items in this bill are so important to ITCND.

We are specifically supporting the funding for the start up of academic or technical programs, tuition freezes at the 2-year institutions and 2.5 percent increase at the 4-year institutions, continuation of the academic and technical scholarship program, and continuation of the STEM loan forgiveness program. Each of these plays a role in attracting IT students and retaining them within the state following graduation.

The North Dakota University System has been very responsive to North Dakota's IT workforce needs, and ITCND has developed a close working relationship with staff and institutions through the IT Career Awareness Program.

We thank you for your support of higher ed in the past, and we encourage you to give HB 1003 a DO PASS recommendation.

North Dakota Unviversity System

Special Assessment History prepared at the request of Rep. [redacted], January 24, 2010

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Outstanding Special Assessment Balance (principal only) at End of Biennium					09-11 Extra-Ordinary Repairs Budget	09-11 Est. Payments	Biennial Balance for Repairs After Special Assessments	Interest Rate	Est. 11-13 Payments	Est. Savings by Paying Early	Amt. Funded in 11-13 Exec. Budget for Pay-off	Current Est. Principal & Interest payment as of 7/1/2011	Difference Between Exec. Budget and Current Payoff Est. (col. 12-13)
	03-05	05-07	07-09	09-11	11-13 Proj.									
BSC	$278,800	$320,400	$283,100	$880,000	$717,000	$243,481	$200,000	$43,481	4.3-6.9%	$225,000	$325,000	$900,000	$900,000	$0
WSC			$10,397		$1,667	$86,475	$10,085	$86,475				$0	$11,924	-$11,924
UND	$449,749	$368,618	$290,402	$220,152	$149,903	$2,300,545	$106,302	$2,194,243	5.68-6.7%	$97,146	$60,861	$281,013	$227,652	$53,361
NDSU[1,2]	$102,124	$373,804	$342,664	$1,739,228	$1,640,752	$1,692,226	$177,705	$1,514,521	4.94-6.4%	$272,683	$1,225,262	$2,319,700	$1,776,063	$543,637
NDSU-Exp. Station				$555,336	$527,901	$1,340,465	$35,051	$1,305,414	4.94-5.5%	$82,402	$395,810		$566,928	-$566,928
NDSU-Total				$2,294,564	$2,168,653	$3,032,691	$212,756	$2,819,935		$355,085	$1,621,072	$2,319,700	$2,342,991	-$23,291
NDSCS[3]	$208,501	$237,483	$193,628	$125,851	$126,919	$753,332	$64,240	$689,092	5.2-5.5%	$59,473	$31,082	$125,851	$149,773	-$23,922
MASU	$499,270	$439,038	$378,806	$318,574	$258,343	$208,994	$89,332	$119,662	4%	$84,513	$73,918	$392,493	$392,493	$0
VCSU	$76,922	$48,844	$32,946	$284,422	$263,020	$258,416	$12,231	$246,185	5.25-5.5%	$48,416	$168,170	$283,567	$291,533	-$7,966
TOTAL	**$1,513,242**	**$1,414,383**	**$1,189,279**	**$4,123,563**	**$3,685,505**	**$6,883,934**	**$694,946**	**$6,199,073**		**$869,633**	**$2,280,103**	**$4,302,624**	**$4,316,366**	**-$13,742**

[1] During the 07-09 biennium, NDSU, with SBHE approval, paid off special assessments of $801,076 from inter-fund borrowing in order to save interest costs. Funds were not available at the time of the early pay-off and the deficit is planned to be repaid over time. In January 2011, the early repayment fund still has a deficit balance of $392,467.

[2] The 09-11 special assessment balance increase is due to the 12th Avenue project being completed.

[3] The City of Wahpeton has indicated an additional assessment of $23,922 in about October 2011 for North Central Streets. They also intend to complete two major projects in 2013 adm 2015 on eleventh street and fourth street improvements.

HB1003 Budget Discussion
NDUS
Attachment #11
1/24/11 pm

North Dakota University System

Parking Lot Projects, prepared at the Request of Rep. Skarphol, January 24, 2011

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Budget Request			*Exec. Budget Recommendation*			Funding Category In Budget			
	Square Yards 1/	No. of Parking Spaces	Dollar Amount	Square Yards 1/	No. of parking spaces	Dollar Amount	Extra-ordinary Repairs	Small-to-Medium Size Projects	Appropriated major capital project	Non-Appropriated major capital project
BSC										
LRSC										
WSC	29,228	557	$1,727,722	11,711	291	$492,528			X	
UND	See note below 3/									
NDSU										
NDSCS										
DSU	16,694	429	$500,000	0	0	$0	X	X		
MASU	1,841	44	$90,000	0	0	$0		X		
MISU	6,964	152	$50,000	6,964	152	$50,000	X			
VCSU	16,371	409	$245,000	0	0	$0		X		
DCB 2/	2,800	140	$128,800	0	0	$0			X	
Total	73,898	1,731	2,741,522	18,675	443	542,528				

1/ Takes into account the common shared driveways and lanes

2/ This is part of a larger capital project to repave campus roads - Total estimated cost is $731,250 ($700,000 general funds and $31,250 from local funds)

3/ No specific dollars are identified in the 11-13 budget for parking lot projects. UND is currently engaged in a comprehensive inspection and survey of its parking and roadway inventory. The inspection and survey include evaluation and rating of current surface conditions, research and report of construction types, analysis of storm water capacity, opinion of remaining service life, recommended repair methods and approximate cost, and recommended repair/replacement schedule and priority. The results of the parking and roadway survey will be utilized to develop a repair and replacement schedule and to determine priorities for funding.

G:\LAURA\excel\LEGIS\2011 session\[Parking lot projects combined (2).xlsx]Sheet1

North Dakota University System
Tuition and Fee Revenues for Fiscal Year ended June 30, 2010
Prepared for House Appropriations, 1/24/11

	(1)	(2)	(3)
	Revenues per the General Ledger		
	Tuition	Fees	Total
BSC	$14,371,469	$1,521,978	$15,893,447
LRSC	$4,183,879	$554,414	$4,738,293
WSC	$1,839,659	$824,381	$2,664,040
UND	$73,323,760	$31,325,217	$104,648,977
UND SOMHS	$11,893,900		$11,893,900
NDSU, excluding Ag. Res/Ext	$86,848,421	$19,283,547	$106,131,968
NDSCS	$7,285,032	$3,277,057	$10,562,089
DSU	$12,087,518	$2,622,798	$14,710,316
MASU	$3,268,442	$1,275,983	$4,544,425
MISU	$14,641,373	$3,730,457	$18,371,830
VCSU	$4,396,712	$1,433,482	$5,830,194
DCB	$1,725,443	$471,639	$2,197,082
TOTAL	$235,865,608	$66,320,953	$302,186,561

Columns 1-3: Per the 6/30/10 CND general ledger

Difference between general ledger T&F and 6/30/10 financial statement T&F is required financial statement scholarship allowance, consistent with generally accepted accounting principles (GAAP)

G:\LAURA\excel\TUITION\[Tuition and fee collections 06.30.10 per general ledger.xlsx]Summary

North Dakota Unive[redacted] System

Prepared at the Request of Rep[redacted]phol, January 24, 2011

	(1)	(2)	(3)	(4)	(5)	(6)	(6)	(7)	(8)	(9)	(10)	(11)
	Headcount Faculty as of 12/31/10-All Fund Sources 1/			FTE Faculty as of 12/31/10-All Fund Souces 2/			Fall 2010 Student Enrollment 3/			2009 Turnover Rate 5/		
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	Headcount	Full-Time Equivalent (FTE)	Fall 2009 IPEDS Undergraduate Student to Instructional Faculty Ratio 4/	Staff	Faculty	# of vacant faculty and staff positions as of 12/31/10 All Fund Sources 7/
BSC	122	5	127	122	4	126	4,177	3,208	18:1	8.4%	5.2%	12
LRSC	32	11	43	32	7	39	1,913	921	11:1	7.0%	5.1%	4
WSC	34	3	37	32	1	33	932	570	17:1	7.7%	8.6%	5
UND, including SOMHS	658	49	707	656	33	689	14,194	12,018	20:1	10.5%	5.5%	227
NDSU, excluding Ag. Res/Ext	521	145	666	517	108	626	14,407	12,708	19:1	7.3%	11.2% 6/	213
NDSCS	110	10	120	110	7	117	2,833	2,217	13:1	13.7%	9.8%	18
DSU	91	3	94	90	3	93	2,668	2,068	15:1	17.3%	11.8%	13
MASU	38	2	40	38	2	40	982	704	17:1	7.8%	13.5%	3
MISU	172	10	182	170	9	179	3,866	3,002	14:1	13.0%	4.0%	34
VCSU	64	0	64	64	0	64	1,285	957	13:1	11.8%	3.6%	2
DCB	24	2	26	23	2	25	863	540	17:1	15.0%	8.7%	1
TOTAL	1,866	240	2,106	1,853	176	2,029	48,120	38,913		9.6%	7.8%	532

1/ taken from CND query (NDU_HR_Employeecount). Does not include temporary faculty. Also, does not include employees with faculty appointments, who have research/clinical responsibilities as folows: NDSU-13 full-time and UND-28 full-time and 18 part-time

2/ taken from CND query (NDU_HR_employeecount) , does not include temporary faculty; 9 , 10, 11, 12 mo =1.0FTE

3/ taken from NDUS Fall 2010 annual enrollment report

4/ Each year the national IPEDS collects information on fall enrollments and instrutional staff from instituitions across the country. As part of this process campsues are asked to use a worksheet to standardize enrollments and instructional staff calculations for comparison purposes. In the worksheet calculations, the number of part-time students and the number of part-time instructional staff are both divided by three (3). Although this method differs from other IPEDS headcount reporting information and practices, it provides a standardized way to convert part-time students and faculty into full-time equivalents in order to calacuate student/faculty ratio.

5/ taken from March 2010 Employee Compensation Report

6/ NDSU turnover Rates include Ag. Research, Extension, UPGPTI, NCI and Forest Service

7/ taken from CND query

North Dakota University System

Prepared at the Request of Rep. [redacted], January 24, 2011

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	FY10 Operating Revenues Per Audited Financial Statements								Enrollment	12/31/10 FTE Employees
	Tuition and Fees less Scholarship Allowance and other required accrual adjustments	State Appropriations	Federal Grants	Sales and Services-Auxiliary	Sales and Services-Other	State and Nongovernmental Grants and Contracts	Other Operating	Total Operating Revenues 1/	Fall 2010 FTE Student Enrollment 2/	All Fund Sources 3/
BSC-$	$12,140,055	$11,593,768	$6,840,636	$3,913,981	$2,877,951	$1,456,503	$8,286	$38,831,180	3,208	392.22
BSC-%	31%	30%	18%	10%	7%	4%	0%	100%		
LRSC-$	$3,400,828	$3,886,650	$2,034,259	$1,410,979	$512,947	$1,131,082	$8,221	$12,384,966	921	132.97
LRSC-%	27%	31%	16%	11%	4%	9%	0%	100%		
WSC-$	$1,555,418	$3,768,932	$1,523,469	$1,485,199	$1,374,393	$426,016	$5,449	$10,138,876	570	112.67
WSC-%	15%	37%	15%	15%	14%	4%	0%	100%		
UND (incl. SOMHS)-$	$102,959,970	$83,593,586	$81,213,923	$34,059,953	$34,677,962	$26,493,350	$581,767	$363,580,511	12,018	3383.94
UND (incl. SOMHS)-%	28%	23%	22%	9%	10%	7%	0%	100%		
NDSU (excl. Ag Res/Ext/UGPTI/Forest-$	$86,492,049	$66,020,132	$48,996,811	$38,862,245	$6,596,906	$7,394,930	$0	$254,363,073	12,708	2186.24 4/
NDSU (excl. Ag Res/Ext/UGPTI/Forest-%	34%	26%	19%	15%	3%	3%	0%	100%		
NDSCS-$	$7,785,834	$15,769,000	$4,546,278	$6,232,634	$2,294,233	$816,753	$165,031	$37,609,763	2,217	384.47
NDSCS-%	21%	42%	12%	17%	6%	2%	0%	100%		
DSU-$	$9,758,798	$10,412,028	$3,809,483	$3,904,462	$1,099,777	$318,373	$112,605	$29,415,526	2,068	255.05
DSU-%	33%	35%	13%	13%	4%	1%	0%	100%		
MASU-$	$3,013,921	$5,748,760	$3,400,293	$1,952,234	$629,420	$72,289	$10,445	$14,827,362	704	204.72
MASU-%	20%	39%	23%	13%	4%	0%	0%	100%		
MISU-$	$14,010,695	$17,087,612	$11,123,075	$3,147,506	$998,886	$1,665,878	$61,967	$48,095,619	3,002	490.36
MISU-%	29%	36%	23%	7%	2%	3%	0%	100%		
VCSU-$	$3,933,233	$8,225,309	$1,975,351	$2,351,259	$294,701	$387,830	$13,232	$17,180,915	957	199.79
VCSU-%	23%	48%	11%	14%	2%	2%	0%	100%		
DCB-$	$1,357,682	$2,910,051	$1,414,713	$1,165,643	$148,095	$565,479	$5,511	$7,567,174	540	79.91
DCB-%	18%	38%	19%	15%	2%	7%	0%	100%		
TOTAL	$246,408,483	$229,015,828	$166,878,291	$98,486,095	$51,505,271	$40,728,483	$972,514	$833,994,965	38,913	7,822.34

1/ Per FY10 NDUS audited financial statements

2/ Per NDUS Fall 2010 enrollment report

3/ Per CND query of total FTE (NDU_HR_EMPLOYEEFTE)

4/ Includes 74.0 FTE Total System Information Technology Services positions, as the "appropriated dollars" for SITS is included in NDSU revenues, as the fiscal agent; however, SITS local fund dollars are reported in the NDUS Office on the financial statements.

G:\LAURA\excel\LEGIS\2011 session\[Dosch request on operating revenues.xlsx]Sheet2

HB1003
General Discussion
NDUS attachment #2



SBHE Policies

<< return

SUBJECT: 900s: Facilities **EFFECTIVE:** October 23, 2009

Section: 902.1 Construction Process-Legislative Approval; List of Funding Requests

1. Board approval is required prior to making a request or application for state or federal legislative appropriations and all other fund sources, or to begin a formal fundraising campaign for new building construction, major renovations, or major building additions. The Chancellor shall adopt an implementing procedure that includes definitions or guidelines to identify "major" projects governed by this policy.

2. In conjunction with biennial budget preparation, each campus shall submit to the Chancellor a prioritized list of projects that are defined below in subparagraphs a and b, consistent with the goals and strategies set forth in the campus master plan. The project descriptions shall include the total estimated purchased or donated project costs, including but not limited to, design and preplanning costs (including OMB preplanning revolving funds), architect and engineer fees, permits, insurance, land acquisition and site preparation or development, demolition and disposal, foundation and building construction or renovation, landscaping, infrastructure and utilities, mechanical and electrical, parking and driveways or roadways, fixed or movable appliances, furniture and equipment, third-party costs, contingencies, value of work completed by institution staff and billed to the project and all other costs, including costs the institution does not intend to include in the legislative budget request, which must be separately identified. The project descriptions shall also include estimates of current and future costs and funding sources of operating costs and all other improvements directly related to or necessitated by the requested improvements. The Chancellor, in consultation with the campuses, shall submit a prioritized list of system projects to the Board for their consideration. The Board shall approve a rank order list of funding requests for major capital projects from all fund sources listed in categories defined in subparagraphs a and b.

   a. (1) Major renovations to existing facilities.
      (2) Major renovations to existing infrastructure, including technology upgrading.

   b. New construction and additions to existing facilities, including the cost of renovating existing facilities that are made necessary by an addition or new construction.

3. Major capital project priorities shall be consistent with the following categories, which are listed in order of priority (except that a and b have equal priority):

   a. Projects to meet life, health and safety requirements.
   b. Projects that are necessary to comply with local, state, or federal law or requirements.
   c. Projects that preserve current assets.
   d. Projects that represent new strategic investments through the enhancement of current assets or the creation of new assets.

4. The Board shall use the following criteria to determine a rank order of projects listed. These criteria are not weighted, but shall be considered in their totality when determining rank order of priorities.

   a. Project addresses current life, health and safety issues.
   b. Project addresses compliance with local, state or federal law or requirements.
   c. Project corrects significant deferred maintenance.
   d. Project addresses a critical maintenance need defined by those which must be addressed, and which, if neglected, could result in substantial damage to the structural integrity of the building.
   e. Project meets a compelling programmatic or accreditation justification consistent with campus mission and strategic goals.
   f. Project has been partially funded by the legislature in a previous biennium, but is not yet complete.
   g. Project is supported by significant outside funding.
   h. Space will be used to advance a specific program or activity that is a high priority of the state.

i. Project addresses an urgent infrastructure need.
j. Project is consistent with campus master plan and is highly rated by the campus.
k. Project is necessary based on clearly demonstrated condition of existing space.
l. Project fosters the consolidation of services or enhances operating efficiencies.
m. Project enables the institution to remove obsolete or unnecessary facilities.

5. According to NDCC Section 15-10-12.1, approval of the legislature (or, if the legislature is not in session and it is not within six months prior to a legislative session, budget section approval) is required to use donated funds, gifts or grants to construct buildings or other improvements if the cost exceeds $385,000. Institutions must have Board approval to seek legislative or budget section authorization to proceed with a project funded with donations, gifts or grants.

6. Improvements may be financed by issuance and sale of bonds under NDCC chapter 15-55 and other applicable laws and regulations. Institutions must have Board approval to request required legislative authorization for revenue bonds.

REFERENCE: N.D.C.C. Section 15-10-12.1; N.D.C.C. Section 48-01.2-25

History:
New policy, SBHE Minutes, January 12-13, 1984, page 5200.
Amendment SBHE Minutes, December 7, 1989, page 5915.
Amendment SBHE Minutes, January 20, 1994, page 6430.
Amendment SBHE Minutes, December 21, 1995, page 6603.
Amendment SBHE Minutes, December 20, 1996, page 6711.
Amendment SBHE Minutes, April 4, 2000.
Amendment SBHE Minutes, February 19, 2004.
Amendment SBHE Minutes, September 18, 2008.
Amendment SBHE Minutes, October 23, 2009.

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DESIGN & PROGRAMMING BY ODNEY

NORTH DAKOTA UNIVERSITY SYSTEM OF
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION (HB) BY LINE ITEM

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change	
NDUS Office					
System Governance:					
Operations	$7,654,134	$7,386,676	267,458	3.6%	This funds the operations of the SBHE, NDUS Office, CTEC, Articulation and Transfer, ND Higher Ed Consortium for Substance Abuse Prevention and State Approving Agency (federal funds). The GF increase includes the following: $330,832 Parity and $31,384 retirement increase
Subtotal all funds	7,654,134	7,386,676	(94,758)	-24.7%	
Less estimated income	288,696	383,454	362,216	5.2%	
Subtotal general fund appropriation	7,365,438	7,003,222			
Student Grant Programs:					
Student Financial Assistance Grants	19,927,568	19,927,568	0		Pages 3-27
Scholars Program	2,456,826	2,456,826	0		
Professional Student Exchange Program	3,565,836	3,620,855	(55,019)		
ND Indian Scholarship Program	575,442	382,467	192,975		
Education Incentive Programs	3,265,994	3,265,994	0		
Academic and Technical Education Scholarships[1]	0	3,000,000	(3,000,000)		
Tribal Community College Grants	1,000,000	700,000	300,000		
Subtotal all funds	30,791,666	33,353,710	(2,562,044)	-7.7%	
Less estimated income	1,813,735	2,078,754	(265,019)	-12.7%	
Subtotal general fund appropriation	28,977,931	31,274,956	(2,297,025)	-7.3%	
System Grant Programs:					
EPSCoR	8,700,000	7,050,000	1,650,000		This level of research matching funds will provide an estimated $19.7 million in federal funds, an increase of $2.23 M over 09-11. Without the increased $1.65 million state cash match, federal funds are estimated at $15.96 million, a reduction of $1.51 M from 09-11. See also pages 28-29.
Title II Grant	695,600	695,600	0		Federal grants to secondary/elementary teachers to improve teaching & learning process in math and science
Professional Liability Insurance	800,000	1,100,000	(300,000)		Page 30
System Information Technology Services	36,061,999	30,569,885	5,492,114		Pages 31-33
Two-year Campus Marketing	800,000	800,000	0		Page 34-36
Completion Based Funding	5,000,000	0	5,000,000		Page 37
Academic and Technical Program Revolving Fund	1,000,000	0	1,000,000		Page 38
Student Mental Health	168,000	0	168,000		Page 39
Subtotal all funds	53,225,599	40,215,485	13,010,114	32.4%	
Less estimated income	1,235,037	1,725,431	(490,394)	-28.4%	
Subtotal general fund appropriation	51,990,562	38,490,054	13,500,508	35.1%	
System Projects:					Est provided by Industrial Commission
Capital Assets-Bond Payments	12,254,769	12,014,048	240,721		
Subtotal all funds	12,254,769	12,014,048	240,721	2.0%	
Less estimated income	417,250	717,250	(300,000)	-41.8%	
Subtotal general fund appropriation	11,837,519	11,296,798	540,721	4.8%	
TOTAL					
Total all funds	103,926,168	92,969,919	10,956,249	11.8%	
Less estimated income	3,754,718	4,904,889	(1,150,171)	-23.4%	
Total general fund appropriation	100,171,450	88,065,030	12,106,420	13.7%	

[1]Continuing appropriation language from the Land and Minerals Trust Fund is included in another bill. Estimated cost for 11-13 is $10 million.

HB1003
NDUS
Attachment #3
1/11/11

HB 1003
NDUS

11.9055.01000

Prepared by the North Dakota Legislative Council staff

January 2011 1/31/11 Handout

NORTH DAKOTA STATE AGENCY AND INSTITUTION VACANT POSITIONS AS OF DECEMBER 31, 2010, INCLUDED IN THE 2011-13 EXECUTIVE BUDGET

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2011	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2011-13 Executive Budget		
							General Fund	Special Funds	Total
GENERAL GOVERNMENT									
101 - Governor									
1	1.00	Nonclassified	12/10	1	04/11	Search ongoing	$199,248		$199,248
108 - Secretary of State									
44	1.00	Business communications specialist	10/09	15	Unknown	Will advertise position soon	$110,425		$110,425
110 - Office of Management and Budget									
155	1.00	Administrative assistant III	08/06	53	02/11	Reclassified as a printing manager and filled	$25,040	$100,162	$125,202
150	1.00	Printing equipment operator III	12/08	25	07/12	Reclassified as a systems mechanic for the Heritage Center expansion for the last year of the 2011-13 biennium	69,369		69,369
160	1.00	Graphic artist I	06/10	7	07/12	Reclassified as a custodian for the Heritage Center expansion for the last year of the 2011-13 biennium	39,275		39,275
86	1.00	Plumber II	12/10	1	01/11	Filled	158,434		158,434
120	1.00	Custodian	09/09	16	03/11	Readvertising	68,693		68,693
144	1.00	Nonclassified	12/10	1	01/11	Filled	138,706		138,706
	6.00						$499,517	$100,162	$599,679
112 - Information Technology Department									
196	1.00	Programmer/analyst III	11/10	2	01/11	Filled		$169,665	$169,665
222	1.00	System administrator II	11/10	2	01/11	Interviewing		171,336	171,336
226	1.00	Senior programmer/analyst	12/08	25	04/11	Position is for the quality assurance program which begins in April 2011		208,123	208,123
228	1.00	Programmer/analyst II	04/09	21	02/11	Interviewing		202,207	202,207
273	1.00	Telecom analyst III	08/09	17	02/11	Interviewing		225,873	225,873
278	1.00	Customer technical support III	08/09	17	05/11	Position will be filled when workload increases		169,665	169,665
311	1.00	Programmer/analyst III	07/09	18	04/11	Position is for the quality assurance program which begins in April 2011		178,540	178,540
365	1.00	System administrator I	09/10	4	01/11	Interviewing		148,395	148,395
386	1.00	Programmer/analyst II	01/10	12	07/11	Position will be filled when system is implemented		132,597	132,597
397	1.00	Information systems security analyst	06/08	31	01/12	Position will be needed for the new MMIS system		169,591	169,591
24045	1.00	Programmer/analyst II	11/10	2	01/11	Interviewing		148,557	148,557
25503	1.00	Project manager II	07/08	30	02/11	Interviewing		202,207	202,207
25508	1.00	Programmer	06/08	31	07/11	Position will be filled when system is implemented		132,597	132,597
26959	1.00	PowerSchool specialist	10/10	3	01/11	Filled		149,992	149,992
26977	1.00	System administrator III	07/09	18	02/11	Interviewing		202,207	202,207
Center for Distance Education									
323-2	0.30	Teacher VI	08/06	53	Unknown	Will fill when there is a customer need		37,164	37,164
325-2	0.30	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		43,384	43,384
326	1.00	Teacher IV	07/10	6	Unknown	Will fill when there is a customer need		113,106	113,106
329-1	0.50	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
329-2	0.50	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
335	1.00	Office assistant III	07/08	30	Unknown	Will fill when there is a customer need		88,765	88,765
337	0.80	Graphic artist I	11/07	38	Unknown	Will fill when there is a customer need		75,192	75,192
339	0.30	Teacher I	06/08	31	Unknown	Will fill when there is a customer need		12,447	12,447
424-2	0.50	Teacher III	07/10	6	Unknown	Will fill when there is a customer need		79,040	79,040
425-2	0.40	Teacher III	02/06	59	Unknown	Will fill when there is a customer need		44,357	44,357
427-2	0.50	Administrative assistant II	07/10	6	Unknown	Will fill when there is a customer need		71,476	71,476
428-2	0.10	Teacher III	10/08	27	Unknown	Will fill when there is a customer need		10,225	10,225
429-2	0.90	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		111,918	111,918
438-2	0.50	Teacher III	07/10	6	Unknown	Will fill when there is a customer need		72,797	72,797

10224	0.50	Custodian	07/08	30	Unknown	Will fill when there is a customer need		42,253	42,253
22892-2	0.50	Programmer analyst I	07/11	6	Unknown	Will fill when there is a customer need		66,630	66,630
	23.60							$3,629,144	$3,629,144
117 - State Auditor									
562	1.00	Auditor I	08/10	5	01/11	Filled	$122,332		$122,332
541	1.00	Auditor II	05/08	32	04/11	Vacant		$119,373	119,373
531	1.00	Auditor II	05/08	32	04/11	Vacant		119,373	119,373
	3.00						$122,332	$238,746	$361,078
120 - State Treasurer									
No vacant positions									
125 - Attorney General									
10286	1.00	Identification technician	04/10	9	03/11	Advertising	$92,675		$92,675
26618	1.00	Identification technician	12/10	1	03/11	Advertising	92,675		92,675
	2.00						$185,350		$185,350
127 - Tax Commissioner									
825	1.00	Project manager	06/10	7	05/11	Reviewing staffing needs and possible reclassification	$139,712		$139,712
793	1.00	Information technology manager	12/10	1	01/11	Advertising	216,096		216,096
	2.00						$355,808		$355,808
140 - Office of Administrative Hearings									
No vacant positions									
160 - Legislative Council									
7000820	1.00	Research librarian	10/10	3	05/11	Filled with temporary employee	$180,598		$180,598
849	1.00	Information processing supervisor	12/10	1	06/11	Filled with temporary employee	126,754		126,754
287219	1.00	Legislative services specialist	10/10	3	05/11	Filled with temporary employee	86,855		86,855
511593	1.00	Manager, information technology	10/10	3	02/11	Interviewing	201,680		201,680
	4.00						$595,887		$595,887
180 - Judicial branch									
No vacant positions									
188 - Commission on Legal Counsel for Indigents									
1588	1.00	Clerk III	11/10	2	01/11	Interviewing	$88,494		$88,494
190 - Retirement and Investment Office									
No vacant positions									
192 - Public Employees Retirement System									
1233	1.00	Office assistant III	09/10	4	02/11	Interviewing		$97,467	$97,467
EDUCATION									
201 - Department of Public Instruction									
1283	0.75	Office assistant III	11/10	2	01/11	Offer pending	$29,948	$29,948	$59,896
1286	1.00	Director/primary secondary educ programs	09/10	4	07/11	Offer pending		186,009	186,009
1308	0.50	Administrative assistant III	10/09	15	01/11	Offer pending	41,418	12,372	53,790
	2.25						$71,366	$228,329	$299,695
226 - Land Department									
1300	1.00	Revenue compliance director	09/10	4	02/11	Advertising		$187,415	$187,415
1479	1.00	Mineral title specialist	07/09	18	01/11	Filled		196,408	196,408
1468	1.00	Mineral title specialist	11/10	2	04/11	Position being reclassified		137,124	137,124
	3.00							$520,947	$520,947

NOTE: The institutions of higher education are not included in this report since the North Dakota University System receives a "block grant" general fund appropriation.

250 - State Library

No vacant positions

252 - School for the Deaf									
1531	1.00	Superintendent	06/09	19	N/A	Shared position with North Dakota Vision Services - School for the Blind	$162,405		$162,405
1534	0.83	Faculty	07/09	18	01/11	Filled	131,664		131,664
1568	0.83	Faculty	08/07	41	01/11	Outreach position to be filled in January 2011	131,664		131,664
1551	0.75	Faculty	07/10	6	06/11	Position designated for future services plan	154,874		154,874
	3.41						$580,607		$580,607
253 - North Dakota Vision Services - School for the Blind									
1589	0.75	Maintenance worker I	11/10	2	01/11	Filled		$63,658	$63,658
270 - Department of Career and Technical Education									
1614	1.00	Programmer analyst II	09/10	4	Unknown	Pending	$105,838	$35,279	$141,117
1642	0.50	Trainee position	07/02	102	Unknown	Pending	57,084		57,084
1640	1.00	Administrative assistant II	08/10	5	Unknown	Pending	108,501		108,501
	2.50						$271,423	$35,279	$306,702
HEALTH AND WELFARE									
301 - State Department of Health									
1770	1.00	Environmental engineer II	11/10	2	02/11	Offer pending	$32,370	$97,111	$129,481
1780	1.00	Epidemiologist II	12/10	1	02/11	Offer pending	29,392	88,177	117,569
1910	1.00	Health care facility surveyor III	11/10	2	03/11	Advertised "open until filled"	39,303	117,908	157,211
1932	1.00	Health care facility surveyor II	05/10	8	03/11	Advertised "open until filled"	13,801	124,210	138,011
1954	1.00	Microbiologist II	11/10	2	01/11	Offer pending		118,841	118,841
28660	1.00	Performance improvement coordinator	12/10	1	03/11	Interviewing		174,103	174,103
1740	1.00	Environmental scientist (class pending)	09/07	40	03/11	Advertising	70,285	70,285	140,570
1778	1.00	Administrative assistant II	11/10	2	04/11	Preparing to advertise		94,864	94,864
	8.00						$185,151	$885,499	$1,070,650
305 - Tobacco Prevention and Control Committee									
No vacant positions									
313 - Veterans' Home									
3044	1.00	Activity assistant II	12/10	1	01/11	Filled		$87,749	$87,749
3051	0.60	Health care orderly II	04/10	9	01/11	Advertising		57,749	57,749
3061	1.00	Administrative assistant III	11/10	2	02/11	Position being reclassified		88,626	88,626
3077	1.00	Health care orderly II	12/10	1	01/11	Advertising		80,502	80,502
	3.60							$314,626	$314,626
316 - Indian Affairs Commission									
No vacant positions									
321 - Department of Veterans' Affairs									
No vacant positions									
325 - Department of Human Services									
Administration/Support									
3187	1.00	Administrative staff officer I	12/10	1	04/11	Difficult to fill during session	$110,317	$26,570	$136,887
3300	1.00	Deputy - Not classified	08/05	65	Unknown	Retaining for use in future administration	36	8	44
Children and Family Services									
27069	0.50	Human service program specialist	12/10	1	03/11	Assessing	42,079	18,896	60,975
Medical Services									
3777	1.00	Human service program administrator VI	11/10	2	03/11	Recruiting	108,389	92,072	200,461
Child Support									
3197	1.00	Office assistant III	11/10	2	05/11	Assessing	29,010	54,568	83,578
4378	1.00	Human service program administrator V	11/10	2	05/11	Assessing	75,053	141,176	216,229
25705	1.00	Child support investigator I	11/10	2	03/11	Recruiting	33,868	65,744	99,612
25738	1.00	Attorney I	10/10	3	01/11	Filled	49,810	96,691	146,501
25794	0.50	Paralegal	07/07	42	As soon as possible	Assessing	23,700	44,581	68,281
25822	1.00	Regional child support program administrator	12/10	1	07/11	Assessing	22,092	125,681	147,773
25827	1.00	Administrative assistant I	09/10	4	02/11	Recruiting	29,845	57,934	87,779

	Vocational Rehabilitation								
3481	1.00	Client assistance program administrator II	09/10	4	04/11	Assessing		161,086	161,086
	North Central Human Service Center								
3499	1.00	Human service aide II	12/10	1	03/11	Recruiting	100,540	48,496	149,036
	Lake Region Human Service Center								
3509	1.00	Vocational rehabilitation counselor II	12/10	1	03/11	Recruiting	24,605	90,913	115,518
3761	1.00	Addiction counselor II	12/10	1	04/11	Recruiting	61,230	81,297	142,527
3946	1.00	Addiction counselor II	09/09	16	04/11	Recruiting	55,092	73,147	128,239
4264	1.00	Human service aide II	10/10	3	02/11	Recruiting	58,483	31,741	90,224
	Southeast Human Service Center								
4110	0.50	Human service aide II	12/10	1	03/11	Assessing	23,834	28,071	51,905
4212	1.00	Human relations counselor	11/10	2	02/11	Recruiting	5,370	114,230	119,600
4228	0.10	Registered nurse II	01/06	60	07/11	Assessing; will likely add to part-time position	6,816	2,719	9,535
24921	1.00	MI case manager II	11/10	2	02/11	Recruiting	56,165	56,957	113,122
	South Central Human Service Center								
3263	1.00	Administrative assistant I	12/10	1	02/11	Recruiting	76,055	10,915	86,970
3916	1.00	Development disabilities case manager II	12/10	1	02/11	Recruiting	61,570	53,386	114,956
4304	1.00	Physician	09/03	88	As soon as possible	Recruiting	398,556	145,324	543,880
24846	0.50	Development disabilities case manager II	07/10	6	02/11	Recruiting	35,524	30,802	66,326
	West Central Human Service Center								
3780	1.00	Unclassified	04/10	9	06/11	Filled	396,456	86,968	483,424
4040	1.00	Human relations counselor	10/10	3	02/11	Recruiting	16,507	102,590	119,097
	Badlands Human Service Center								
3969	1.00	Psychiatrist	01/09	24	As soon as possible	Recruiting	421,222	174,313	595,535
4102	1.00	Human relations counselor	08/10	5	04/11	Assessing	42,137	82,345	124,482
	State Hospital								
2540	1.00	Office assistant III	12/10	1	01/11	Recruiting	82,073		82,073
2549	1.00	Treatment unit director	11/10	2	03/11	Recruiting	94,366	82,085	176,451
2567	1.00	Plumber II	12/10	1	02/11	Recruiting	128,526		128,526
2577	1.00	Equipment operator II	12/10	1	02/11	Recruiting	92,138		92,138
2656	1.00	Physician - Medical director	12/10	1	04/11	Filled	673,456	34,774	708,230
2700	1.00	Industries specialist I	12/10	1	02/11	Recruiting	55,787	55,787	111,574
2715	1.00	Therapeutic rec specialist II	12/10	1	02/11	Recruiting		131,218	131,218
2746	1.00	Registered nurse II	11/10	2	02/11	Recruiting	111,346	56,318	167,664
2755	0.80	Registered nurse II	01/10	12	02/11	Recruiting	69,556	35,180	104,736
2767	1.00	Registered nurse II	09/10	4	02/11	Recruiting	90,305	45,676	135,981
2772	1.00	Behavioral health technician II	12/10	1	01/11	Filled	44,069	45,229	89,298
2789	1.00	Behavioral health technician II	12/10	1	01/11	Filled	47,865	49,125	96,990
2792	1.00	Licensed practical nurse II	09/10	4	01/11	Filled	49,573	50,878	100,451
2866	0.50	Registered nurse II	10/10	3	02/11	Recruiting	1,535	85,663	87,198
2879	1.00	Behavioral health technician I	12/10	1	01/11	Filled	58,596	29,637	88,233
2896	1.00	Licensed practical nurse II	12/10	1	02/11	Recruiting	70,030	35,421	105,451
2897	1.00	Behavioral health technician I	12/10	1	02/11	Recruiting		91,458	91,458
2942	1.00	Behavioral health technician II	11/10	2	01/11	Filled	89,594		89,594
2981	0.50	Licensed practical nurse II	12/10	1	02/11	Recruiting	42,463	21,478	63,941
24588	1.00	Behavioral health technician II	12/10	1	01/11	Filled	99,948		99,948
24600	1.00	Behavioral health technician II	12/10	1	02/11	Recruiting	91,724		91,724
27137	0.50	Registered nurse II	06/10	7	02/11	Recruiting	36,411	37,370	73,781
27386	1.00	Registered nurse II	10/10	3	02/11	Recruiting	88,910	44,970	133,880
	Developmental Center								
2016	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	39,194	63,920	103,114
2024	1.00	Direct training technician	12/10	1	02/11	Recruiting	28,981	47,263	76,244
2126	1.00	Behavioral modification specialist II	06/10	7	02/11	Recruiting	45,490	74,190	119,680
2157	1.00	Human resource officer II	08/10	5	07/11	Assessing	60,277	98,305	158,582
2168	1.00	Direct training technician II	11/10	2	03/11	Recruiting	28,981	47,264	76,245
2240	1.00	Direct training technician	12/10	1	01/11	Filled	28,981	47,263	76,244
2244	1.00	Assistant residential supervisor	08/10	5	03/11	Recruiting	32,345	52,753	85,098
2251	1.00	Direct training technician II	01/10	12	03/11	Recruiting	34,785	56,732	91,517
2272	1.00	Direct training technician II	11/10	2	03/11	Recruiting	37,350	60,912	98,262
2292	1.00	Unit program coordinator	08/10	5	03/11	Recruiting	48,077	78,408	126,485
2318	1.00	Senior residential supervisor	12/10	1	03/11	Recruiting	36,551	59,611	96,162
2328	1.00	Behavioral modification specialist II	09/09	16	03/11	Recruiting	50,135	81,763	131,898
2330	1.00	Direct training technician	11/10	2	03/11	Recruiting	30,019	48,960	78,979

2333	1.00	Direct training technician	11/10	2	03/11	Recruiting	27,987	45,644	73,631
2340	1.00	Unit program coordinator	09/10	4	03/11	Recruiting	54,790	89,356	144,146
2366	1.00	Direct training technician	11/10	2	03/11	Recruiting	31,607	51,548	83,155
2378	1.00	Direct training technician	09/10	4	03/11	Recruiting	35,651	58,144	93,795
2384	1.00	Direct training technician	11/10	2	03/11	Recruiting	28,981	47,263	76,244
2401	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	38,114	62,160	100,274
2451	0.75	Direct training technician	12/10	1	03/11	Recruiting	28,664	46,747	75,411
2455	1.00	Direct training technician	12/10	1	03/11	Recruiting	30,019	48,960	78,979
2457	1.00	Direct training technician	10/10	3	02/11	Recruiting	30,191	49,238	79,429
10199	0.50	Cook I	09/10	4	03/11	Recruiting	18,074	29,478	47,552
10207	1.00	Direct training technician II	08/10	5	03/11	Recruiting	35,112	57,263	92,375
	70.65						$5,342,988	$4,434,633	$9,777,621

360 - Protection and Advocacy Project

No vacant positions

380 - Job Service North Dakota

4611	1.00	Customer service specialist	12/10	1	02/11	Recruiting		$111,297	$111,297
4790	1.00	Program administrator I	04/10	9	03/11	Assessing position		122,199	122,199
4862	1.00	Manager of workforce programs	12/10	1	02/11	Recruiting	$6,770	191,177	197,947
23007	1.00	Customer service specialist	12/10	1	02/11	Recruiting		121,725	121,725
	4.00						$6,770	$546,398	$553,168

REGULATORY

401 - Insurance Commissioner

4872	1.00	Administrative assistant	12/10	1	02/11	Recently vacated		$104,850	$104,850
4885	1.00	Attorney	06/10	7	07/11	Reclassified and attempting to fill		169,665	169,665
	2.00							$274,515	$274,515

405 - Industrial Commission

4977	1.00	Loan officer I	08/01	113	Unknown	Under review		$110,996	$110,996
4940	1.00	Other not classified	12/10	1	02/11	Advertising	$128,246	12,684	140,930
27608	0.31	Budgeted pending classification	07/09	18	Unknown	Retaining for use in future administration		20,668	20,668
	2.31						$128,246	$144,348	$272,594

406 - Labor Commissioner

No vacant positions

408 - Public Service Commission

5037	1.00	Environmental scientist III	07/10	6	03/11	Readvertising	$61,782	$109,836	$171,618

412 - Aeronautics Commission

5041	1.00	Public information specialist I	08/10	5	03/11	Developing job description		$122,295	$122,295

413 - Department of Financial Institutions

No vacant positions

414 - Securities Commissioner

5070	1.00	Examiner/investigator II	10/10	3	03/10	Position being reclassified	$148,491		$148,491

471 - Bank of North Dakota

10382	1.00	Admin assistant III	12/10	1	02/11	Recruiting		$123,525	$123,525
10522	1.00	Computer operator I	10/10	3	2011	Staffing plan is being reviewed		104,407	104,407
10400	1.00	SVP/banking services	09/10	4	2011	Staffing plan is being reviewed		281,147	281,147
10457	1.00	Auditor II	08/10	5	2011	Staffing plan is being reviewed		145,219	145,219
25422	0.50	Admin assistant I	08/10	5	2011	Staffing plan is being reviewed		59,427	59,427
10443	1.00	Programmer analyst III	07/10	6	2011	Staffing plan is being reviewed		172,524	172,524
10360	1.00	Bank op processing technician	06/10	7	2011	Staffing plan is being reviewed		90,206	90,206
10507	1.00	Accounting manager	04/10	9	2011	Staffing plan is being reviewed		189,121	189,121
10434	0.33	Investment professional	04/10	9	2011	Staffing plan is being reviewed		88,280	88,280
10513	1.00	SVP/director student loans	04/10	9	2011	Staffing plan is being reviewed		346,783	346,783
10520	0.75	Account tech II	10/09	15	2011	Staffing plan is being reviewed		84,366	84,366
10404	0.50	Office assistant II	10/09	15	2011	Staffing plan is being reviewed		53,203	53,203
10396	0.65	Bank op processing technician	02/09	23	2011	Staffing plan is being reviewed		66,113	66,113

10445	1.00	Programmer analyst III	06/08	31	02/11	Recruiting		172,525	172,525
	11.73							$1,976,846	$1,976,846
473 - Housing Finance Agency									
57	1.00	Housing program administrator II	Never filled	18	Unknown	Will fill as needed		$157,713	$157,713
58	1.00	Rental housing program representative	Never filled	18	Unknown	Will fill as needed		125,763	125,763
59	1.00	Home ownership specialist I	Never filled	18	Unknown	Will fill as needed		115,395	115,395
	3.00							$398,871	$398,871
475 - Mill and Elevator Association									
7	1.00	Utility worker - Milling	11/10	2	01/11	Returning military leave employee		$91,928	$91,928
2063	1.00	Utility worker - Terminal	12/10	1	01/11	Filled by moving a temporary employee to full time		91,928	91,928
	2.00							$183,856	$183,856
485 - Workforce Safety and Insurance									
5207	1.00	Staff counsel	01/08	36	04/11	Pending pharmacy-related legislation		$189,237	$189,237
5282	1.00	Underwriter	05/08	32	06/11	Pending new program development		189,237	189,237
DISC-1-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		138,492	138,492
DISC-2-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		158,202	158,202
DISC-3-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		158,202	158,202
DISC-4-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-5-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-6-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-7-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-8-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-9-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
	0.59	Other			Unknown	Position on hold			
	11.59							$1,564,254	$1,564,254
PUBLIC SAFETY									
504 - Highway Patrol									
5455	1.00	Administrative assistant II	09/10	4	01/11	Conducting background investigation	$88,593	$13,238	$101,831
5442	1.00	Highway Patrol officer	01/10	12	07/11	Accepting applications	123,856	18,507	142,363
5477	1.00	Highway Patrol officer	07/10	6	07/11	Accepting applications	123,856	18,507	142,363
5521	1.00	Highway Patrol officer	10/10	3	07/11	Accepting applications	156,139	23,331	179,470
5545	1.00	Highway Patrol officer	05/10	8	07/11	Accepting applications	123,856	18,507	142,363
25866	1.00	Highway Patrol officer	12/10	1	07/11	Accepting applications	126,349	18,880	145,229
	6.00						$742,649	$110,970	$853,619
530 - Department of Corrections and Rehabilitation									
Juvenile Services									
223-1457	1.00	Juvenile institutional resident specialist II	12/10	1	01/11	Filled	$115,603		$115,603
224-6074	1.00	Senior juvenile correctional specialist	09/10	4	03/11	Determining position responsibilities	148,306		148,306
224-6073	0.50	Juvenile correctional specialist	09/10	4	03/11	Position is half time with no medical benefits	63,784		63,784
Adult Services									
518-5679	1.00	Correctional program administrator	09/10	4	03/11	Organization restructuring in Education Unit	126,868		126,868
518-5685	1.00	Human relations counselor	10/10	3	02/11	Advertising	116,048		116,048
518-5681	1.00	Addiction counselor I	10/10	3	02/11	Filled	111,209		111,209
518-5689	1.00	Correctional unit manager	12/10	1	01/11	Filled	157,494		157,494
518-5751	1.00	Correctional officer I	12/10	1	02/11	Advertising	101,138		101,138
519-5957	1.00	Correctional officer III	12/10	1	01/11	Filled	120,929		120,929
517-6015	1.00	Correctional caseworker	12/10	1	01/11	Filled	132,450		132,450
502-6052	1.00	Correctional program administrator	07/10	6	02/11	Interviewing	91,306		91,306
520-0351	1.00	Assistant director Roughrider Industries	07/09	18	Unknown	Vacant		$105,772	105,772
	11.50						$1,285,135	$105,772	$1,390,907
540 - Adjutant General, including National Guard and Department of Emergency Services									
6169	1.00	Public information specialist III	12/10	1	03/10	Screening applications		$145,569	$145,569
6208	1.00	National Guard security/firefighter	09/09	16	04/10	Reclassification		118,226	118,226
6223	1.00	National Guard security/firefighter	10/10	3	10/11	Pending advertisement		124,563	124,563
6225	1.00	National Guard security/firefighter	06/10	7	10/11	Pending advertisement		124,563	124,563
6226	1.00	National Guard security/firefighter	02/10	11	04/10	Reclassification		118,226	118,226
6231	1.00	National Guard security/firefighter	12/10	1	03/10	Pending advertisement		154,769	154,769
	6.00							$785,916	$785,916

AGRICULTURE AND ECONOMIC DEVELOPMENT

601 - Department of Commerce

No vacant positions

602 - Agriculture Commissioner

6311	1.00	Agriculture program specialist	12/10	1	02/11	Advertising	$127,361		$127,361
6336	1.00	Grants/contracts officer	5/09	20	02/11	Reviewing applications	119,299		119,299
6355	1.00	Administrative assistant	12/10	1	02/11	Advertising		$102,200	102,200
12626	0.50	Veterinarian I	01/10	12	07/11	Position was budgeted with federal funds for the 2009-11 biennium. Due to a reduction in federal funds, the position has been unfilled. The executive budget reclassifies the position and moves the position to the Business Development program area.	71,017		71,017
27697	1.00	Pending classification	Never filled	18	02/11	Advertising (new position added by 2009 Legislative Assembly)	54,383	50,199	104,582
	1.00	Not classified	Never filled	6	05/11	Position added by the 2009 Legislative Assembly with a July 1, 2010, start date	54,383	50,199	104,582
	1.00	Not classified	Never filled	18	07/11	Position added by the 2009 Legislative Assembly without funding for the 2009-11 biennium		104,582	104,582
	6.50						$426,443	$307,180	$733,623

616 - State Seed Department

6386	1.00	Director of field seeds programs	03/05	70	07/11	Evaluating strategic plan, possible reassignment		$129,550	$129,550
6392	1.00	Laboratory technician II	05/10	8	07/11	Evaluating area		82,200	82,200
6393	0.50	Seed analyst I	05/05	68	07/11	Fill upon impending retirement in seed lab		51,494	51,494
6398	1.00	Senior seed analyst	06/09	19	07/11	Fill upon impending retirement in seed lab		97,807	97,807
6407	1.00	Seed production & lab specialist	10/10	3	03/11	Reorganizing - Plan is to reduce to .5 and fill		154,785	154,785
6410	0.50	Seed inspector I	09/99	136	Unknown	Fill depending on retirement or resignation in program		25,743	25,743
6411	1.00	Senior seed inspector	08/04	77	07/11	Planned internal promotion		105,174	105,174
6414	1.00	Seed inspector II	08/10	5	04/11	Filling with field seed/regulatory inspector		121,918	121,918
	7.00							$768,671	$768,671

627 - Upper Great Plains Transportation Institute

18500	1.00	Senior software engineer	10/10	3	03/11	Plans are to advertise pending contract renewal		$231,430	$231,430
22856	1.00	Associate research fellow	02/10	11	04/11	Plans are to advertise in March 2011		191,675	191,675
24714	1.00	Associate research fellow	08/10	5	Unknown	Position on hold pending additional funding		234,160	234,160
26735	1.00	Administrative assistant	03/10	10	Unknown	Position on hold pending additional funding		109,578	109,578
26743	1.00	Instructional designer	09/09	16	03/11	Advertising		136,770	136,770
	5.00							$903,613	$903,613

628 - Branch research stations

19219	0.50	Accounting/finance professional	09/10	4	04/11	Will be recruiting	$56,738		$56,738
20127	1.00	Asst research extension center specialist	08/10	5	01/11	Offer pending	97,276		97,276
26216	1.00	General science professional	08/10	5	03/11	Will be recruiting	52,500		52,500
19699	1.00	Asst research extension center specialist	10/10	3	02/11	Recruiting	132,300		132,300
26273	1.00	Natural/physical science technician	12/10	1	02/11	Recruiting		$59,186	59,186
	4.50						$338,814	$59,186	$398,000

630 - NDSU Extension Service

25323	0.25	Accounting/finance professional	10/10	3	04/11	Will be recruiting	$46,470		$46,470
19229	1.00	Extension agent	08/09	17	Unknown	Recruiting		$82,778	82,778
20358	1.00	Extension agent	04/10	9	03/11	Recruiting		71,926	71,926
21348	1.00	Extension agent	08/10	5	02/11	Offer pending	78,640	47,750	126,390
23436	1.00	Extension agent	01/09	24	N/A	Funding ended. Position will be closed.		61,400	61,400
27366	1.00	Extension agent	03/10	10	Unknown	Recruiting		63,400	63,400
20254	1.00	Extension agent	11/10	2	05/11	Department reorganizing	128,578		128,578
20998	1.00	Extension specialist	06/10	7	05/11	Department reorganizing	152,488		152,488
18581	0.05	Chair/head	07/10	6	03/11	Recruiting	14,282		14,282
19702	0.15	Professor	07/10	6	05/11	Offer pending	26,828		26,828
19348	0.05	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	13,876		13,876
19397	1.00	Educational services technician	04/10	9	N/A	Funding ended. Position will be closed.		48,570	48,570
27287	1.00	Extension agent	07/10	6	Unknown	Recruiting		70,800	70,800
	9.50						$461,162	$446,624	$907,786

638 - Northern Crops Institute

No vacant positions

640 - Main Research Center

21765	0.80	Accounting/finance professional	12/10	1	04/11	Will be recruiting	$116,352		$116,352
25323	0.70	Accounting/finance professional	10/10	3	04/11	Will be recruiting	130,116		130,116
20247	1.00	General maintenance	12/10	1	03/11	Will be recruiting	103,580		103,580
18580	0.72	Chair/head	07/10	6	03/11	Recruiting	206,192		206,192
20848	0.85	Professor	08/09	17	04/11	Department reorganizing	165,667		165,667
23280	1.00	Natural/physical science technician	05/10	8	02/11	Recruiting	61,150		61,150
26883	1.00	International exchange scientist	12/10	1	04/11	Will be recruiting		$42,400	42,400
19351	0.89	Professor	09/08	28	04/11	Recruiting	163,393		163,393
26765	1.00	Natural/physical science professional	12/10	1	03/11	Will be recruiting		68,400	68,400
19165	1.00	General science professional	08/10	5	Unknown	Supervisor is currently serving as interim chair		62,200	62,200
19703	0.50	Professor	07/10	6	05/11	Offer pending	89,426		89,426
19769	0.90	Professor	07/10	6	Unknown	Faculty member is currently assigned to a temporary appointment	215,478		215,478
19998	0.60	Assistant professor	05/09	20	05/11	Department reorganizing	80,122		80,122
25067	1.00	International exchange scientist	11/10	2	04/11	Will be recruiting		131,200	131,200
27300	1.00	Natural/physical science professional	10/10	3	01/11	Filled	69,888		69,888
18940	1.00	Postdoctoral research fellow	04/10	9	N/A	Funding ended. Position will be closed.		90,438	90,438
19438	0.90	Assistant professor	08/10	5	04/11	Recruiting	149,429		149,429
19848	1.00	General science professional	09/10	4	05/11	Will be recruiting	77,660		77,660
25254	0.50	Postdoctoral research fellow	07/10	6	N/A	Funding ended. Position will be closed.		38,758	38,758
19348	0.60	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	166,525		166,525
	16.96						$1,794,978	$433,396	$2,228,374

649 - Agronomy Seed Farm

No vacant positions

670 - Racing Commission

No vacant positions

NATURAL RESOURCES AND HIGHWAYS

701 - State Historical Society

6465	1.00	Administrative assistant III	08/10	5	03/11	Filled	$104,592		$104,592

709 - Council on the Arts

No vacant positions

720 - Game and Fish Department

No vacant positions

750 - Parks and Recreation Department

6711	1.00	Devils Lake park ranger	09/10	4	02/11	Applications received	$115,229		$115,229

770 - State Water Commission

6729	1.00	Engineer manager I	12/10	1	03/11	Position analysis and review	$218,688		$218,688
6745	1.00	Engineering technician III	10/10	3	02/11	Interviewing	106,048		106,048
	2.00						$324,736		$324,736

801 - Department of Transportation

6818	1.00	Deputy - Not classified	10/10	3	01/11	Filled		$300,021	$300,021
7779	1.00	Admin transportation engineer I	11/10	2	01/11	Filled		164,015	$164,015
7413	1.00	Transportation technician II (Fargo)	12/10	1	01/11	Filled		117,070	117,070
6952	1.00	Licensing specialist I	12/10	1	01/11	Filled		96,717	96,717
7201	1.00	Transportation technician II (Jamestown)	11/10	2	01/11	Filled		109,999	109,999
7355	1.00	Transportation technician I (Grand Forks)	10/10	3	01/11	Filled		123,446	123,446
7612	1.00	Transportation technician I (Grand Forks)	11/10	2	01/11	Filled		103,077	103,077
7321	1.00	Transportation technician III (Killdeer/Halliday)	08/10	5	01/11	Filled		130,514	130,514
7806	1.00	Administrative officer II	06/10	7	02/11	Recruiting		146,620	146,620
7168	1.00	Transportation technician II (Valley City)	10/10	3	02/11	Recruiting		113,372	113,372
7119	1.00	Transportation engineer III	09/10	4	02/11	Recruiting		201,457	201,457
7821	1.00	Admin transportation engineer I	10/10	3	03/11	Recruiting		158,059	158,059
688	1.00	Driver's license examiner I	12/10	1		Recruiting		85,477	85,477

6902	1.00	Driver's license examiner supervisor	12/10	1	02/11	Recruiting		133,100	133,100
7113	1.00	Transportation technician II (Selfridge)	12/10	1	02/11	Recruiting and interviewing		105,683	105,683
7387	1.00	Transportation technician I (Williston)	12/10	1	02/11	Recruiting and interviewing		115,916	115,916
7390	1.00	Transportation technician I (Williston)	04/10	9	03/11	Recruiting and interviewing		89,759	89,759
7547	1.00	Storekeeper II	12/10	1	02/11	Recruiting and interviewing		94,459	94,459
7522	1.00	Fleet & equipment tech III (Minot)	10/10	3	03/11	Recruiting open until filled		120,310	120,310
7543	1.00	Fleet & equipment tech I (Williston)	01/10	12	03/11	Recruiting open until filled		109,542	109,542
6973	1.00	Research analyst IV	04/10	9	03/11	Recruiting and reclassified		181,134	181,134
7842	1.00	Administrative staff officer II	06/10	7	02/11	Recruiting and reclassified		140,851	140,851
7322	1.00	Transportation technician III (Dickinson)	12/10	1	02/11	Recruiting open until filled		119,363	119,363
7738	1.00	Engineering technician IV (Dickinson)	06/10	7	02/11	Offer pending		135,191	135,191
7765	1.00	Engineering technician II	04/10	9	02/11	Offer pending		181,134	181,134
7714	1.00	Transportation engineer II	11/10	2	03/11	Position moved to different division; will post soon		159,429	159,429
6989	1.00	Transportation engineer II	10/10	3	05/11	Reclassifying		156,708	156,708
6971	1.00	Planner II	10/10	3	03/11	Reclassifying		141,886	141,886
24733	1.00	Transportation engineer III	12/10	1	02/11	Reorganization		193,046	193,046
	29.00							$4,027,355	$4,027,355
	284.35	Total all agencies					$14,547,623	$23,818,392	$38,366,015

NOTE: **This report does not include North Dakota University System campuses since the University System receives a "block grant" general fund appropriation.**

HB 1003
UND School of Medicine
1/25/11
attachment #1

Thank you, President Kelley.

Good afternoon, Chairman Skarphol, members of the Committee, and guests. My name is Dr. Joshua Wynne, and I am proud to be the Vice President for Health Affairs at the University of North Dakota, and Dean of your School of Medicine and Health Sciences. As a representative of North Dakota's only medical school, I take seriously my responsibilities to our students, and to the health of the people of North Dakota. This afternoon, I would like to first give you a brief progress report on what we've accomplished over the last two years. Then I would like to review the details of our proposed budget. Our presentation should take about an hour. Our budget request is the result of a careful, disciplined, and conscientious approach that involved many stakeholders both from within—but more importantly—external to the School.

In my presentation this afternoon, I am well aware of the appropriate concern of members of the legislature regarding two critically important issues: accountability, and institutional performance, or, said in another way, return on investment. It is my intention to address both of these issues directly.

Let me begin with accountability. I'd like to start by providing an update regarding the Performance Audit that initially was conducted by the Office of the State Auditor at the School of Medicine and Health Sciences beginning in 2007. A follow-up analysis was completed recently, and the final report was just released late last year. Of the 35 initial recommendations, I'm pleased to indicate that we are now deemed to be in full compliance with 28. I'm particularly proud that we've been judged to be in full compliance with Recommendation number 9, which called for better communication, and an improvement in the School's decision-making process. We've instituted a variety of changes, including a formal process for promulgating policy changes. Called our "Policy on Policy", the protocol calls for a series of steps preceding any substantive policy change. Importantly, proposed policy drafts are posted to a secure section of our website where faculty members have two weeks to comment on the proposed policy.

We are in partial compliance with six recommendations, and anticipate being in full compliance on all of these issues by June of this year. As another example of our desire to demonstrate our commitment to full accountability, I'd like to briefly discuss Recommendation Number 30, which calls for an improvement in our Annual Report. Although not required by the university system or the University of North Dakota, the School has decided to publish a report at the conclusion of each academic year. We intend for it to be a "report card" regarding our performance during the prior year, and it will include an analysis of how we did on various key performance indicators. Importantly, the key performance indicators that we intend to include in our report have been shared with the Office of the State Auditor as a component of our response to the Performance Audit. You can rest assured that each and every one of you will get a copy of our Annual Report, which will constitute our report card for the year.

Another important measure of accountability relates to communicating with, and listening to, the citizens of North Dakota about healthcare issues. As you are all aware since you are on the e-mail list serve, every Friday the School publishes an electronic newsletter called *E-News* that brings information to thousands of stakeholders throughout the state, including students, faculty, staff...and legislators! I write a Dean's column almost every week, and I try to touch on items and issues that I think will be of interest and relevance to the audience.

Let me share another example of our enhanced attention to communication and feedback. Later today, you'll hear about the results of a survey of providers and administrators from throughout North Dakota that provided valuable insights into what else we might do to address the rural provider recruitment dilemma. The study was initiated by Dr. Larry Halvorson and his colleagues Drs. Bill Mann and Greg Greek in Grand Forks, and was a joint undertaking by Altru Hospital, the Altru Family Medicine residency program, and the School of Medicine and Health Sciences. We gained important knowledge and suggestions from those who know most about rural recruitment issues, namely the rural healthcare providers of North Dakota.

In addition to accountability, the other key consideration is our performance as an institution. What have we done with the people's money, with those funds that you have invested in the School? The return on that investment is of two basic forms. The first return is a non-financial return and actually is the more important one. Quite simply, it relates to the health of the people of North Dakota. And by that measure, your investment has been quite worthwhile. North Dakotans have one of the longest average life spans in the country, among the best health outcomes, and among the lowest cost of healthcare. Surely, the School should get some credit for that! The School has provided around 40 percent of the overall physician workforce, about 45 percent of the primary care workforce, and even more of the allied health workforce. But despite that, there *are* provider shortages, especially for primary care physicians and particularly in the rural and frontier regions of the state. We can, should, and will do more to ensure that the healthcare delivery system in North Dakota works better for all North Dakotans. More about this in a little while.

The second type of return on investment is purely financial. From that standpoint, the School is, quite simply, an economic engine for the state. Let me emphasize that I'm talking about direct economic impact, consisting of new revenue dollars that would not be present were it not for the School. By that measure, the School generates over two new dollars for every dollar of state funds invested. Many of these additional dollars are federal in origin, and include funding from grants and contracts, patient service income, hospital transfers, and Medicare dollars. For this coming biennium, the direct economic impact of these revenue streams will total over $100 million. Let me reiterate—we're talking about additions to North Dakota's gross state product of over $100 million that would not be part of our economic landscape were it not for the efforts of the faculty and staff of the School of Medicine and Health Sciences. Although the stock market has been doing well over

the last two years, I would challenge you to find an investment that returns over 200 percent on your investment—year after year after year!

Let me get down to the specifics of what we've done with the investment you made in your School. Over the last two years, we've graduated 115 new physicians, 508 new health sciences professionals, 64 new resident physicians, and we've helped educate over 3,000 other UND health professionals, including nurses, psychologists, and speech pathologists. And you can—and should—be proud of the quality of these young men and women. They pass their qualifying examinations in fine style, and bring honor and credit to the education that they received here and the values they learned in North Dakota. A larger fraction of our graduating medical school class has chosen to specialize in family medicine than any other medical school in the country.

From a research standpoint, the School continues to grow its research enterprise, and the respect with which it is held around the country. This past year we garnered the second-highest amount of external funding in the history of the School, and had a 48 percent increase in funding compared with the prior year, all at a time when there is incredibly fierce competition for a shrinking pool of research dollars.

Finally, the School has continued its service to the community in multiple ways, and in various locations throughout the state. Our Center for Rural Health, for example, has provided economic, technical, and expertise support to every single one of the 53 counties in the state, providing almost $4 million annually in financial support to meet healthcare delivery needs in rural and frontier communities across North Dakota.

Critically important has been the healthcare workforce contributions of the School and the residency training programs throughout the state. For example, in the last two years, 29 family medicine physicians were granted medical licensure by the State Board of Medical Examiners to practice in North Dakota, and 16 or 55 percent of those new doctors received some or all of their training at UND. Thus, the impact of the School and the residency programs throughout the state has been substantial, and important. But as I indicated earlier, problems remain. The distribution of healthcare providers throughout the state continues to be uneven, with about 4 out of 5 of all of the physicians in the state practicing in the urban areas. This leaves the rural and frontier regions with an often inadequate supply of providers. Although there are relatively more primary care providers in the non-urban areas than is seen with specialists, there are still major unmet needs. When Mr. Molmen presents our healthcare plan, he is will outline the specific steps that the School of Medicine and Health Sciences Advisory Council and we at the School feel will help alleviate or even eliminate those provider shortages. To be clear, some of our proposals will require substantive financial support by the legislature. But many others will not cost a dime, and can be accomplished without legislative mandate. Most of these relate to efforts to increase retention of physicians in the state. To illustrate our plans, I'd like to briefly recount a conversation I had recently with a third year medical student, as I reported last week in my *E-News* column. Derrick is from

Dickinson, and initially was interested in orthopedic surgery as a career. Because he wasn't sure about his choice and had some interest in rural practice, he enrolled in our Rural Opportunities in Medical Education, or ROME program—and loved the experience! As a result, he has decided to forgo orthopedic surgery, and instead practice general surgery in a rural region of North Dakota. When I asked him what we could do to increase physician retention in the state, he suggested that we follow his example by admitting more students with rural backgrounds, and expanding the contact that all of our students have with rural practice. And those are two of the more important things that we plan to do. Let me be clear—the first and most effective step in our workforce enhancement efforts will be to focus on even better retention. But as we'll discuss, we'll need to match that effort with an expansion of the entire workforce pipeline, including expanding class size.

I'd like to begin the budget discussion with a report on our current financial status. I'll ask Associate Dean Randy Eken to review our financial statements. Dean Eken...

Dean Eken's comments follow:

Thank you, Dr. Wynne.

Chairman Skarphol and members of the committee, my name is Randy Eken and I am the Associate Dean for Administration and Finance. Dr. Wynne has asked that I review with you pages 1-6 of the handout that was just given to you. Dr. Wynne will review pages 7 and 8 later in his testimony.

I do want to make a general comment regarding SMHS finance before I review the reports with you. The School of Medicine & Health Sciences' financial records and activity are entirely integrated into the University of North Dakota's administrative and financial structure. As you heard from testimony last week by UND Vice President Brekke, the SMHS financial data is included in all of the audited financial statements of the University of North Dakota. In that regard, the SMHS is very grateful to Vice President Brekke and her departments that provide such excellent support to the SMHS for our operations.

I will now present a brief overview of the SMHS financial reports.

Page 1 is a "budget to actual" report on the Appropriations of the SMHS. In the SMHS, our appropriations revenue includes the state-wide one-mill levy, in addition to tuition and the general fund.

I believe the committee is familiar with the format of these reports. On the first half of the report, you can see that our fy10 budget for state appropriations was $33,986,271 and that our expenditures were $33,659,938, leaving a budget balance of $326,333. This budget balance left unspent matches a slight short-fall in our tuition revenues in fy10.

Our state appropriation budget for fy11 is $35,996,758. FY11 Expenditures through November 30, 2010 were $12,738,658. I anticipate that both revenues and expenditures will match the fy11 budget amounts.

Page 2 is a review of SMHS local funds. Local funds for the SMHS are primarily comprised of revenue sources related to our clinical programs. Revenues from our Centers for Family Medicine in Minot and Bismarck, affiliated teaching hospital payments for residency program support, and patient care revenue from clinical faculty medical practice comprise roughly 80 percent of our local fund revenues. The volatile nature of these revenue streams causes us to budget our local funds conservatively, to allow for unexpected expenditures and revenues. The management of local funds is difficult because of the modified accrual nature of fund accounting. Our actual daily management of the local funds is done by a combination of cash and equity balance, and for some funds, such as the Centers for Family Medicine, full accrual statements are done by my office on a monthly basis.

In fy10, total budgets for local funds were $29,404,106, and expenditures totaled $18,661,933.

Our fy11 local funds are budgeted at $25,058,318, and expenditures through November 30, 2010 were $8,534,388.

Page 3 is the report of our grants and contact expenditures. As has been discussed with the committee, budgeting within the grants area is problematic because each grant or contract is funded according to the particular granting agency guidelines. These guidelines, in many cases, do not match our fiscal year cycles. The SMHS has a grants and contracts officer to assist the campus with the administration of our grants.

In fy10, total grant and contract expenditures in the SMHS totaled $17,298,022. Through November 30, 2010, fy11 grant and contract expenditures for the SMHS total $6,925,916.

Pages 4, 5, 6 will be reviewed.

Thank you, Randy.

We'd now like to outline our budget requests for this coming biennium, which are based on the healthcare plan that has been approved and endorsed by the Advisory Council and the State Board of Higher Education. We'll begin with a review of the health status of the state, followed by an analysis of future needs, and finally, with our plan for dealing with the healthcare needs of North Dakota. The report will be provided by Mr. Dave Molmen, who is Chief Executive Officer of Altru Health System based in Grand Forks, North Dakota, and Chair of the School's Advisory Council. Mr. Molmen...

Mr. Molmen's comments follow:

Thank you Dave.

We were very pleased when the Governor included two key components of the plan in his executive budget, including the Master of Public Health or MPH degree program proposal, and the geriatrics training program initiative. We are particularly proud of the MPH proposal, since it will be a first of its kind in the state, and perhaps the country. For it is a truly cooperative and integrated program that will be offered jointly by the University of North Dakota and North Dakota State University. To outline the unique features of this program, I'd like to call on my colleague Dr. Charles Peterson, Professor and Dean of the College of Pharmacy, Nursing and Allied Sciences at NDSU. Dean Peterson...

Dr. Peterson's comments follow:

Thank you, Dr. Wynne. Chairman Skarphol, distinguished members of the House Appropriations Education and Environment Division and invited guests. I am very happy to be here today to present to you a new program which Dr. Wynne and I are very excited about which was jointly developed by North Dakota State University College of Pharmacy, Nursing, and Allied Sciences and the University of North Dakota School of Medicine and Health Sciences, both of which have a long standing history of delivering high quality health education, research, and service to the state, region, and nation. Our new NDSU/UND Joint Master of Public Health degree program was approved on November 4, 2010 by the North Dakota State Board of Higher Education. With the assistance and support of our State Health Officer, Dr. Terry Dwelle, this program has been custom designed by North Dakotans specifically for North Dakota to address the critical public health needs of the state. We feel this program is greatly needed in North Dakota and will deliver important health promotion and disease prevention programs to the citizens of the state in a very unique and innovative way, especially in the medically underserved rural communities across the state that need it the most.

There are several reasons we feel this program is greatly needed in the state. First, North Dakota currently does not have a school of public health. Secondly, national standards for healthcare delivery and healthcare education are changing and emphasizing the need for more health promotion and disease prevention programs. With the current escalating costs of healthcare, effective health promotion and disease prevention programs can help the state significantly reduce healthcare costs, improve quality of life, increase worker productivity, and produce healthier people and lifestyles. All these things are good for North Dakota. In addition, new accreditation standards for health professions schools (like our pharmacy program at NDSU) are now requiring a major emphasis in public health, and unless we adequately address these new expectations and standards, we place our program and our students at risk regarding their future accreditation and licensure. In addition, there are major challenges in North Dakota and throughout the U.S. with severe shortages of health professionals including public health workers, and problems with access to healthcare services especially in many rural communities across the state. This program addresses these critical needs by developing a

unique approach to public health which focuses on cross-training health professionals (i.e., physicians, pharmacists, nurses, others), expands their roles as health professionals, increases the public health workforce in the state, and meets the critical public health needs of North Dakota's rural communities. This unique and innovative approach to public health, along with it being delivered jointly by a school of pharmacy and school of medicine, makes it the only one of its kind in the country. We are convinced that this program will place North Dakota on the map as being a national leader in public health and it will keep our state's strong history and tradition of being a national leader for excellence and innovation in healthcare delivery, education, and research.

Each institution offers unique resources to support this public health training program and therefore each student will be able to access the full range of coursework available at either institution, regardless of where the student is matriculated, which produces a model that maximizes opportunities for students while minimizing duplication and costs. NDSU and UND will coordinate not only their curricula, but their admission process, marketing efforts, and tuition charges to ensure that this joint MPH program is truly an integrated, coordinated, and seamless combined effort between the two institutions. The program will be structured to fully comply with and achieve accreditation from the Council on Education in Public Health (CEPH) so students will be graduating from a fully accredited program. The program will be divided into core courses which all students will be required to take, and specialization tracks which will address the individual interests and needs of students. The core courses will be equally divided between the two universities, half being taught by NDSU, and half being taught by UND. Each university will then offer its own specialization tracks unique to its specific disciplines and expertise (i.e., medicine, rural health, pharmacy, gerontology, emergency management, food safety, and others). Thus, the unique interdisciplinary nature of this program will draw on the collective strengths of the faculty and programs from both universities. Each university will be charging the same tuition for students enrolled in their respective MPH programs with a differential tuition of $600/credit hour which based on independent surveys conducted by both institutions is considered competitive in the marketplace for MPH degrees. The total cost to students for completing the program will be $25,800. Additional faculty will need to be hired to successfully implement this new program. If sufficient funding is received, we have targeted program implementation for the fall of 2012. In addition to the student tuition, we are asking for additional appropriations from the state to support this exciting new program.

In closing, we are excited about initiating this very novel, new NDSU/UND Joint Master of Public Health degree program which we feel will serve the public health needs of North Dakotans for many years to come, and which ushers in a new era of cooperation, collaboration, and cost efficiencies between the two major research universities of the state. All of this, we feel, is very good for North Dakota. Thank you for your time.

Josh, I'll turn it back to you.

Thank you, Chuck. I'd like to outline the budget request for the MPH program by first going back in time. When we first envisioned an MPH program, both NDSU and UND were anxious to participate. Both universities saw the benefit of working together on the program, and we fashioned a plan that basically consisted of two separate programs that complemented each other. Each university requested a little over a million dollars in new appropriated funding to initiate each program. There was strong support for the MPH programs, including support from Dr. Terry Dwelle, the State Health Officer. So Dean Peterson and I were amazed when our request was tabled by Chancellor Goetz and the State Board of Higher Education! We were told that while there was great enthusiasm for the concept, we needed to come back with a much more integrated and coordinated proposal. And that's exactly what we did. The program outlined by Dean Peterson takes advantage of the strengths of both great universities, avoids duplication, and reduces cost. In fact, the *only* budget request that has been approved by the State Board of Higher Education is that of the School of Medicine and Health Sciences, in the amount of approximately $1,200,000. When NDSU and UND first submitted our budget request, we estimated the amount of appropriated fund support that we would need would be almost two and a half million dollars. Thus, by truly integrating the two proposals, we were able to half our budget request. But truly integrated *means* truly integrated, so we are proposing that if you fund this budget request by the UND School of Medicine and Health Sciences, UND intends to split the funds evenly with our colleagues at NDSU. As a symbol of that spirit of cooperation and integration, Dean Peterson and I will now exchange school pins.

Dean Peterson and Dean Wynne exchange lapel pins

The geriatrics training program is the second initiative included in the executive budget. The requested funding will be used to develop various educational modules that will be offered to clinicians around the state to improve their understanding and management of the chronic diseases so common in the elderly population. The funds that I hope that you'll appropriate will be coupled with a $5 million gift from the late Dr. Eva Gilbertson to develop a comprehensive geriatrics program for the state. With these funds, we will be able to hire additional geriatrics specialists who will develop a series of educational and training modules that will be offered to practitioners throughout the state to assist them in managing chronic diseases and elderly patients. These specialists will also help to design systems of care that will address the unique needs of the elderly.

We are grateful to the Governor for including these two programs in his Executive Budget. But the absence in the Executive Budget of financial support for the workforce plan outlined by Mr. Molmen led us to a revision of our original plan. By the way, the approved budget for the original plan is on page 7 of the handout. Discussions ensued between the leadership of the School of Medicine and Health Sciences, President Kelley, Mr. Molmen, and Chancellor Goetz. It was the consensus of the group that waiting for the next biennium to begin anew the request for class

size expansion was not advisable for two important reasons: first, every year delay in class expansion makes the physician shortfall worse; and second, it will take at least a year to achieve the necessary approvals from regulatory agencies to initiate the class size expansion. Thus, it was felt to be critical to initiate the expansion of the class this coming biennium, if only so that funding would be available to pursue the regulatory endorsements required to expand the class size. Accordingly, a revised workforce plan was expeditiously developed by the School. The approved budget as recommended by the State Board of Higher Education is shown on page 8 of the handout.

The revised plan has three phases:

- Initiate
- Study
- Build

The Initiate phase would begin the expansion of the class sizes this coming biennium. It is based on an expansion of class size absent the availability of a new building. Because space at the School is already at a premium, it would entail shoehorning additional people into already tight space. Nevertheless, the tradeoffs make it worthwhile. The updated plan calls for 8 additional medical students per year, 15 additional health science students, and 9 new residency slots at a cost of about 1.8 million dollars in this coming biennium. Let me emphasize that we would employ modified admission criteria for the 8 additional medical students to try to pre-select students likely enter a rural primary care practice on graduation, such as ensuring that they all have rural backgrounds. The criteria for the 9 new residency slots would require that they are in specialty areas that support the healthcare needs of North Dakota, and would be attractive to the School's graduating senior medical students. Proposed slots would be utilized for novel combined training programs, including Family Medicine and Surgery, Family Medicine and Psychiatry, Family Medicine and Preventive Medicine, Family Medicine and Public Health, and Family Medicine and OB-GYN. One of the special needs is for more training in psychiatry, as the mental health needs in the community are substantial. The slots would be used for supplemental training in surgery, psychiatry, preventive medicine, public health, and OB-GYN that would prepare the residents for the unique challenges of practice in rural North Dakota. This innovative idea could well become a model for preparing rural family medicine physicians. The residents would not become fully trained as a surgeon or a psychiatrist; they would simply acquire additional skills and knowledge that would allow them to confidently handle a wider array of clinical problems than most family physicians can at present.

The Study phase would be completed during the coming biennium. We would ask the Legislature to commission an interim study, in conjunction with the School's Advisory Council, to study further the proposal to continue the class size increase,

and the need for a new building. The Interim Study would need to have broad representation, especially from the western and rural parts of the state.

The Build phase, occurring in the 2013-2015 biennium, would be dependent on having you commit your intention to a new building next biennium if the Interim Study supports further growth in class size and the need for a new building.

Permit me to summarize our presentation to you today. Addressing the imbalance between an increasing demand for health services and an inadequate supply of providers will require a coordinated approach to moderate demand (that is, reduce the need for acute and chronic care services), increase the supply of providers, and improve the efficiency of the healthcare delivery system within the state.

Rural depopulation, out-migration of the young, an increasingly elderly population, low population density and localized population growth will necessitate more physician and health science providers in North Dakota, and better healthcare delivery systems. North Dakota currently has a paradox regarding its healthcare workforce—shortages in the midst of plenty. The size of the physician work force in North Dakota is at or better than national norms for most specialties, including all of the primary care disciplines, although some of this is distorted by additional patients from surrounding states. But there is a significant distribution problem, with the predominance of providers in the urban areas, and a shortage especially of primary care providers in the rural areas.

The current shortage of physicians is only going to increase as the population ages and grows modestly in the future. Based on highly conservative estimates, North Dakota will need an additional 210 physicians at a minimum within the next 15 years.

The shortage of healthcare workers will not be limited to physicians. An entire cadre of additional healthcare providers will be needed to ensure that effective, efficient, and appropriate healthcare is available to all North Dakotans.

To address the widening gap between the need for healthcare and the supply of providers, the School of Medicine and Health Sciences Advisory Council, in conjunction with the School, has developed a comprehensive healthcare plan for North Dakota. The plan has been reviewed, vetted, and approved by multiple stakeholders. The plan calls for reducing disease through the initiation of a master of public health program as a combined undertaking by UND and NDSU, and the institution of a geriatrics training program. The plan provides for an expanded workforce through greater retention of graduates, and an expansion of the medical school, health sciences, and residency classes. To accommodate the attendant growth, a new building will also be required at some point.

This plan has a high likelihood of success, although it does not come with a guarantee. But enhanced efforts at increased retention of graduating students will cost little and should provide about 40% of the anticipated physician shortfall. Increased class size will provide another 40%. The remaining 20% of needed

providers will be recruited as new physician and health sciences faculty members who will not only teach the expanded student and resident classes but also provide direct patient care. The plan has been well-vetted and should work. The need is here. The plan is here. The means are here. The requisite expertise, energy, enthusiasm, and dedication are here. Please provide us with your support so that we can develop the healthcare delivery system that all North Dakotans need and deserve.

Thank you for your attention.

HB 1003
UND School of Medicine
1/25/11
attachment #2

The University of North Dakota

School of Medicine & Health Sciences

Appropriated Funds Overview - Budget to Actuals (by function)						
Fiscal 2010 (July 1, 2009 to June 30, 2010)	*Budget*	*Expenses*				
Budgeted & Actual Expenses (by function)	**Total**	**Total**	**Personnel**	**Operating**	**Equipment**	**Capital Improvement**
Medical School Appropriation Operating Expenses (OMB Dept 232)						
General Academic Instruction	$ 25,462,245	$ 25,555,566	$ 20,531,591	$ 4,539,896	$ 484,079	
Community Service	$ 521,971	$ 478,605	$ 317,806	$ 160,799		
Institutional Research	$ 100,000	$ 82,553	$ 826	$ 81,727		
Academic Libraries	$ 1,495,305	$ 1,524,389	$ 1,001,903	$ 522,486		
Academic Administration	$ 3,435,520	$ 2,824,315	$ 2,480,158	$ 344,157		
Student Services	$ 499,643	$ 506,729	$ 448,232	$ 58,497		
Other Support Services	$ 2,468,087	$ 2,684,281	$ 2,406,912	$ 277,369		
Plant Improvements	$ 3,500	$ 3,500				$ 3,500
Grand Total UND Medical School	**$ 33,986,271**	**$ 33,659,938**	**$ 27,187,428**	**$ 5,984,931**	**$ 484,079**	**$ 3,500**

Partial Fiscal 2011 (July 1, 2010 to November 30, 2010)	*Budget*	*Expenses*				
Budgeted & Actual Expenses (by function)	**Total**	**Total**	**Personnel**	**Operating**	**Equipment**	**Capital Assets**
Medical School Appropriation Operating Expenses (OMB Dept 232)						
General Academic Instruction	$ 26,694,253	$ 9,270,229	$ 7,422,292	$ 1,847,937	$ -	
Community Service	$ 535,839	$ 171,570	$ 122,181	$ 49,389	$ -	
Institutional Research	$ 27,688	$ 12,983	$ -	$ 12,983		
Academic Libraries	$ 1,547,137	$ 851,565	$ 386,838	$ 464,727	$ -	
Academic Administration	$ 3,625,072	$ 1,313,496	$ 1,202,359	$ 111,137	$ -	
Student Services	$ 1,085,501	$ 244,217	$ 177,625	$ 66,592	$ -	
Other Support Services	$ 2,481,268	$ 874,598	$ 757,377	$ 117,221		
Grand Total UND Medical School	**$ 35,996,758**	**$ 12,738,658**	**$ 10,068,672**	**$ 2,669,986**	**$ -**	**$ -**

Notes:

1) Above budget figures represent the state fiscal year's budget in the Oracle Commitment Control module. The FY11 budget is for the entire year.

University of North Dakota - School of Medicine & Health Sciences
Local Funds Overview
Budget to Actual (by function)

		Expenses					
	Grand Total	Personnel	Operating	Capital Equipment	Cost of Goods	Capital Improvement	Scholarships
FY2010 (July 1, 2009 - June 30, 2010)							
Budget	$29,404,106	$15,489,558	$11,034,655	$1,646,889	$1,080,000	$ 147,466	$ 5,538
Actual Expenses (by function)							
Academic Administration	$ 198,954	$ 150,867	$ 48,087	$ -	$ -	$ -	$ -
Academic Libraries	$ 99,913	$ 46,889	$ 53,024	$ -	$ -	$ -	$ -
Community Service	$ 430,180	$ 200,451	$ 229,729	$ -	$ -	$ -	$ -
General Academic Instruction	$17,107,343	$11,073,498	$ 3,558,241	$1,452,967	$1,010,422	$ 10,416	$ 1,799
General Administration	$ 663,178	$ 662,777	$ 401	$ -	$ -	$ -	$ -
Institutional Research	$ 9,081	$ 87	$ 8,994	$ -	$ -	$ -	$ -
Internal Service Funds	$ 76,340	$ 55,221	$ 21,118	$ -	$ -	$ -	$ -
Medical School Instruction	$ 43	$ -	$ 43	$ -	$ -	$ -	$ -
Other Support Services	$ 553	$ -	$ 553	$ -	$ -	$ -	$ -
Other Unexpended Plant Funds	$ 66,156	$ -	$ -	$ -	$ -	$ 66,156	$ -
Scholarships and Fellowships	$ 2,100	$ -	$ -	$ -	$ -	$ -	$ 2,100
Student Services	$ 8,092	$ -	$ 8,092	$ -	$ -	$ -	$ -
Total	$18,661,933	$12,189,788	$ 3,928,284	$1,452,967	$1,010,422	$ 76,572	$ 3,899
Partial FY2011 (July 1, 2010 - November 30, 2010)							
Budget	$25,058,318	$16,295,468	$ 7,415,987	$ 244,556	$ 975,000	$ 114,000	$ 13,308
Actual Expenses (by function)							
Academic Administration	$ 249,748	$ 198,509	$ 51,239	$ -	$ -	$ -	$ -
Academic Libraries	$ 49,284	$ 18,753	$ 30,530	$ -	$ -	$ -	$ -
Community Service	$ 167,078	$ 86,336	$ 80,742	$ -	$ -	$ -	$ -
General Academic Instruction	$ 7,726,880	$ 5,668,493	$ 1,624,627	$ 67,444	$ 365,400	$ -	$ 916
General Administration	$ 305,971	$ 305,971	$ -	$ -	$ -	$ -	$ -
Institutional Research	$ 4,701	$ 421	$ 4,280	$ -	$ -	$ -	$ -
Internal Service Funds	$ 26,372	$ 15,473	$ 10,899	$ -	$ -	$ -	$ -
Medical School Instruction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Support Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Unexpended Plant Funds	$ 2,889	$ -	$ -	$ -	$ -	$ 2,889	$ -
Plant Improvements - Apprn.	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Scholarships and Fellowships	$ 750	$ -	$ -	$ -	$ -	$ -	$ 750
Student Services	$ 715	$ -	$ 715	$ -	$ -	$ -	$ -
Total	$ 8,534,388	$ 6,293,956	$ 1,803,033	$ 67,444	$ 365,400	$ 2,889	$ 1,666

University of North Dakota: School of Medicine & Health Sciences
Grant & Contract Funds Overview
Budget to Actual (by function)

Fiscal 2010 (July 1, 2009 to June 30, 2010)

	Budget	Expenses					
	Total	Grand Total	Personnel	Operating	Capital Equipment	Scholarships	Transfers/F&A
Budget & Actual Expenses (by function)							
Community Service	$ 5,505,429	$ 5,505,429	$ 2,880,434	$ 1,798,744		$ 16,700	$ 809,551
EPSCoR	$ 191,916	$ 191,916	$ 43,021	$ 104,909			$ 43,987
General Academic Instruction	$ 1,469,380	$ 1,469,380	$ 1,060,730	$ 311,663	$ 31,446		$ 65,542
Institutional Research	$ 9,937,265	$ 9,937,265	$ 3,540,577	$ 4,090,909	$ 432,473	$ 700	$ 1,872,607
Scholarships and Fellowships	$ 194,031	$ 194,031				$ 194,031	
Grand Total	$ 17,298,022	$ 17,298,022	$ 7,524,762	$ 6,306,224	$ 463,918	$ 211,431	$ 2,791,686

Partial Fiscal 2011 (July 1, 2010 to November 30, 2010)

	Budget	Expenses					
Budget & Actual Expenses (by function)	Total	Grand Total	Personnel	Operating	Capital Equipment	Scholarships	Transfers/F&A
Community Service	$ 2,445,751	$ 2,445,751	$ 1,133,343	$ 862,599	$ 5,430	$ 12,000	$ 432,379
EPSCoR	$ 118,459	$ 118,459	$ 25,904	$ 62,980			$ 29,575
General Academic Instruction	$ 573,710	$ 573,710	$ 386,903	$ 151,895			$ 34,912
Institutional Research	$ 3,700,076	$ 3,700,076	$ 1,212,881	$ 890,106	$ 895,869	$ 12,225	$ 688,995
Scholarships and Fellowships	$ 87,920	$ 87,920				$ 87,920	
Grand Total	$ 6,925,916	$ 6,925,916	$ 2,759,031	$ 1,967,580	$ 901,299	$ 112,145	$ 1,185,861

One-Time Carryover funds from 2007-09
Start-up funds for Microbiology
Chairperson: $460,800

Dr. David Bradley was hired as Chairperson of Microbiology & Immunology in July 2009. Dr. Bradley utilized the new chairperson start-up funds of $460,800 to purchase a BD Bioscience LSR II Flow Cytometer and a Biorad BioPlex Analyzer. The flow cytometer allows researchers to characterize cell populations present in various disease states. The BioPlex analyzer allows researchers to measure various mediators of inflammation and growth factors with great specificity in very small volumes. This new technology for the School provides a tool necessary for researchers to better understand host responses in both infectious disease and neuroinflammation.

UND School of Medicine & Health Sciences
Status of 2009-11 One-Time Funding

Electronic Medical Record (EMR): $225,000

Purpose: Install a new electronic medical record system to link the Bismarck and Minot Center for Family Medicine (CFM) clinics and hospitals for training purposes.

Use of Funds: The additional funds are needed to assist funding initial capital and computer software for the EMR system. Initial and ongoing operating costs for staffing and training will be paid through CFM operating revenues.

Status: Extensive research by CFM faculty and staff has led to a request for proposal (RFP) for a EMR system. The RFP was sent to selected vendors on January 14, 2011. Decisions on an EMR system will be made in March/April 2011. Implementation will occur prior to December 31, 2011.

School of Medicine and Health Sciences
Status of One-Time Funding 2009-11
Bismarck Center for Family Medicine: $5,400,000
Project Report: January 2011

Budget

The project remains in budget although a number of design elements remain incomplete and may have an effect on the total project cost. The available funding for all project costs is $5.4 million and cannot be exceeded. Should estimates for the work exceed the available funding, the scope of work must be managed to reduce project costs.

Progress

The facility is being built on the corner of 7th & Rosser, Bismarck, ND.

Sundry parking improvements have been completed on the adjacent site. Geo piers have been installed and made ready for footings and foundation walls. Foundation walls and footings are approximately 50% completed.

Completion date projected in September/October 2011

UND School of Medicine & Health Sciences
HEALTHCARE WORKFORCE INITIATIVE
(Original Proposal)

RECURRING COSTS

• Offer new Master's degree in Public Health in conjunction with NDSU (3.0 faculty, two staff and operating costs).
Cost: $1,215,219 (IN the Executive Budget)

• Expanded training in Geriatrics (2 faculty positions and related operating costs).
Cost: $1,151,810 (IN the Executive Budget)

• Increase the number of medical students per year by 16 for four years starting 7/1/12.
Cost: $857,600 (NOT IN the Executive Budget)

• Increase the number of resident positions per year by 17 for three years starting 7/1/12.
Cost: $2,170,806 (NOT IN the Executive Budget)

• Increase the number of health sciences students per year by 30 for three years starting 7/1/12.
Cost: $402,000 (NOT IN the Executive Budget)
Total: $5,797,435 ($3,430,406 ADD to Executive Budget)

ONE TIME COST

• Construct a new Health Science facility addition for program expansion. (132,000 sq.Ft., four stories)
Cost: $28.89 million (NOT IN the Executive Budget)

UND School of Medicine & Health Sciences
INITIATE, STUDY, BUILD
(Modified Proposal)

RECURRING COSTS

- Offer new Master's degree in Public Health in conjunction with NDSU (3.0 faculty, two staff and operating costs).
Cost: $1,215,219 (IN the Executive Budget)

- Expanded training in Geriatrics (2 faculty positions and related operating costs).
Cost: $1,151,810 (IN the Executive Budget)

- Increase the number of medical students per year by 8 for four years starting 7/1/12.
Cost: $428,800 (NOT IN the Executive Budget)

- Increase the number of resident positions per year by 9 for three years starting 7/1/12.
Cost: $1,149,250 (NOT IN the Executive Budget)

- Increase the number of health sciences students per year by 15 for three years starting 7/1/12.
Cost: $201,000 (NOT IN the Executive Budget)

Total: $4,416,079 ($1,779,050 ADD to Executive Budget)

SCHOOL OF MEDICINE & HEALTH SCIENCES

ADVISORY COUNCIL

The University of North Dakota
School of Medicine
& Health Sciences

January 25, 2011

On behalf of the School of Medicine and Health Sciences Advisory Council, we are pleased to provide you with the *First Biennial Report: Health Issues for the State of North Dakota 2011*. We hope you will find this report useful.

Many thanks,

Mr. David Molmen, Chair
Northeast Campus Representative

Dr. Tom Arnold
Southwest Campus Representative

Dr. John Baird
Southeast Campus Representative

Representative Stacey Dahl
ND House of Representatives

Dr. Terry Dwelle
State Health Department Representative

Senator Robert Erbele
ND Senate

Dr. J. Brian Hancock
Veterans Affairs Medical Center

Dr. Gary Hart
UND Center for Rural Health

Mr. John Kutch
Northwest Campus Representative

Senator Tim Mathern
ND Senate

Representative Ralph Metcalf
North Dakota House of Representatives

Ms. Carol Olson
State Department of Human Services

Dr. Shari Orser
ND Medical Association Representative

Mr. Grant Shaft
State Board of Higher Education Representative

Mr. Andrew Wilson
State Healthcare Association Representative

Dr. Joshua Wynne
Executive Secretary

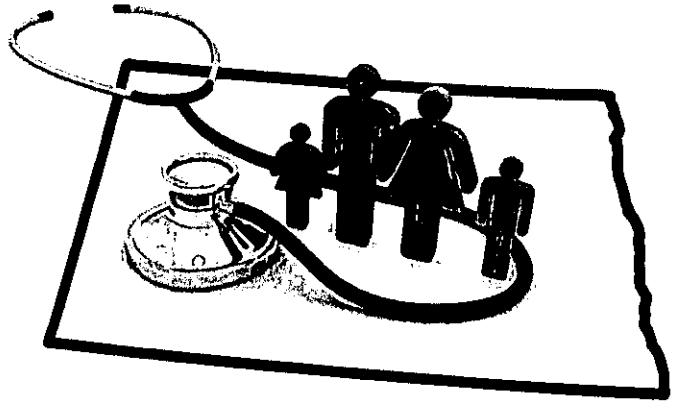
Report available upon request

HB 1003
UND School of Medicine
Jan. 25, 2011
Attachment 3

First Biennial Report

Health Issues for the State of North Dakota

2011

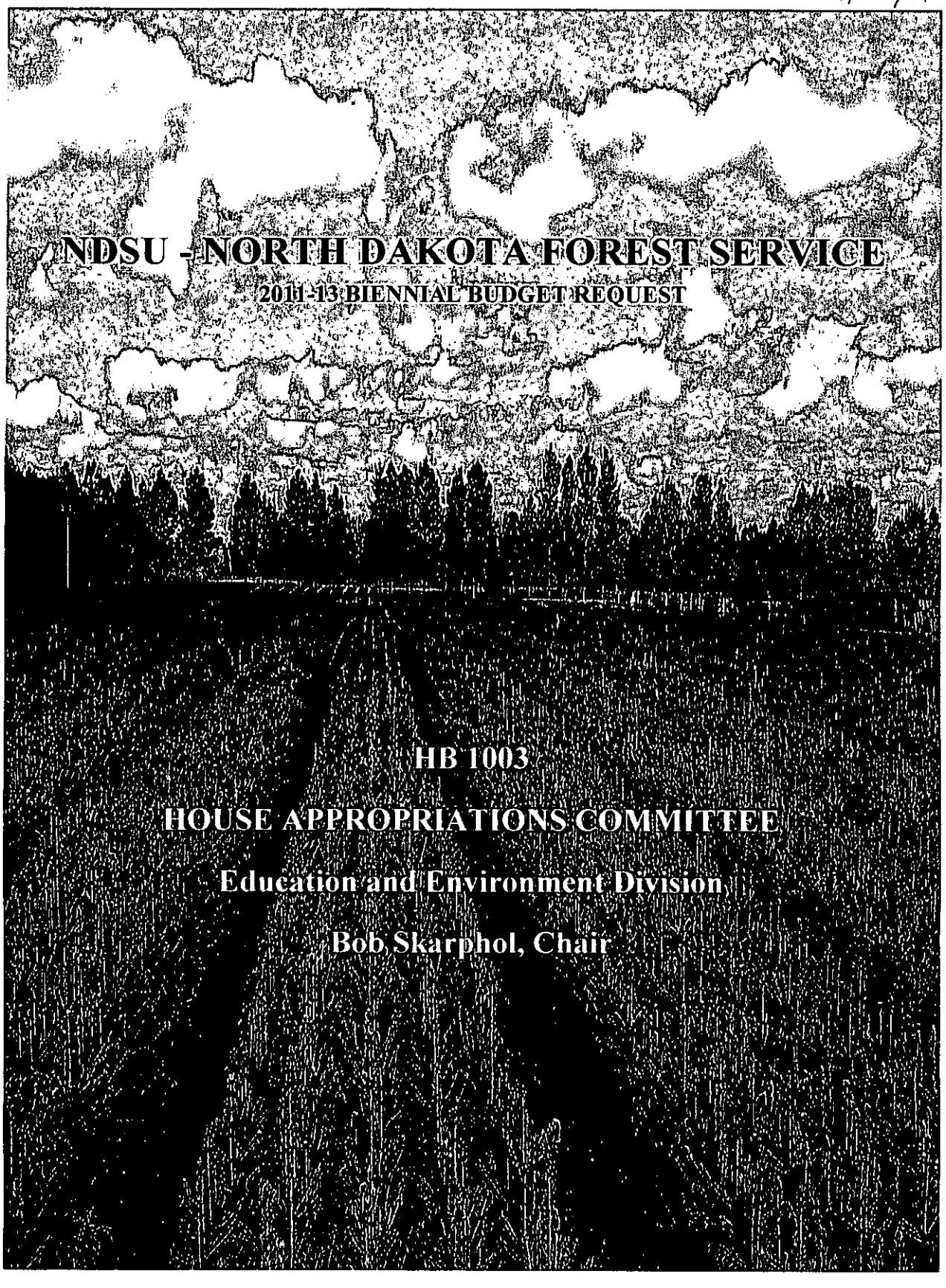


SCHOOL OF MEDICINE & HEALTH SCIENCES

Advisory Council

The University of North Dakota
School of Medicine
& Health Sciences

HB 1003
attachment #1
1/25/11



NDSU - NORTH DAKOTA FOREST SERVICE

2011-13 BIENNIAL BUDGET REQUEST

HB 1003

HOUSE APPROPRIATIONS COMMITTEE

Education and Environment Division

Bob Skarphol, Chair

LARRY A. KOTCHMAN, STATE FORESTER

TUESDAY, JANUARY 25, 2011

NDSU

North Dakota Forest Service

2011-2013 Biennial Budget Request

Sustainable Forestry Programs

- Summary of Agency Services
- 2009-2011 Funding
- 2011-2013 Funding Request – HB 1003
- Executive Budget Recommendations
  - Parity
  - Program Enhancement
  - Optional Budget Request
  - 2011-2013 Capital Assets
- 2011-2013 Budget Detail



A Message from the State Forester

NDSU The NDSU-North Dakota Forest Service is organized under the North Dakota Board of Higher Education. The agency is administered by a state forester who reports to the president of North Dakota State University at Fargo, and supports the land grant mission in public service. The mission of the North Dakota Forest Service is to "**care for, protect and improve forest resources to enhance the quality of life for future generations.**"

This 2011-2013 Biennial Budget Request summary is intended to provide the information you need to determine funding levels for forestry programs benefiting communities, fire districts and private forest landowners. Please feel free to contact us at any time if you need additional information.

Larry A. Kotchman, State Forester

CONTACT

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larry.kotchman@ndsu.edu
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CONTACT

Dr. Dean L. Bresciani, President
NORTH DAKOTA STATE UNIVERSITY
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dean.bresciani@ndsu.edu
Telephone: (701) 231-7211

Summary of Agency Services

A wide variety of customers depend on the North Dakota Forest Service for technical, financial and educational forestry assistance. The state forester administers forestry programs serving communities, rural landowners, soil conservation districts, rural fire districts, schools and citizens of North Dakota. All the programs utilize a voluntary, educational and incentives-based approach to address natural resource needs and customer demands.

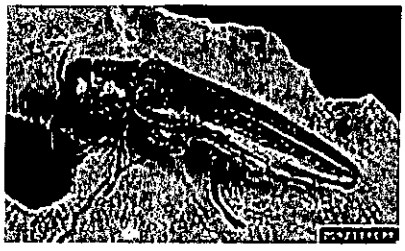
The agency also operates a nursery at Towner specializing in the production of 1.2-million conifer (evergreen) tree stock. The Towner State Nursery is the sole supplier of evergreen seedlings in North Dakota. The agency also owns and manages approximately 13,290 acres of state forest lands.



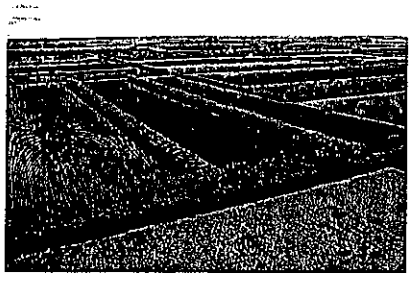
Community Forestry means conservation activities in city parks, tree-lined streets or other green spaces within the community. Most of North Dakota's residents live in 372 cities and towns. The Community Forestry Program administers financial assistance programs for tree planting and forestry development projects each year. The agency provides technical assistance for tree planting plans, management plans, shade tree ordinances, pest surveys and tree workshops.



Fire Protection ensures the protection of lives, property and natural resources by training, organizing and equipping North Dakota's 376 rural volunteer and 12 career fire departments. A Cooperative Fire Protection Assistance Program provides departments assistance in organizing, training, planning, purchasing or repairing equipment. A companion program, the Federal Excess Personal Property (FEPP) program, loans surplus federal equipment to departments for enhancing firefighting capabilities. Community protection is improved through grants for wildfire hazard mitigation and "FireWise" landscape projects. Fire prevention is stressed through the distribution of Smokey Bear materials.



Forest Health ensures the productivity and growth of North Dakota's private, community and state forests. Each year, the North Dakota Forest Service conducts surveys to assess forest health conditions and trains public and private land managers on insect and disease management. North Dakota participates in the Great Plains Tree and Forest Invasives Initiative to identify contingency measures for minimizing the threat of invasive species, such as emerald ash borer.



Forest Stewardship focuses on improving the management of our forest resources by educating and assisting non-industrial private landowners on how to better manage, protect and utilize their native and planted forest resources. This is accomplished through the development of a Forest Stewardship Plan and direct financial assistance for forest improvement practices.



Information and Education offers youth and adults the knowledge and skills they need to make wise decisions about the conservation and wise use of North Dakota's forest resources. The ND Forest Service, in conjunction with the NDSU Extension Forester, sponsors "Project Learning Tree" workshops for teachers and youth leaders working with students in grades K-12. The program also handles the daily requests for forestry information and the publication of educational materials.



Towner State Nursery produces 1.2-million conifer (evergreen) seedlings in over thirty different species and stock types annually for distribution to landowners. The trees are used for farmstead, living snow fence, field windbreaks, wildlife, forestry and other conservation plantings. The nursery is a self-supporting operation, and since 1927 has sold over 80 million trees. The nursery also provides tree improvement services, such as testing, evaluation, selection and development of improved nursery stock for forestry and conservation plantings.



State Forests provide wildlife habitat, clean air and water, recreational opportunities, forest products, scenic beauty and other conservation benefits. The North Dakota Forest Service owns five state forests comprising approximately 13,290 acres. State Forests play an important role in the economic well-being of several rural communities by attracting hunters, hikers, campers, skiers, snowmobilers, tourists and other outdoor enthusiasts.

AGENCY PERFORMANCE MEASURES

The North Dakota Forest Service utilizes an accountability measures process to assess progress toward achieving long-range strategic goals, and ultimately the agency's mission. Accountability measures are linked to the long-range strategic planning process to document North Dakota Forest Service program outcomes. The North Dakota Forest Service developed twelve (12) accountability measures using the State Forester's goals and statutory authority. The State Forester's goals are directly linked to the authority granted under North Dakota Century Code 4-19, 18-10 and 57-57 to meet the forestry needs of the state. Performance indicators, units of measure and program accomplishment data are completed for each of the agency's 12 accountability measures beginning July 1 and ending June 30. A biennial accountability measures report will be prepared by the agency after June 30, 2013. The State Forester's goals and accountability measures are as follows:

State Forester's Goals

1. To positively impact forest-based economic growth and sustainability of communities by promoting the wise use of natural resources.
2. To improve the protection of people, property and natural resources by enhancing interagency cooperation in wildfire management.
3. To support informed decision-making and foster individual responsibility in stewards of all ages by raising public awareness about natural resource values.
4. To meet the forest and conservation tree planting needs of private and public landowners by producing and marketing high quality nursery stock.
5. To meet current societal demands by ensuring the health, productivity and growth of private, community and state forests.

Accountability Measures

1. Five percent (5%) of biomass and wood utilization businesses were assisted in utilizing forest and municipal wood waste for renewable energy resulting in the installation of a biomass heating system demonstration in a public works facility in Bismarck.
2. Forestry-based economic benefits include $1.6 million for forestry practices serving 58% of the financial assistance needs of communities, fire districts and private forest landowners. Practices include tree planting, community forestry development, fire protection and living snow fences.
3. Enhanced community wildfire protection resulted in the preparation of 17 County Wildfire Protection Plans encompassing 32% of North Dakota's counties.
4. Rural fire department capacity was enhanced through wildland firefighter training provided to 228 or 57% of rural fire departments.
5. Wildland fire awareness and prevention programs, including firewise concepts, were provided to 53 or 100% of North Dakota's counties.
6. Information and Education raised public awareness and fostered individual responsibility for conserving forest resources by delivering environmental education to 1,201 K-12 teachers (18%) and 35,596 K-12 students (35%).
7. Professionalism in the tree care industry was promoted through training provided to 82 arborists (36%) certified according to International Society of Arboriculture standards.
8. Conservation tree planting needs from 99% of Towner State Nursery customers were supplied through the sale of 1,225,920 nursery seedlings.
9. North Dakota's natural resources are sustained through the active forest management and protection services for 97,699 acres or 22% of privately-owned forest lands.
10. Sustainable community forestry programs, including the planting and care of street and park trees, served 153 or 41% of North Dakota's communities benefiting 80% of the state's residents.
11. The health and sustainability of 373,760 acres of "at risk" forest resources are ensured through continuous surveys for damaging pests and agents.
12. Quality outdoor state forest experiences are provided on 13,290 acres with 2,111 acres or 16% of the state forests under multiple use management.

REDESIGNING THE NORTH DAKOTA FOREST SERVICE

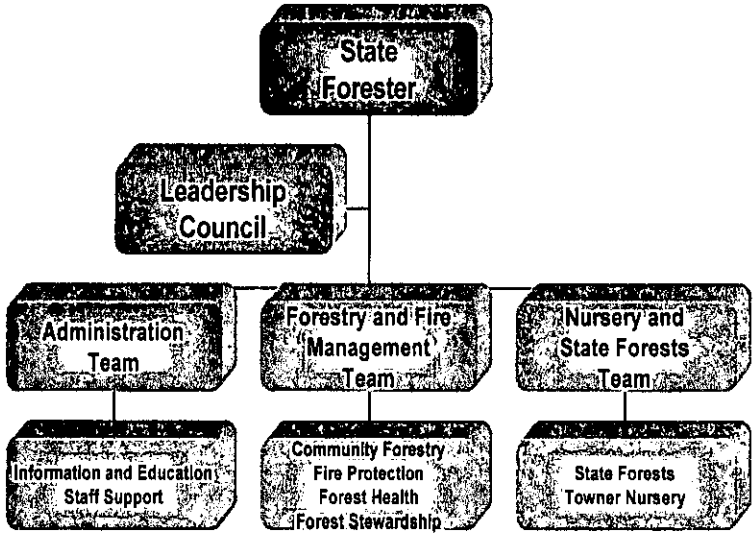
The North Dakota Forest Service recently redesigned its organizational structure to increase program efficiencies, strengthen customer service, promote teamwork and encourage collaboration to address emerging natural resource issues.

The vision "***to ensure the relevancy and competitiveness of North Dakota to enhance public benefits from trees, forests and natural resources***" is guiding the agency's restructuring.

The new organization structure created three leadership teams:

(a) Administration
(b) Forestry and Fire
(c) Nursery and State Forests

A Leadership Council advises the State Forester on the management of the agency.

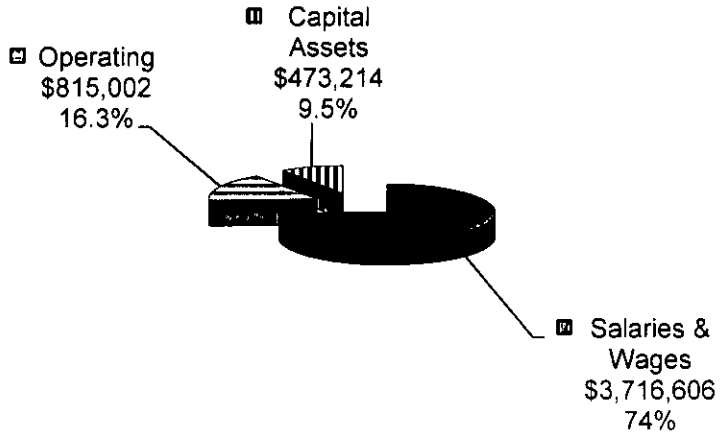


The "redesigned" structure provides a unified team approach to ensure a coordinated focus toward the delivery of services and collaboration across organization boundaries. Teams composed of organizational unit representatives address issues brought to the Leadership Council. Teams deal with customer service improvements, communications, program efficiencies and joint partnership initiatives. Teams are responsible for focusing leadership and resources on landscape level natural resource issues. Teams are organized and monitored by the Council to ensure they fulfill the needs of the project and meet the goals of the agency.

Successful collaboration projects made possible by the redesign include the "Cooperative Conservation Partnership Initiative." Sponsored by state forestry agencies in North Dakota, South Dakota, Nebraska and Kansas, this project is responsible for increasing landowner participation in USDA Natural Resources Conservation Service programs aimed at renovating shelterbelts and restoring streamside forests. These high priority needs were identified in the ***North Dakota Statewide Assessment of Forest Resources and Forestry Resource Strategy.***

2009-2011 Funding Appropriation

The 2009-2011 appropriated budget for the North Dakota Forest Service is $5,004,822, including $4,531,608 for Operations and $473,214 for Capital Assets. The General Fund appropriation is $3,855,768. Other funds are $1,149,054.



The 2009-2011 operations budget includes salaries and wages and operating expenses for 26 FTE and 45 seasonal positions that provide public forestry services.

- Operations
  - Salaries and Wages $3,716,606
  - Operating 815,002

  Total $4,531,608

The 2009-2011 capital assets budget provides necessary repairs for 41 office, shop, storage and recreational buildings at Bottineau, Lisbon, Towner and Walhalla. The budget includes one capital project, extraordinary repairs and deferred maintenance.

- Capital Assets
  - Greenhouse – Towner State Nursery $391,000
  - Extraordinary Repairs – Lisbon and Bottineau field offices 36,638
  - Deferred maintenance (one-time funds) – Walhalla field office 45,576

  Total $473,214

Total 2009-2011 Appropriation (General funds and other funds) $5,004,822

NORTH DAKOTA FOREST SERVICE
OMB 2009-2011 Appropriation Status Report
As of 11/30/10

	Original Appropriation	Current Appropriation	Expenditures Through 11/30/2010	Remaining Appropriation	Percent Remaining
Line Item					
Operations	4,471,040	4,531,608	2,672,333	1,859,275	41%
Capital Assets	336,638	427,638	235,553	192,085	45%
Deferred Maintenance	45,576	45,576	0	45,576	100%
Total	4,853,254	5,004,822	2,907,886	2,096,936	42%
Funding Source					
General Funds	3,855,768	3,855,768	2,328,809	1,526,959	40%
Federal Funds	0	0	0	0	0%
Special Funds	997,486	1,149,054	579,077	569,977	50%
Total	4,853,254	5,004,822	2,907,886	2,096,936	42%

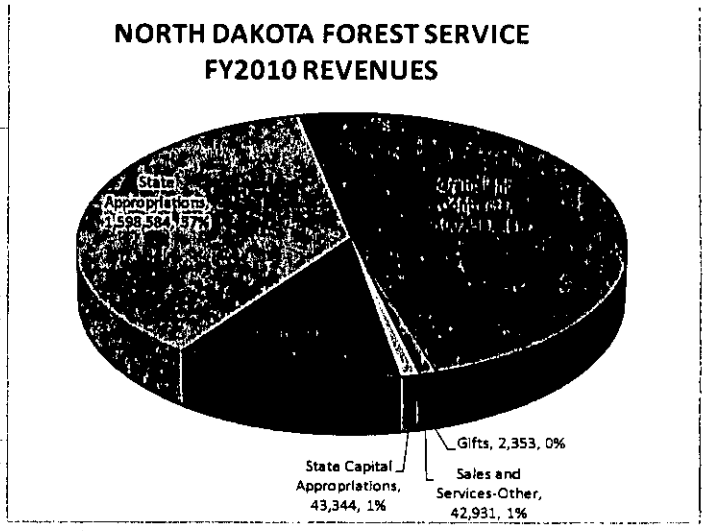
As of November 30, 2010, approximately 41% of the operations budget, 45% of the capital assets budget and 100% of the deferred maintenance budget remain and have not been expended.

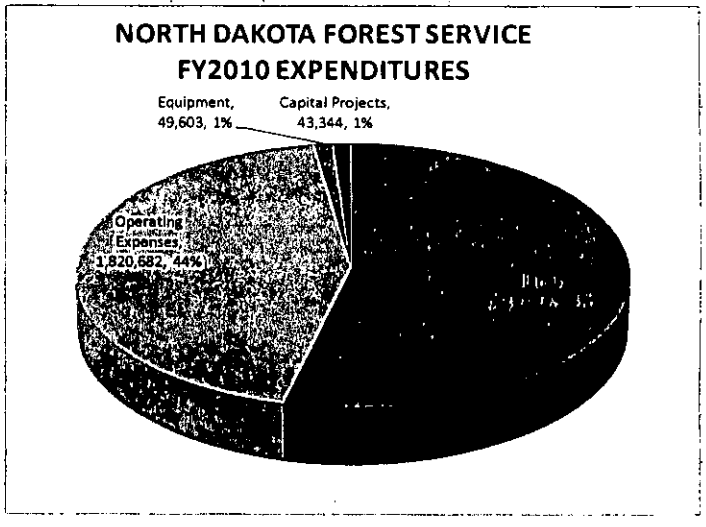
NORTH DAKOTA FOREST SERVICE
Status of 2009- 2011
Extraordinary Repairs, Deferred Maintenance & Capital Projects

	Revised Budget 2009-11	Actual Expenses As Of 11/30/10	Balance	% Remaining
Extraordinary Repairs				
Misc. Small Projects < $50,000	36,638	25,576	11,062	
Total Extraordinary Repairs	36,638	25,576	11,062	30.19%
Deferred Maintenance				
Building Exterior	45,576	13,968	31,608	
Total Deferred Maintenance	45,576	13,968	31,608	69.35%
Capital Projects				
Greenhouse - Towner State Nursery	391,000	270,941	120,059	
Total Capital Projects	391,000	270,941	120,059	30.71%
Total Capital Assets	473,214	310,485	162,729	34.39%
Sources of Capital Funding				
General Fund	382,214	310,485	71,729	18.77%
Oil Trust Fund	0	0	0	0.00%
Special Funds	91,000	0	91,000	100.00%
Total Funding Sources	473,214	310,485	162,729	34.39%

NORTH DAKOTA FOREST SERVICE
FY 2010 REVENUE AND EXPENSES

Revenues		
Nursery Revenue	551,458	13%
State Appropriations	1,598,584	37%
Grants and Contracts	2,100,458	48%
Gifts	2,353	0%
Sales and Services-Other	42,931	1%
State Capital Appropriations	43,344	1%
Total	$4,339,128	100%
Expenses		
Salaries	2,218,070	54%
Operating Expenses	1,820,682	44%
Equipment	49,603	1%
Capital Projects	43,344	1%
Total	$4,131,699	100%





North Dakota Forest Service					
Comparison of FY2010 Budget to Actual for F.Y. ending 6-30-10	FY2010 Operating Budget				
FY2010 General Appropriation & Appro Revenue	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Public Service	1,824,860	407,501			2,232,361
					-
					-
SUBTOTAL	1,824,860	407,501			2,232,361
					-
					-
Total Appropriation (GF and Other Revenue) for F.Y.10	1,824,860	407,501			2,232,361
Actual Expenditures to Date, thru 6/30/2010	1,736,862	309,710	-		2,046,572
Remaining F.Y.10 Balance	87,998	97,791			185,789

Comparison of FY2011 Budget to Actual through (most recent date available)	FY2011 Operating Budget				
FY2011 General Appropriation & Appro Revenue	**Personnel**	**Operating**	**Equipment**	**Capital Assets**	**Total Budget**
Public Service	1,979,744	505,292			2,485,036
					-
					-
SUBTOTAL	1,979,744	505,292			2,485,036
					-
					-
Total Appropriation (GF and Other Revenue) for F.Y.11	1,979,744	505,292			2,485,036
Actual Expenditures to Date, thru 11/30/2010	822,440	155,751			978,191
Remaining F.Y.11 Balance	1,157,304	349,541			1,506,845

2009-11 Capital Assets Appropriation					
Deferred Maintenance 09-11 (Line 54)				45,576	45,576
Capital Assets (Line 50)				427,638	427,638
Capital Assets Carryover (Line 51)				-	-
Total Capital Assets (Incl Major Capital Projects)				473,214	473,214
Actual Expenditures, 7/1/2009-6/30/2010				43,344	43,344
Remaining 2009-11 Balance as of 6/30/2010				429,870	429,870
Actual Expenditures 7/1/2010-11/30/2010				267,141	267,141
Remaining 2009-11 Balance as of 11/30/2010				162,729	162,729

North Dakota Forest Service

Comparison of FY2010 Budget to Actual for FY ending 6-30-10	FY2010 Operating Budget				
FY2010 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	542,772	2,353,024	-		2,895,796
Auxiliary Sales and Services	-	-	-		-
Other Nonappropriated Funds*	-	32,100	-		32,100
Total Nonappropriated Budget for FY10	542,772	2,385,124	-	-	2,927,896
Actual Expenditures thru 6/30/2010	481,208	1,510,972	49,603		2,041,783
Remaining FY10 Balance	61,564	874,152	(49,603)	-	886,113

*Examples of other nonappropriated funds include sales and services of educational activities, such as camps, clinics and workshops; fees; interest income; internal service centers, etc.

Comparison of FY2011 Budget to Actual through 11-30-10	FY2011 Operating Budget				
FY2011 Nonappropriated Budget	Personnel	Operating	Equipment	Capital Assets	Total Budget
Grants and Contracts	542,772	2,362,997			2,905,769
Auxiliary Sales and Services	-	-			-
Other Nonappropriated Funds	-	32,100			32,100
Total Nonappropriated Budget for FY11	542,772	2,395,097	-	-	2,937,869
Actual Expenditures thru 11/30/2010	312,322	292,460			604,782
Remaining FY11 Balance	230,450	2,102,637	-	-	2,333,087

2009-11 Nonappropriated Capital Assets					
Deferred Maintenance 09-11 (Line 54)					-
Capital Assets (Line 50)					-
Capital Assets Carryover (Line 51)					-
Total Capital Assets (Incl Major Capital Projects)	-	-	-	-	-
Actual Expenditures, 7/1/2009-6/30/2010					-
Remaining 2009-11 Balance as of 6/30/2010	-	-	-	-	-
Actual Expenditures 7/1/2010-11/30/2010					-
Remaining 2009-11 Balance as of 11/30/2010	-	-	-	-	-

2011-2013 Funding Request – HB 1003

The 2011-2013 funding request for the North Dakota Forest Service in HB 1003 is $5,209,958, including $5,112,167 for Operations and $97,791 for Capital Assets. The General Fund request is $4,212,472. Other funds are $997,486.

The 2011-2013 operations budget includes salaries and wages and operating expenses for 26 FTE and 45 seasonal positions that provide public forestry services.

- Operations.....$5,112,167

The 2011-2013 capital assets budget provides necessary repairs for 41 office, shop, storage and recreational buildings at Bottineau, Lisbon, Towner and Walhalla. The budget includes extraordinary repairs and equipment over $5,000.

- Capital Assets $97,791

Total Forest Service Request HB 1003 (General funds and other funds).....$5,209,958

Executive Budget Recommendations

Provides an increase of $254,524 for parity, which includes a 3 percent annual salary increase, actual health insurance premium increases, and inflationary adjustments for building utilities.

Authorizes $175,510 for program enhancements to address critical natural resource issues identified in the recently completed statewide assessment.

Provides $17,341for employee retirement contributions.

Approves $4,905 to fund extraordinary repairs at 15 percent of the OMB formula.

Approves one-time funding of $250,000 to assist communities with removal and replacement of trees destroyed by emerald ash borer, based on 1:1 community match.

ND Forest Service
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	ND Forest Service		
	SBHE 2009-11 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	**$ 3,855,768**	**$ 3,855,768**	**$ -**
Base Adjustments	**(345,576)**	**(345,576)**	**-**
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**3,510,192**	**3,510,192**	**-**
Prioritized SBHE Needs Based Request:			
Parity	359,844	254,524	(105,320)
Program Enhancement-10% base funding increase	351,019	175,510	(175,509)
Employee Retirement Contributions	17,623	17,341	(282)
Facility and Infrastructure Regular Repair and Maintenance	-	4,905	4,905
Total Requested Increase in GF Base Funding	728,486	452,280	(276,206)
Total Base General Fund Request & Recommendation	**4,238,678**	**3,962,472**	**(276,206)**
One-time Budget Requests:			
State Forest Service-Emerald Ash Borer	500,000	250,000	(250,000)
Total One-time Budget Request & Recommendation	**500,000**	**250,000**	**(250,000)**
2011-13 State-funded Projects	**550,000**	**-**	**(550,000)**
Total 2011-13 General Fund Request & Recommendation	**$ 5,288,678**	**$ 4,212,472**	**$ (1,076,206)**

2011-2013 Funding Request

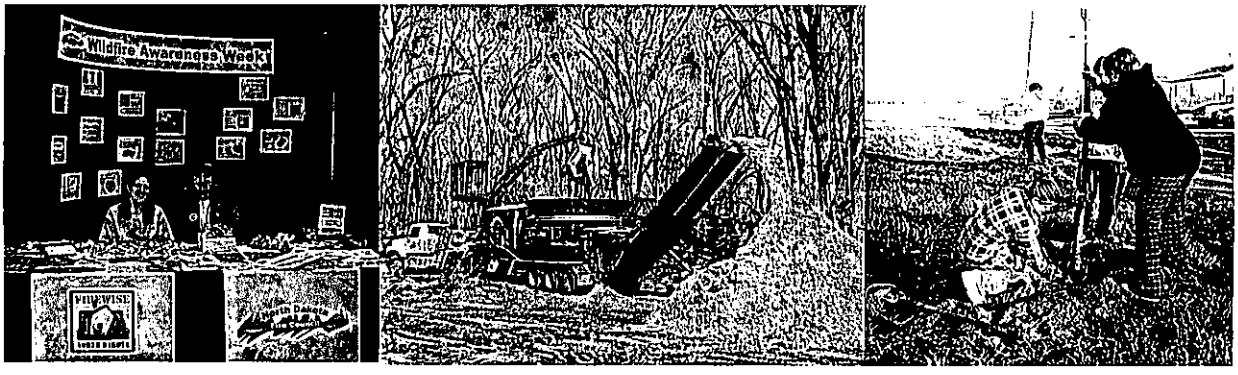
Total 2011-13 Base Funding Increase	**$447,375**
Budget Categories	
Parity	$254,524
Employee Retirement Contribution	$ 17,341
Program Enhancements	$175,510

The total requested base budget increase included in the Executive Recommendations (HB 1003) for the Forest Service is $447,375. The funding supports public forestry services provided by the North Dakota Forest Service through field offices at Bismarck, Bottineau, Carrington, Fargo, Lisbon, Towner and Walhalla.



Parity - $254,524

The Executive Recommendations (HB 1003) request a $254,524 parity increase for the Forest Service, including $74,422 for costs-to-continue the FY 2011 legislatively funded salary increases; $142,063 for a 2011-13 salary increase of an average 3.0% per year; and $38,039 for 2011-13 health insurance premium increases.



Employee Retirement Contribution - $17,341

The Executive Recommendations (HB 1003) provide $17,341 for an employee retirement contribution increase in the Forest Service base budget.

Program Enhancements - $175,510

The Executive Recommendations (HB 1003) include a $175,510 program enhancement increase in the Forest Service base funding to address future critical natural resource issues identified in the ***North Dakota Statewide Assessment of Forest Resources and Forest Resource Strategy*** completed on June 18, 2010. The assessment and strategy provide a long-term, comprehensive plan for sustaining North Dakota's forest resources. Threats to forest resources in North Dakota include invasive (insects and pathogens) tree pests; over-maturity and limited natural regeneration of forest resources; lack of tree species diversity and vulnerability to damaging agents; lack of education outreach; conversion from historic vegetation types; wildfire; limited wood utilization opportunities; and climate change. Local, state, federal and tribal partners identified invasive forest insects and pathogens, communities at risk from wildfire, and riparian (streamside) forest restoration as critical natural resource management issues.

The enhancement will be used to fund $119,262 in salaries, fringes and operating expenses for public forestry services identified in the statewide assessment, including rising tree production costs at Towner State Nursery. The enhancement will also fund $56,248 for the replacement of specialized forestry equipment at Towner State Nursery and the Bottineau field office. This enhancement will benefit communities, fire districts and private forest landowners through key programs, including Community Forestry, Fire Management, Forest Health and Forest Stewardship. The Forest Service requested a total of $351,019 in program enhancement funds for organizational capacity measures to increase program efficiencies, strengthen customer service, promote teamwork and allow flexibility to address emerging natural resource issues.





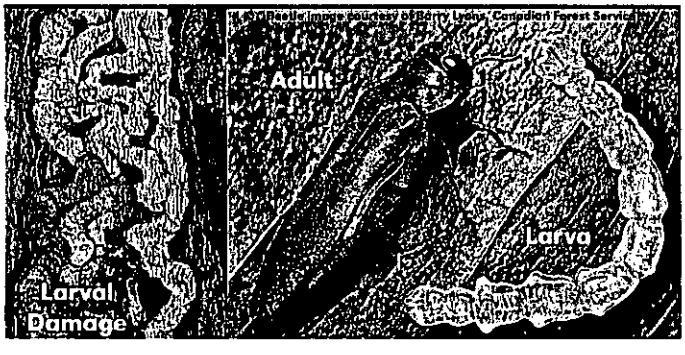
2011-2013 Optional Budget Request

One-Time Critical Issue Funding Request – Emerald Ash Borer Mitigation

The Executive Recommendations (HB 1003) provide $250,000 in one-time optional funding for the North Dakota Forest Service to help North Dakota communities prepare for the arrival of the emerald ash borer (EAB). The emerald ash borer is a highly invasive, exotic insect that attacks and kills all species of North American ash trees (green, white, black and blue ash). The Forest Service requested $500,000 to assist communities with tree removal and replacement on a 1:1 match.

North Dakota is estimated to have 78 million ash trees. Ash is the most common tree planted in communities, reaching 60% of the tree population in some towns. Green ash represents a large percentage of the state's 55,000 miles of field and farmstead windbreaks. Costs of removing, disposing and replacing community trees lost to EAB can average $600-$800 per tree. In the City of Bismarck alone, it would cost $5.2 million to remove dead ash trees and replant. Coupled with the economic benefits associated with trees lost to EAB, such as reduced energy costs and ecosystem services, the insect's impact could far exceed $1 billion dollars in North Dakota.

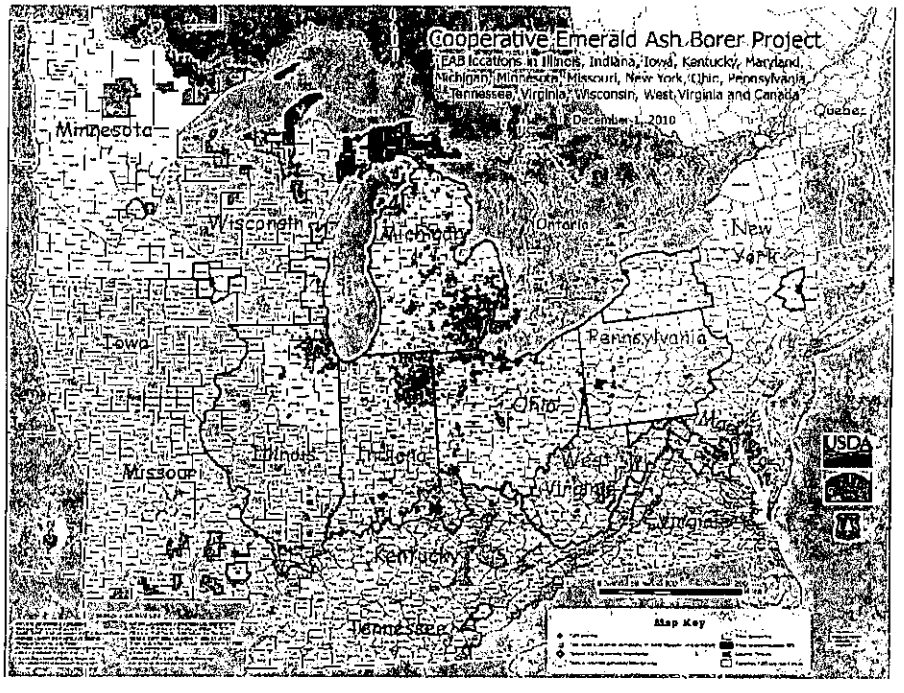
Be Alert to Emerald Ash Borer!



When emerald ash borer arrives in North Dakota, it is anticipated that communities may request more than $1 million each year in financial assistance from the North Dakota Forest Service to remove dying street trees and replant with a diversity of new species. Communities are already removing declining ash and replanting to spread out the impact costs.

The North Dakota Forest Service established a Community Forestry Challenge Grant Program when the 1990 Farm Bill created an Urban and Community Forestry Program administered by the U.S. Forest Service. Since 1991, the North Dakota Forest Service has passed through $962,355 in federal funds for 370 community tree planting and tree care projects totaling over $2,755,706. Unfortunately, declining federal funding eliminated this program for North Dakota in federal fiscal year 2007. This one-time funding for Emerald Ash Borer Mitigation would reinstate this Community Forestry Challenge Grant Program.

The state forestry agencies in Kansas, Nebraska, North Dakota and South Dakota have worked together effectively since 2008 on a multi-state proactive response plan called the ***Great Plains Tree and Forest Invasives Initiative***. The joint initiative among state forestry agencies, universities and departments of agriculture is the first of its kind to coordinate efforts on combating invasive tree pests across the northern Great Plains. The agencies developed the ***Great Plains Initiative Readiness and Response Plan for Emerald Ash Borer*** resulting in expanded networking, more efficient programming, sharing of expertise, and consistent messaging to slow the spread of emerald ash borer. Accomplishments include an inventory of rural and community tree resource conditions, coordinated education outreach to increase public awareness, improved monitoring and detection strategies, and the development of wood utilization opportunities for trees killed when EAB is confirmed in the region.



Since its introduction from China in the early 1990s, emerald ash borer has killed more than 50 million trees in Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Missouri, New York, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, Wisconsin and the Canadian provinces of Ontario and Quebec. Now found in Minnesota, the insect is likely to arrive somewhere in North Dakota in the next few years. Significant financial resources will be required to delineate and manage insect infestations in order to slow their spread and mitigate their impacts on forest resources, and state and local budgets.

2011-2013 Capital Assets

Extraordinary Repairs and Equipment

The Executive Recommendations (HB 1003) include $97,791 for extraordinary repairs and equipment for the Forest Service. The Forest Service is responsible for maintaining buildings and facilities at five locations. Buildings at Bottineau, Lisbon and Walhalla deliver forestry services while the Towner State Nursery provides tree seedlings to the citizens of North Dakota. Recreational and storage buildings are also located on the State Forests. Capital assets consist of 41 office, shop and storage buildings. The OMB repair formula generates a total of $276,951 for Forest Service buildings and infrastructure.

Extraordinary repairs include miscellaneous small projects at field offices at Lisbon and Towner. Repairs include energy efficient improvements at the Lisbon office, shop and storage buildings. Repairs at Towner State Nursery include siding, shingles and windows for the irrigation building.

Extraordinary Repairs	**$41,543**
Lisbon Field Office – energy efficient improvements Towner State Nursery – siding, shingles and windows for irrigation building.	
Equipment	**$56,248**
Tractor, flex wing mower and snowmobile	
Total	**$97,791**

The Forest Service Facility Master Plan identifies $307,700 in plant improvement needs at its Bottineau, Lisbon and Walhalla field offices, state forests and Towner State Nursery. The improvements include deferred maintenance ($94,700), extraordinary repairs ($132,500) and ADA/safety projects ($80,500).

The agency's base funding for extraordinary repairs is $36,638 which represents 13.2% of the OMB building and infrastructure formulas. The Executive Recommendations (HB 1003) approve a $4,905 increase to fund extraordinary repairs at fifteen percent (15%) of the OMB formula. Fifteen percent (15%) of the OMB formulas provides the Forest Service $41,543 for extraordinary repairs. The Executive Recommendations also approve $56,248 for equipment needs at Towner State Nursery and the Bottineau Field Office included in the Forest Service program enhancement request.

2011-2013 Capital Assets

Capital Project Request - Nursery Freezer Conversion/New Building

Nursery Freezer Conversion/New Building – Towner State Nursery $550,000	
Total Project Costs	$550,000
Funding Source	General Fund
SBHE Policy 902.1 Criteria	Conversion of an existing building and new construction will expand space for trees, equipment and supplies. Project will consolidate services and enhance operating efficiencies. Project would also meet life, health and safety requirements to comply with local, state and federal law requirements.

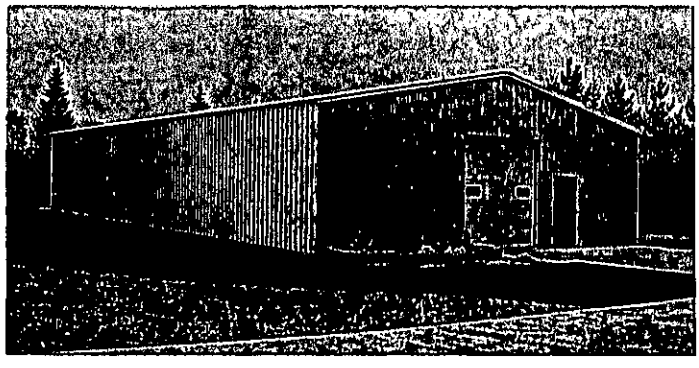
The NDSU-North Dakota Forest Service capital project request includes $550,000 for a Nursery Freezer Conversion/New Building at Towner State Nursery. The Forest Service owns and operates the 160-acre nursery specializing in the production of bare-root and container seedlings to meet the conservation tree planting needs of the state. Each spring, the nursery lifts over one million bare-root tree seedlings, but lacks adequate storage for the seedlings. Tests at the nursery have continuously proven that freezer storage provides equal or better survival than spring lifting for some species. Conversion of an equipment storage building to a freezer storage unit would allow the nursery to switch lifting and packaging from spring to fall. This would result in an earlier seedling harvest and improve seedling quality and performance. It would also increase production, improve species availability, and allow for earlier transplanting.

Capital Projects include $550,000 for a Nursery Freezer Conversion/New Building at Towner State Nursery. The project addresses critical freezer storage for tree seedlings, replaces equipment storage space and provides a heated shop. Conversion of an equipment storage building to a freezer storage unit would increase storage capacity from 120,000 to 250,000 trees and allow early spring shipment of seedlings to meet customer demands. It would also increase production, improve species availability and enhance seedling quality.

The project involves the conversion of an existing 50 x 100 foot equipment storage building to a freezer storage building and the construction of a new storage building. The conversion of the existing building requires installation of compressor freezer units at a cost of $100,000. The existing building is in excellent condition, insulated and has a finished interior. Construction of a new steel building will replace storage space that was eliminated with the conversion of the existing building. Critical storage is needed for equipment, packaging supplies and fertilizer. In addition, the new construction will provide a heated shop. The steel building will be 50 feet wide and 150 feet long with a concrete floor. Specifics of new construction include: steel building with concrete floor and heated shop - $380,000; architectural services - $50,000; and forklift driveways for access - $20,000.

The Towner State Nursery freezer storage building and new storage building is a high priority in the agency's facilities master plan and meets a compelling tree production justification. This project will expand storage space for trees, equipment and supplies. It fosters the consolidation of services and enhances operating efficiencies. Tree storage expansion would spread out the workload and reduce current labor shortage problems. These improvements would meet customer needs for earlier spring delivery and enhance tree production options by allowing more spring transplanting at the nursery. This is part of the mechanization plan for tree production at Towner State Nursery.

The Executive Recommendations (HB 1003) do not provide any funds for this Forest Service capital project request.



NORTH DAKOTA FOREST SERVICE
2011-2013 Budget Request
GENERAL FUND AND OTHER APPROPRIATED

BASE BUDGET:	Operating	Capital Assets	Total	Gen Fund	Other Funds	Total Funds
2009-11 Appropriation Budget						
Operations	4,531,608	-	4,531,608	3,473,554	1,058,054	4,531,608
Capital Assets	-	473,214	473,214	382,214	91,000	473,214
Total 2009-11 Appropriation			5,004,822	3,855,768	1,149,054	5,004,822
Less One-Time Allocations:						
Towner Nursery	(60,568)	-	(60,568)	-	(60,568)	(60,568)
Deferred Maintenance	-	(45,576)	(45,576)	(45,576)	-	(45,576)
Capital Projects	-	(427,638)	(427,638)	(336,638)	(91,000)	(427,638)
Total Adjusted 2009-11 Budget Base Budget	4,471,040	-	4,471,040	3,473,554	997,486	4,471,040
Add: Base Budget Budget Changes - Operating						
Parity						
Continue 2010-11 Salary Increase	74,422	-	74,422	74,422	-	74,422
Adjusted Health Insurance Increases	38,039	-	38,039	38,039	-	38,039
Operating Inflation (2.1% for FY12 & 2.0% for FY13)	33,233	-	33,233	33,233	-	33,233
Salary Increases (4.5% & 4.5%)	214,150	-	214,150	214,150	-	214,150
Program Enhancement	238,524	-	238,524	238,524	-	238,524
Employee Retirement Contribution Increase	17,623	-	17,623	17,623	-	17,623
Total Base Budget Budget Changes - Operating	615,991	-	615,991	615,991	-	615,991
Add: Capital Assets						
Capital Project 2011-13	-	550,000	550,000	550,000	-	550,000
Program Enhancement (equipment over $5k)	-	112,495	112,495	112,495	-	112,495
Extraordinary Repairs	-	36,638	36,638	36,638	-	36,638
Total Base Budget Budget Changes - Capital Assets	-	699,133	699,133	699,133	-	699,133
TOTAL 2011-13 BASE BUDGET REQUEST	5,087,031	699,133	5,786,164	4,788,678	997,486	5,786,164
OPTIONAL BUDGET						
Emerald Ash Borer Mitigation	500,000	-	500,000	500,000	-	500,000
TOTAL 2011-13 BUDGET REQUEST	5,587,031	699,133	6,286,164	5,288,678	997,486	6,286,164
Executive Recommendation						
Operating Inflation (0%)	(33,233)	-	(33,233)	(33,233)	-	(33,233)
Salary Increases (3% per yr)	(72,087)	-	(72,087)	(72,087)	-	(72,087)
Program Enhancement	(119,262)	(56,247)	(175,509)	(175,509)	-	(175,509)
Employee Retirement Contributions	(282)	-	(282)	(282)	-	(282)
Major Capital Projects	-	(550,000)	(550,000)	(550,000)	-	(550,000)
Extraordinary Repairs		4,905	4,905	4,905	-	4,905
Emerald Ash Borer Mitigation	(250,000)	-	(250,000)	(250,000)	-	(250,000)
Exec. Recommend Over (Under) Budget Request	(474,864)	(601,342)	(1,076,206)	(1,076,206)	-	(1,076,206)
Total 2011-13 Budget Executive Recommendation	5,112,167	97,791	5,209,958	4,212,472	997,486	5,209,958

NORTH DAKOTA FOREST SERVICE
2011-13 Extraordinary Repairs and Capital Projects

2011-13 Budget Request	
Extraordinary Repairs	36,638
Capital Project - Nursery Freezer Conversion/New Bldg	550,000
Total 2011-13 Capital Assets Request	586,638
Funding Sources	
General Fund	586,638
Other Funds	0
Total 2011-13 Capital Assets Funding Sources	586,638
2011-13 Executive Recommendation	
Capital Project - Nursery Freezer Conversion/New Bldg	-550,000
Extraordinary Repairs	4,905
Total 2009-11 Executive Recommendation	-545,095
Funding Sources	
General Fund	41,543
Other Funds	0
Total 2011-13 Capital Assets Funding Sources	41,543

Extraordinary Repair Projects	
Misc. Small Projects less than $50,000	41,543
Mechanical and Electrical Upgrades	0
Utilities and Infrastructure	0
Building Exterior	0
Structural Repairs	0
Total Extraordinary Repairs Projects	41,543

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Education and Environment Division
Sakakawea Room, State Capitol

HB 1020
1/25/11
13326

☐ Conference Committee

Committee Clerk Signature Shirley Brenning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for transfers; to provide an exemption; and to declare an emergency as it pertains to the Forest Service.

Minutes: You may make reference to "attached testimony."

Chairman Skarphol: Brought the committee to order, noting that Rep. Monson and Rep. Hawken are absent for other hearings..
He introduced **Dr. Dean Bresciani, President North Dakota State University** who stated that he will be introducing the following: North Dakota Forest Service, Upper Great Plains Transportation Institute, Northern Crops Institute and a combined SBARE/Experiment Extension Service presentation. He introduced Dr. **Larry Dr. Kotchman, Director of the State Forest Service.**

Dr. Kotchman: He provided testimony see attachment # 1, pp. 1-

Chairman Skarphol: We have tried to eliminate the fluff in our hearings and try to stick with the numbers as much as possible. We will read the introductory material and if you talk mainly about the changes and recommendations in your budget that you find of most interest, we appreciate that.

Dr. Kotchman: Beginning with p. 7 of Attachment # 1. This begins the information that you requested about the present appropriation that we have. It is composed of operations, about 90% of our activities are involved with salaries and wages and operating expenses, about 10% with capital assets. We are able to serve communities, rural fire departments, soil conservation districts, school districts and citizens around the state. Continuing on p. 8 of Attachment # 1 is listed the current status of our OMB report for expenditures for Forest Service. We are consistent and on track for this time of year. As of November we had approximately 41% of the budget remaining as well as 45% of the capital assets budget remaining. We also receive revenues from the sale of trees at Towner, North Dakota and those are on track with our projections. Continuing with p. 9, there is a copy of our capital projects as well as extraordinary repairs and deferred maintenance. You provided a capital project that was appropriated last time for a new green house at Towner, North Dakota and

it nearing completion. Continuing with p. 10, Attachment # 1, the Status Report of the 2010 fiscal year revenue and expenditures from all sources. There are nursery revenues, our state appropriation as well as grants and contracts. These are used for salaries, operating and a small amount of equipment as well as some capital projects. Continuing on p. 11 is a list of the comparison of the FY 2011 budget to actual this includes salaries and operating and we are in budget. P. 12 lists the non appropriated sources in grants and contracts.

Chairman Skarphol: Elaborate more on that.

Dr. Kotchman: Each year we get funding from the US Forest Service passed through funds that are directed through training and equipping North Dakotas 348 rural fire protection districts. Tree care with communities is funded by the North Dakota Department of Transportation related to tree enhancement projects along transportation corridors. We have landowners' assistance.

Chairman Skarphol: Revenue on your trees, stable, declining, going upward, what is the trend.

Dr. Kotchman: Revenue has been stable, selling 1M trees per year and hoping to sell 1M this year.
Continuing with testimony on pp. 13-14 which contains the funding request and Executive Budget Recommendations.
The removal of Emerald Ash Borer is for $250,000 for a one to one match.

Chairman Skarphol: Will you talk more about the program enhancement?

Dr. Kotchman: Continuing with Attachment 1, p. 17, here it includes $175,510 for funding for critical issues that were identified in our recently completed assessment such as invasive forest insects, Emerald Ash Borer, communities at rish from wild fire and the restoration of forest resources. This would provide salaries in the priority areas for field offices and the nursery at Towner.

Chairman Skarphol: Is there any FTE additions in there?

Dr. Kotchman: There is one FTE associated with providing assistance to communities and fire districts. Continuing with discussion on p. 18 and this is for mitigation of Emerald Ash Borer. It is close but not in North Dakota. It has been found in Minneapolis, Minnesota and has killed 50M trees in 15 states and two Canadian provinces. North Dakota has 78M classified as ash, about 60% of all trees in small communities.
Continuing on p. 18 of Attachment 1.

Chairman Skarphol: The ash tree will be eliminated by the ash borer?

Dr. Kotchman: Yes, this may be the case. Continuing with testimony, see attachment # 1, p. 24, extra ordinary repairs

Chairman Skarphol: What did you have last time?

Dr. Kotchman: We had $36,638 in the base amount and a one-time amount for deferred maintenance of approximately $45,000. Continuing with Capital assets, Attachment # 1, p. 21. The new freezer storage conversion at Towner State Nursery as well as a building to house equipment was authorized by the State Board of Higher Education but it was not included in the Executive recommendation.

Chairman Skarphol: The $56,000 that is reflected on page 20 is equipment Is it on the green sheet? Point it out when we complete the hearing.

Dr. Kotchman: Continuing on with testimony on p. 23, an itemized summary detailing a comparison of the Board of Higher Education to the Executive Recommendation.
Concluding on p. 24 with a listing of extraordinary repairs and Capital Projects. At $41,543. This is not included in the Executive recommendation.
Closing his testimony, appreciation is expressed for past support.

Rep. Martinson: The Ash Borer will affect all communities and will they have to cut down healthy ash trees?

Dr. Kotchman: No, they will not, it affects low vigor ash, replacements are heartier.
This problem will be more devastating than Dutch Elm disease was.

Dolan: in response to the question on equipment. It is not mentioned specifically on the N green sheet but is in the Bill on p. 6.

Chairman Skarphol: Closing the hearing in HB 1020, North Dakota Forest Service.and asking if there are any further comments or questions.

Hearing Closed.

HB 1003
NDUS
1/31/11

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

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E-mail: NDUS.office@ndus.edu Web: ndus.edu

TO: **Representative Bob Skarphol, Chair**
House Appropriations Education and Environment Division

FROM: **Laura Glatt, Vice Chancellor for Administrative Affairs**
North Dakota University System

DATE: **January 31, 2011**

RE: **Follow-up Information Request** **Memo No. E-11-04**

Attached is the follow-up information requested by your committee members during the NDUS Office budget hearing last week as follows:

1.) Additional information on the Northern Tier Network, including a list of project partners
2.) Additional background on three existing academic programs and their associated start-ups costs: NDSCS Nano-Technology, LRSC Wind Energy, and UND/NDSU Joint Master's in Public Health
3.) EPSCoR funding 09-11 compared to 11-13 projections for both general fund and anticipated grant funding
4.) PSEP funded slots by class
5.) NDUS Office staffing information: FTE position list, position description and organizational chart
6.) Per student tuition and fee revenue history; history of mandatory fee increases and history of program fee increases

Please feel free to contact me with any questions at laura.glatt@ndus.edu or by phone at 701-328-4116.



07-09
BIENNIAL REPORT

Northern Tier Network

North Dakota State University,
University of North Dakota and
North Dakota Information Technology Department

PARTNERS

Pacific Northwest GigaPOP (PNWGP)‡
AT&T Fiber Broker, Network Engineering
www.pnwgp.net

The University of Washington
Operator of PNWGP
www.washington.edu

BOREAS-Net‡
Eastward Transport Network
www.boreas.net

Northern Lights GigaPOP‡
Internet2 Data Service Provider
www.northernlights.gigapop.net

WiscNet‡
Network Operations Center
www.wiscnet.net

CENIC‡
Consulting
www.cenic.org

Eide Bailly
Consulting
www.eidebailly.com

Qwest
Infinera Equipment Reseller
www.qwest.com

Midcontinent Communications (MidCo)
Dark Fiber (North-South) and Related Services
www.midcocomm.com

The Defense Research and Engineering Network (DREN)
Federal Funding Agency
www.hpcmo.hpc.mil/Htdocs/DREN

AT&T
Dark Fiber (East-West) and Related Services
www.att.com

IdeaOne
Fargo Local Loop
www.ideaone.com

The Northern Tier Network Consortium‡
Regional Research and Education Network Consortium
www.ntnc.org

Montana University System
Westward Transport Network
www.mus.edu

‡ Denotes institutions affiliated with higher education.

> FORWARD Thank you to Gov. John Hoeven, the North Dakota Legislature and Sen. Byron Dorgan for your financial support, without which this endeavor would not have been possible.

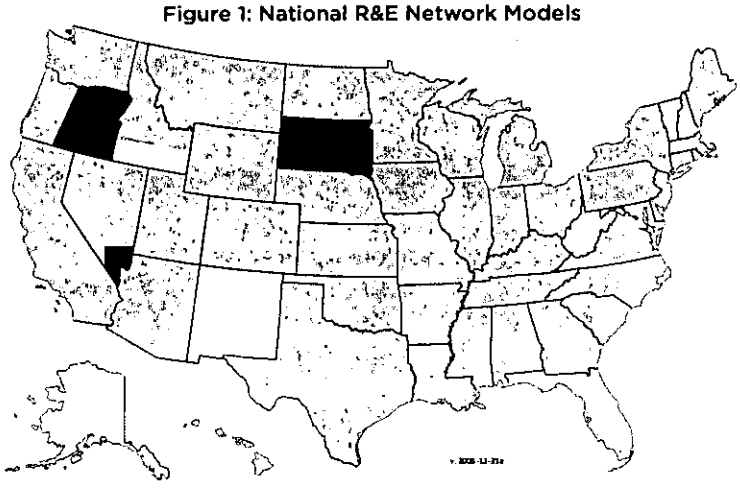
The Northern Tier Network Consortium (NTNC)

BACKGROUND

Efforts to provide connectivity to the nation's high-speed research and education network backbone for universities in North Dakota and other states in the upper Midwest have been under way since the mid-1990s. This was in response to the lack of competitiveness in the region's advanced networking capabilities in support of the educational, research and economic vitality of the Northern Tier region. The Northern Tier Network Consortium (NTNC) was established in 2003 primarily by higher education representatives from seven states — today the membership represents 12 states.

This regional network initiative is an attempt to provide a robust research network connection for educational institutions and federal research laboratories in upper-Northwestern states by creating a national backbone route across the Northern Tier states between Chicago to the east and Seattle to the west. Northern Tier Network Consortium state members include Michigan, Wisconsin, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Montana, Idaho, Wyoming, Washington and Alaska.

Figure 1: National R&E Network Models



Dark fiber R&E network (existing or in deployment)
Planning under way for dark fiber R&E network
Telco provided data services R&E network
ATM R&E network

Great strides have been made both in our region and nationally to strengthen and expand this resource that is so critical to our global competitiveness. Most of our nation is served now by a research and education network like the one being deployed in North Dakota (see Figure 1). As of 2006, more than 35,000 route-miles of dark fiber were held by U.S. research universities.[1] Northern Tier connects to the U.S. Internet2 (www.internet2.edu)[2] and National Lambda Rail (www.nlr.net)[3] networks and other international research and education networks at points in Chicago and Seattle. Without Northern Tier connections to these networks, other regions surpassed this region's network capacity by a factor of 10 or more.

North Dakota's serious efforts in deploying its share of the Northern Tier Network began in 2005 when a $200,000 planning grant was acquired by North Dakota, South Dakota, Montana and Idaho. This grant funded a consultant who developed a network-engineering plan that provided the basis for the Northern Tier Network footprint across these four states. As a follow-up to this planning effort, in September 2006, Sen. Byron Dorgan secured $3.25 million in seed money for NDSU to be used in consultation with University of North Dakota and the state's Information Technology Department for North Dakota's Northern Tier Network project. Gov. Hoeven followed suit by including the remainder of the required funding in his FY08-FY09 budget.

In spring 2007, the North Dakota Legislature offered its endorsement in the form of a $2.73 million appropriation. To manage this joint project, UND, ITD and NDSU entered into a three-party agreement, with NDSU acting as the fiscal agent and primary point of contact for Northern Tier Network issues. This group and the Northern Tier Network segments the group is responsible for have been dubbed Northern Tier Network-North Dakota (NTN-ND).

[1] See www.ces.net/doc/seminars/20060529/pr/preston.pdf.

[2] Internet2 promotes the missions of its members (200 higher education institutions) by providing both leading-edge network capabilities and unique partnership opportunities. It links member campuses and laboratories with a broader community which includes U.S. government and company research laboratories, and research and education networking organizations in countries around the world.

[3] National Lambda Rail is a research focused network that is owned and controlled by the U.S. research community, which provides infrastructure connecting the nation's major research universities and national labs.

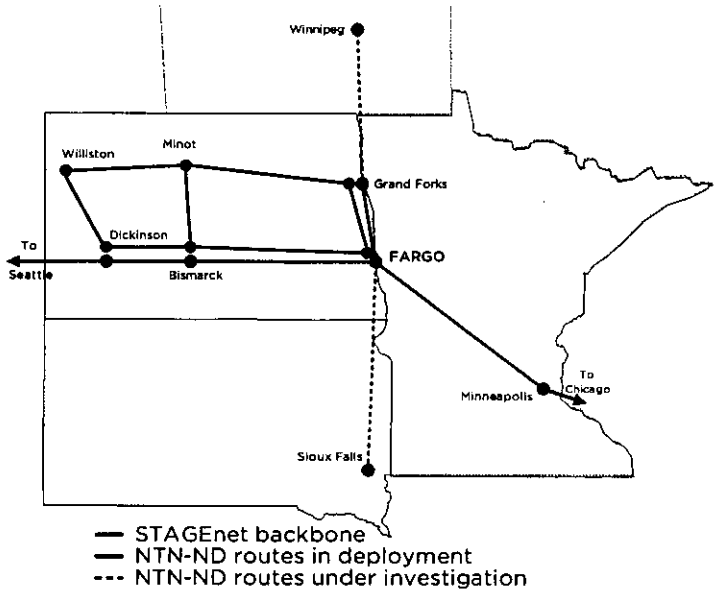
PROGRESS TO DATE

Significant progress has been made to date on deployment of NTN-ND. The base NTN-ND deployment is well under way. The network is expected to have a point-of-presence (POP) in the cities of Dickinson, Bismarck, Fargo, and Grand Forks by Q1 2009 (see Figure 2). Connections from NDSU and UND to their respective local POPs also should be completed by Q1 2009. ITD and the North Dakota University System currently are working with local telecommunications companies to establish POP links in Dickinson and Bismarck, but these connections are unlikely to go live until sometime after Q1 2009.

In an effort to clarify the relationship between STAGEnet and NTN-ND, it should be noted that NTN-ND is a backbone-only network. It does not and will not provide connectivity beyond the points-of-presence in the cities noted by orange dots in Figure 2. When up and operational, NTN-ND will take the place of the North Dakota University System's current Internet2 transport link. This link with connectivity from Fargo to Minneapolis has been in place since 2000. Prior to that, Internet2 research transport was accommodated by the Great Plains Network with a link from Fargo to Kansas City (1997-2000).

Institutions not directly connected to a NTN-ND POP, such as the remaining North Dakota University System institutions, will need to have their Internet2-bound data — destined for out-of state locations — transported over STAGEnet to the nearest NTN-ND POP.

Figure 2: NTN-ND and STAGEnet backbone routes

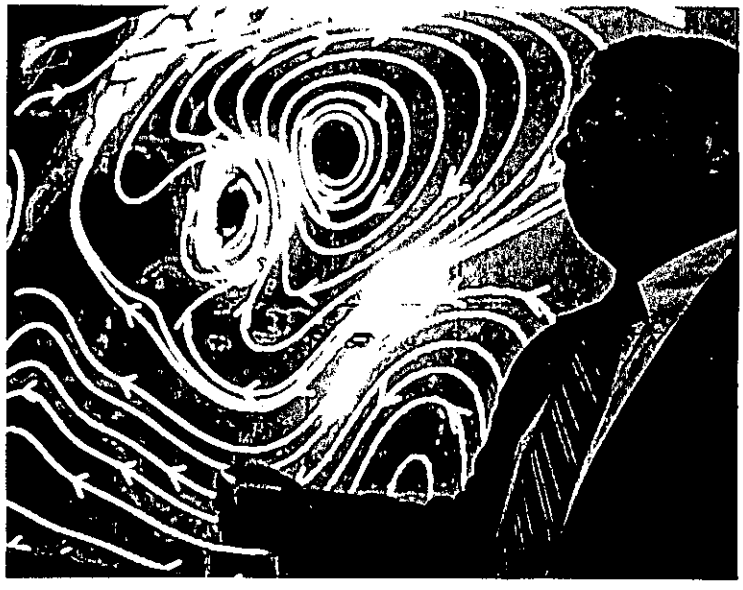


While much has been done, everything is not complete. NTN-ND is investigating two additional partnerships, one with CANARIE (Canada's national research network) and the other with the South Dakota University System. We expect to have sufficient startup money to choose one of these two routes and hope to find sufficient funds to cover ongoing expenses. (These routes are diagramed in Figure 2). Negotiations are currently under way with both parties. When complete, North Dakota will serve as an upper Midwest crossroads for national and international research and education high-speed Internet traffic.

USE AND RESTRICTIONS

As previously noted, NTN-ND will replace the North Dakota University System's current Internet2 transport link when it becomes operational. The initial deployment will be 10 10Gbps circuits, scalable to 40 10Gbps circuits. Peering agreements with Montana and Washington will allow for shared use of the initial 10 circuits.

Even though the North Dakota University System will abide by existing language passed during the 60th Legislative Session - NDCC § 15-10-45 - we continue to believe this language is ambiguous and unnecessary since paragraphs 14-16 in NDCC § 54-59-05 already prevent state competition with private companies. Further, NTN-ND has agreements in place with AT&T and Midcontinent Communications (see Appendix A). Those agreements include non-compete clauses, which prevent the kind of activities NDCC § 15-10-45 is concerned with.



EXPENDITURES

NTN-ND has two primary sources of funding. The first is $3.25 million secured by Sen. Byron Dorgan through the Defense Research and Engineering Network (DREN), which falls under the Department of Defense. The second source of funding is $2.73 million in state funds appropriated during the 2007 legislative session. Both of these funding sources represent one-time funds. NTN-ND is currently working with ongoing funding and expects to need $1 million annually starting in FY11 (July 1, 2010) in order to operate the full network.

Federal funding was used exclusively to purchase equipment (see Figure 3). Department of Defense - Defense Research and Engineering Network (DREN) acquired this equipment based on NTN-ND specifications and is in the process of completing the necessary paperwork to transfer ownership to NTN-ND. Equipment was purchased from Cisco Systems and from Qwest for Infinera.

NTN-ND expenditures can be grouped into four main categories:

- Fiber optic cable
- Equipment
- Consulting
- Operating

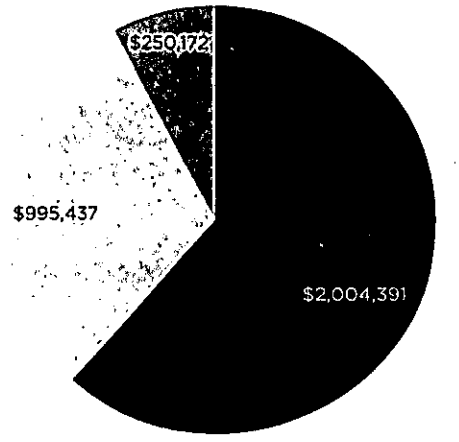
Expenditures on fiber include IRU (indefeasible right of use) agreements, operating and maintenance fees, and fees for rack space and power in communications huts. Certifying the fiber and associated installation fees for the route running from the Montana-North Dakota border to Minneapolis (see Figure 4) were paid to AT&T and facilitated by PNWGP. This fiber was provided to Washington, Idaho, Montana, North Dakota, Minnesota and Wisconsin by the Pacific Northwest GigaPOP (PNWGP).[4] This fiber was available to North Dakota at no cost via PNWGP, and, therefore, was not competitively bid. Sole-source acquisition paperwork for this fiber was filed at NDSU.

Fiber optic cable from Grand Forks to Fargo did go through a competitive bidding process, which was overseen by NDSU's Purchasing Department and General Counsel, with additional legal counsel from Caplan and Earnest LLC, a Denver firm. This bid was awarded to Midcontinent Communications and includes options to acquire additional fiber north to Canada and south to Sioux Falls. NTN-ND still is investigating the feasibility of these routes and associated partnerships.

While federal funding provided the vast majority of the equipment necessary for NTN-ND, it did not cover 100 percent of our equipment needs. The remaining required equipment was Infinera equipment and was purchased with state funds. The pricing was based on a competitive bidding process conducted by BOREAS-Net, a regional networking consortium composed of the University of Minnesota, University of Wisconsin-Madison, University of Iowa and Iowa State University, all Northern Tier Network Consortium members.

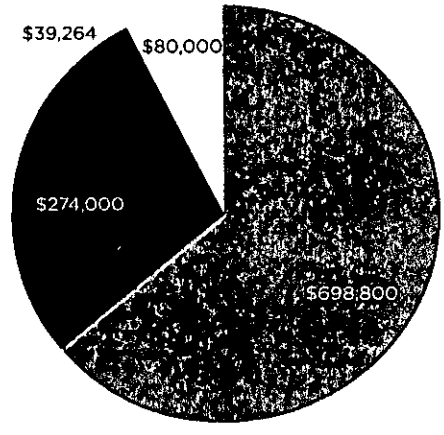
[4] This fiber falls under a larger effort by AT&T and the Southeast University Research Association (SURA) to promote dark fiber ownership by research universities. Approximately 6,000 route-miles of AT&T fiber throughout the nation were made available through an agreement between these two entities.

Figure 3: Federal Expenditures



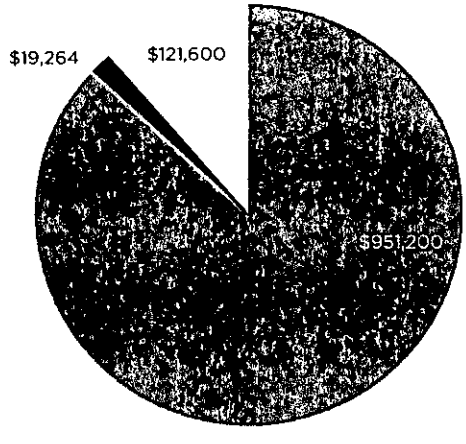
NTN-ND Federal One-Time Equipment Expenditures
Federal Overhead Cisco Qwest/Infinera

Figure 4: State Funded Startup Expenditures



Expenditures by Category
MT-ND border to Minneapolis; Fargo to Grand Forks
Fiber Equipment Consulting Operating

Figure 5: State Funded Startup Expenditures



Expenditures by Industry
MT-ND border to Minneapolis; Fargo to Grand Forks
Telecommunications Consulting Higher Education

perating fees associated with our startup expenditures are marily for network operations. An external vendor was sought to provide operational oversight of NTN-ND. This includes services such as network configuration changes, monitoring and troubleshooting. WiscNet was selected to provide NTN-ND Network Operations Center (NOC) services through a competitive bidding process. (WiscNet also provides NOC services to BOREAS-Net.)

Finally, some consulting services were required during implementation. Services included network engineering (PNWGP), planning and budgeting (CENIC), and project management for our competitive bids (CENIC and Eide Bailly).

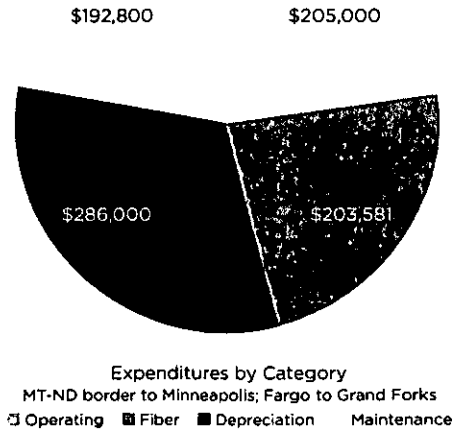
The various industries benefiting from state and federal NTN-ND funds are shown in Figure 5 on page 3.

As part of its fiscal planning efforts, NTN-ND has built an annual budget based on costs that it currently is committed to. These costs are preliminary, since the operating expenses for extending NTN north toward Canada or south to South Dakota have not been calculated. There are currently insufficient implementation details to make reliable cost estimates for connections to Canada or to South Dakota.

The categories for projected annual expenditures are analogous the startup costs (see Figure 6). Expenditures are projected r operating, fiber, depreciation and maintenance. Operating expenses are primarily for NOC services. Fiber expenditures are composed of operating and maintenance fees, as well as rack and power fees paid to AT&T and MidContinent Communications. Depreciation represents the amount of money that needs to be set aside annually in order to replace equipment purchased during startup when it reaches end-of-life. Maintenance fees are ongoing fees paid to equipment vendors for ongoing support, part replacement and software upgrades.

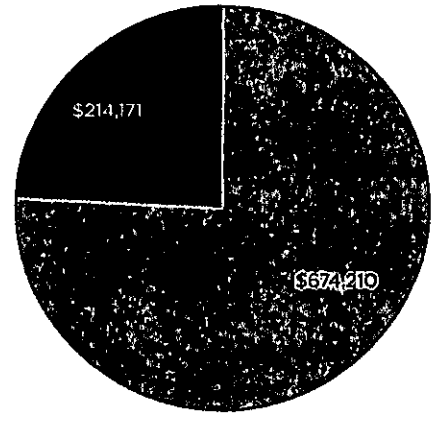
The industries receiving financial benefit from the ongoing operation of NTN-ND are higher education and telecommunications. The dollar amounts for each of these sectors are shown in Figure 7.

Figure 6: Projected Annual Expenditures by Category



Expenditures by Category
MT-ND border to Minneapolis; Fargo to Grand Forks
Operating Fiber Depreciation Maintenance

Figure 7: Projected Annual Expenditures by Industry



Expenditures by Industry
MT-ND border to Minneapolis; Fargo to Grand Forks
Telecommunications Higher Education

Appendix A

Use Restrictions in the North Dakota Century Code, AT&T IRU, and Midcontinent Communications IRU

§ 15-10-45 Telecommunications and information services competition prohibited.

1. The Northern Tier Network, part of a national research network infrastructure, serves entities within and outside this state. The North Dakota University System may use the Northern Tier Network infrastructure only for the purpose of supporting the research and education missions of the North Dakota University System. The North Dakota University System may not use the Northern Tier Network infrastructure for traditional Internet, voice, video or other telecommunications services beyond those required for research networks.
2. The North Dakota University System or any entity associated with the university system may not resell any portion of the Northern Tier Network infrastructure to nonuniversity entities other than research collaborators.
3. The Northern Tier Network may not replace any wide area network services to any city, county or school district which are provided by the information technology department under section 54-59-08.
4. The North Dakota University System shall provide a comprehensive biennial report of Northern Tier Network activities for the 2007-09 biennium and must submit to a biennial audit of the Northern Tier Network activities beginning with the 2009-11 biennium.

§ 54-59-05 Powers and duties of department. The department:

14. May provide wide area network services to a state agency, city, county, school district or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable and nonprofit entities receiving services from the department on January 1, 2003. The department shall file with the state auditor before September 1, 2003, a description of the wide area network service the department provided to each private, charitable and nonprofit entity receiving services from the department on January 1, 2003.
15. Shall assure proper measures for security, firewalls and Internet protocol addressing at the state's interface with other facilities.
16. Notwithstanding subsection 14, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business.

§ 54-59-08. Required use of wide area network services. Each state agency and institution that desires access to wide area network services and each county, city and school district that desires access to wide area network services to transmit voice, data or video outside that county, city or school district shall obtain those services from the department. The chief information officer may exempt from the application of this section a county, city or school district that demonstrates its current wide area network services are more cost-effective for or more appropriate for the specific needs of that county, city or school district than wide area network services available from the department. The chief information officer shall exempt from the application of this section a county, city or school district that is under contract to receive wide area network services from an entity other than the department, for the term of that contract, but that political subdivision may not extend or renew that contract beyond July 31, 2001.

AT&T Contractual Restrictions

"Notwithstanding anything to the contrary in the Collaboration Agreement or elsewhere, SURA and Licensee may allow any for-profit entity that complies with Section 2.1.1.3 of the Collaboration Agreement, as amended, to use the SURA Strands, provided that such entity's use is for scientific and clinical research, technology development and educational purposes. Any other use shall be solely through Section 3.3 of the Collaboration Agreement, if at all, and shall be subject to prior written approval by AT&T."

Midcontinent Contractual Restrictions

Subject to the provisions of this agreement, the university may use the university fibers and the IRU for any lawful research, governmental, educational or other non-commercial purpose. In addition, the parties agree that such use includes providing access to parties who are leasing property in the university's technology park as well as commercial entities who are conducting research under an agreement with the university.

Northern Tier Network 2009 Legislative Report Addendum

In January 2009, North Dakota State University, the University of North Dakota, and the North Dakota Information Technology Department submitted a report with year-to-date information on the 2007-09 biennium. This addendum to the 2009 legislative report details developments that occurred between Jan. 1 and June 30, 2009, and provides information on expenditures for the 2007-09 biennium.

ACTIVITIES (JAN. 1 TO JUNE 30, 2009)

Most of the activity that occurred in the 2007-09 biennium occurred before Jan. 1, 2009. The only significant event that occurred after Jan. 1, 2009, came in April when the North Dakota portion of the Northern Tier Network went into production. At this time, the North Dakota University System's connection to Internet2 (www.internet2.edu) was increased by more than a factor of 50.

ACTUAL EXPENDITURES (2007-09 BIENNIUM)

Expenditures during the 2007-09 biennium consisted entirely of services and equipment. No money was spent on staff or internal services at NDSU, UND or ITD. The bulk of expenditures went to telecommunications service providers and hardware vendors. Table 1 shows FY08 and FY09 expenditures using ConnectND expense categories.

Table 1: NTN-ND FY08/FY09 Expenditures by ConnectND Category

EXPENSE#	EXPENSE DESCRIPTION	FY08	FY09
521000	Travel	$ —	$ —
531000	Data Processing	$3,000	$51,761
533000	Food and Clothing	$ —	$ —
535000	Supplies	$ —	$ —
536000	Office Supplies	$ —	$ —
541000	Post Office/Postage	$ —	$ —
542000	Printing	$ —	$624
551000	IT Equipment Under $5,000	$ —	$ —
591000	Repairs	$ —	$21,261
571000	Insurance	$ —	$ —
602000	Telephone	$ —	$856
611000	Professional Development	$600	$1,200
621000	Operating Fees	$14,520	$833,526
623000	Non-Employee Expenses	$19,264	$20,000
693000	Equipment Over $5,000	$34,379	$ —
TOTAL		$71,763	$929,228

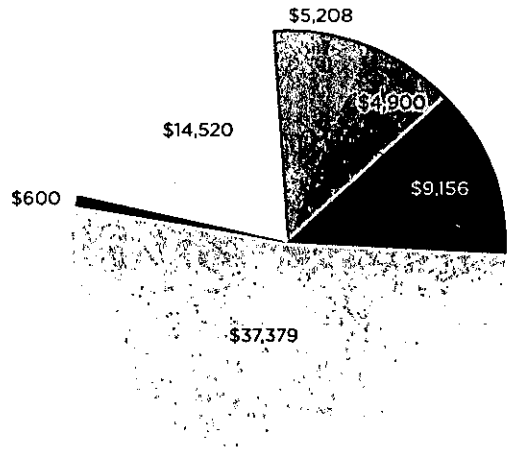
Unfortunately, these categories do not offer a sufficiently clear picture of how NTN-ND funds have been spent during the 2007-09 biennium. To paint a better picture, expenditures by vendor are aggregated in Figures 1 and 2.

In FY08, NTN-ND was still early in deployment. Slightly more than 25 percent of expenditures were for consulting services (legal, network and RFI management) needed to launch the network. More than 50 percent of the expenditures were on hardware required to operate the network. Total expenditures during FY08 were low overall, totaling just $71,763.

By FY09, NTN-ND deployment was in full swing with approximately 75 percent of expenditures going to telecommunications service providers (AT&T, Midcontinent Communications and WiscNet). Slightly less than 25 percent of expenditures went to hardware vendors (Corporate Technologies, Extreme Networks and Infinera). Network Engineering services from the Pacific Northwest GigaPOP accounted for $20,000 in expenditures. Overall expenditures for FY09 totaled just under $930,000.

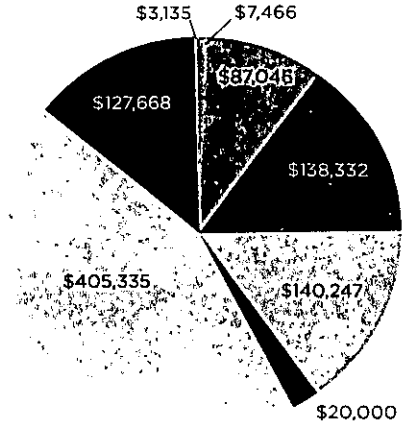
During the 2007-09 biennium, NTN-ND partners agreed not to set aside funds for budgeted hardware replacement. The original NTN budget approved by the 2007 Legislature had $286,000/year reserved for capital refresh. When it was apparent that NTN-ND was not going to receive on-going funds during the 2009 Legislative session, NTN-ND partners decided to use capital reserves to pay ongoing operating costs. During FY08, it also became apparent that our partners in Canada and South Dakota were not ready to share in the costs of extending NTN to their regions. Therefore, to preserve additional funds for on-going operations, NTN-ND decided that grants would be pursued in order to complete the North segment from Grand Forks (UND) to Canada's Advanced Research and Innovation Network (CANARIE) in Winnipeg, and the South segment from Fargo (NDSU) to a point on South Dakota's Research Education and Economic Development (REED) network.

Figure 1: NTN-ND FY08 Expenditures

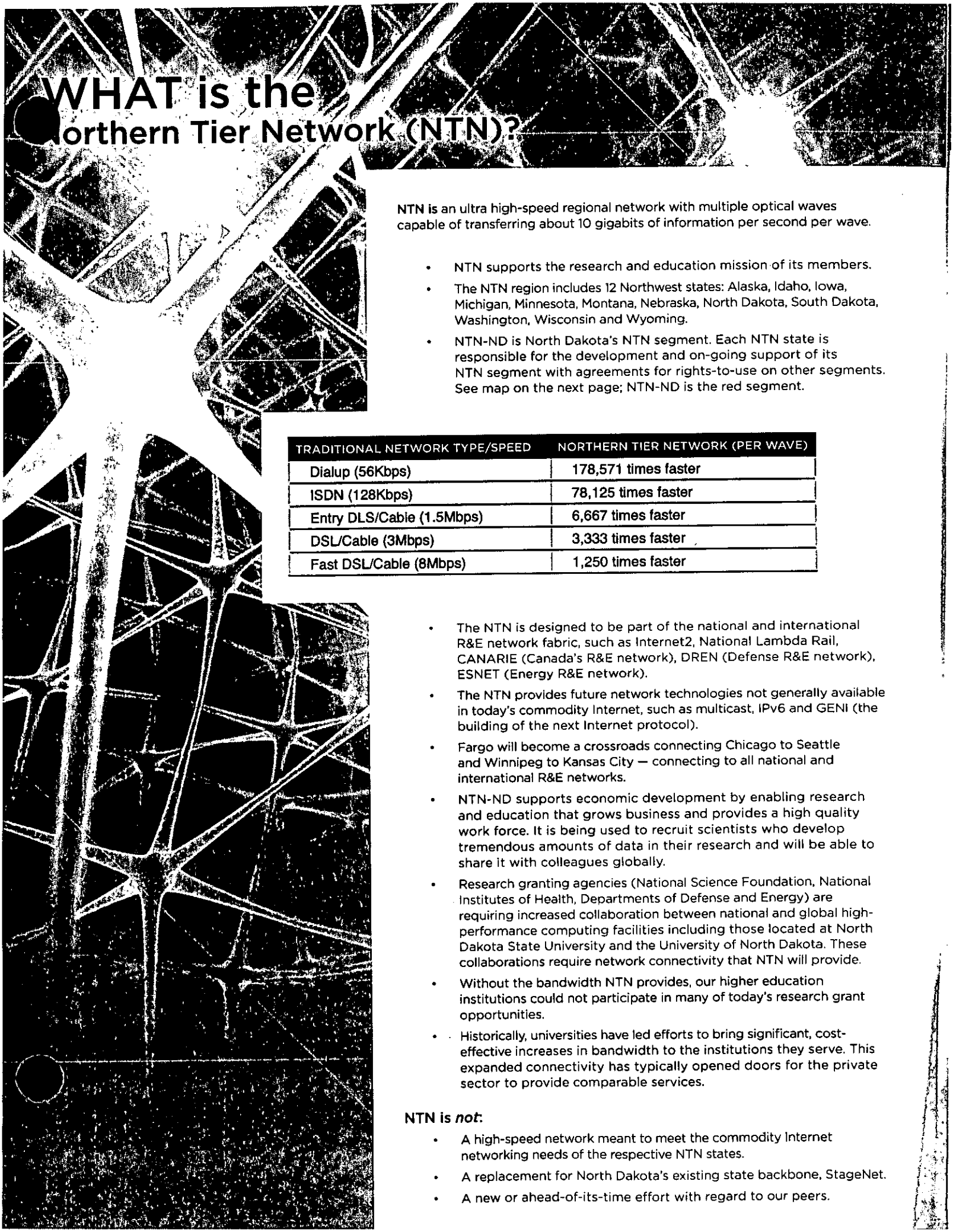


NTN-ND FY08 Expenditures
(total = $71,763)
Legal Fees, $5,208
Cenic (Network Consulting), $4,900
Eide Bailly Tech Consulting, $9,156
Infinera, $37,379
Internet2, $600
Midcontinent, $14,520

Figure 2: NTN-ND FY09 Expenditures



NTN-ND FY09 Expenditures
(total = $929,228)
All Others, $3,135
Corporate Technologies, $7,466
Extreme (via ITD), $87,046
Infinera, $138,332
Midcontinent, $140,247
Pacific Northwest GigPOP, $20,000
AT&T $405,335
WiscNet $127,668



WHAT is the Northern Tier Network (NTN)?

NTN is an ultra high-speed regional network with multiple optical waves capable of transferring about 10 gigabits of information per second per wave.

- NTN supports the research and education mission of its members.
- The NTN region includes 12 Northwest states: Alaska, Idaho, Iowa, Michigan, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Washington, Wisconsin and Wyoming.
- NTN-ND is North Dakota's NTN segment. Each NTN state is responsible for the development and on-going support of its NTN segment with agreements for rights-to-use on other segments. See map on the next page; NTN-ND is the red segment.

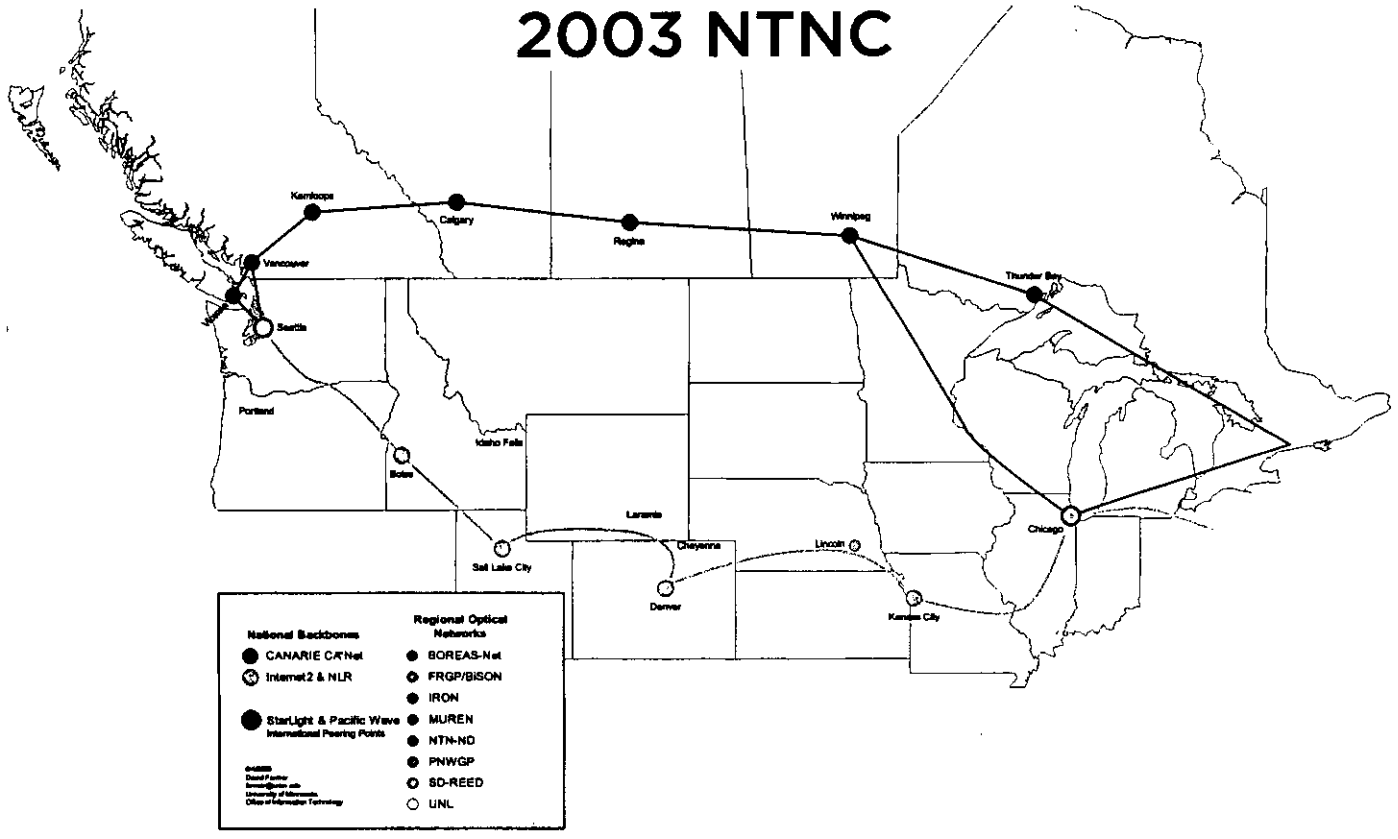
TRADITIONAL NETWORK TYPE/SPEED	NORTHERN TIER NETWORK (PER WAVE)
Dialup (56Kbps)	178,571 times faster
ISDN (128Kbps)	78,125 times faster
Entry DLS/Cable (1.5Mbps)	6,667 times faster
DSL/Cable (3Mbps)	3,333 times faster
Fast DSL/Cable (8Mbps)	1,250 times faster

- The NTN is designed to be part of the national and international R&E network fabric, such as Internet2, National Lambda Rail, CANARIE (Canada's R&E network), DREN (Defense R&E network), ESNET (Energy R&E network).
- The NTN provides future network technologies not generally available in today's commodity Internet, such as multicast, IPv6 and GENI (the building of the next Internet protocol).
- Fargo will become a crossroads connecting Chicago to Seattle and Winnipeg to Kansas City — connecting to all national and international R&E networks.
- NTN-ND supports economic development by enabling research and education that grows business and provides a high quality work force. It is being used to recruit scientists who develop tremendous amounts of data in their research and will be able to share it with colleagues globally.
- Research granting agencies (National Science Foundation, National Institutes of Health, Departments of Defense and Energy) are requiring increased collaboration between national and global high-performance computing facilities including those located at North Dakota State University and the University of North Dakota. These collaborations require network connectivity that NTN will provide.
- Without the bandwidth NTN provides, our higher education institutions could not participate in many of today's research grant opportunities.
- Historically, universities have led efforts to bring significant, cost-effective increases in bandwidth to the institutions they serve. This expanded connectivity has typically opened doors for the private sector to provide comparable services.

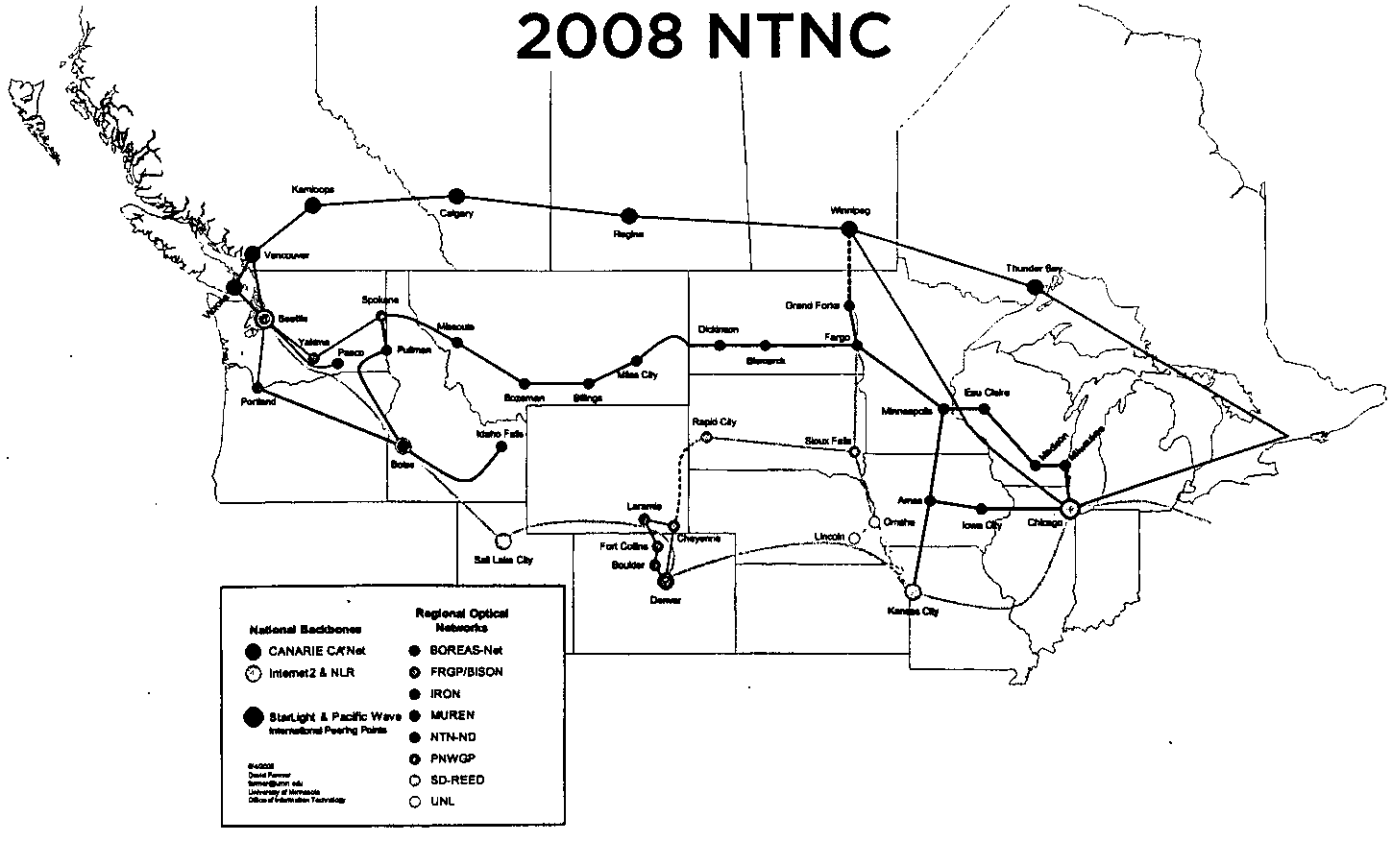
NTN is *not*:

- A high-speed network meant to meet the commodity Internet networking needs of the respective NTN states.
- A replacement for North Dakota's existing state backbone, StageNet.
- A new or ahead-of-its-time effort with regard to our peers.

2003 NTNC



2008 NTNC



AAC: 3/07
Cabinet: 4/07
SBHE: 5/07

North Dakota State College of Science
SBHE Policy 403.1, New Program Approval

In accordance with SBHE Policy 403.1, New Program Approval, North Dakota State College of Science is requesting approval to offer a **program certificate and diploma in Nanoscience Technology**. NDSCS currently offers an Associate of Applied Science degree in Nanoscience Technology.

NEED: The creation of the NDSCS Nanoscience Technology Program fills a critical need as the Red River Valley Research Corridor continues to evolve. The Research Corridor, an initiative spearheaded by Senator Byron Dorgan, connects North Dakota colleges and universities with businesses and industries dealing in high-technology research, training and manufacturing. The strategic use of federal funds and government contracts has played an integral role in building these relationships. The Nanoscience Technology Program has been developed in response to the growing need for workers skilled in the nanoscience, nanotechnology, microfabrication and related areas throughout the Red River Valley and surrounding region. This project has garnered significant support from industry partners, public policymakers and educational leaders within the state and region.

The program will offer an Associate in Applied Science degree (AAS), diploma (51 credits) and program certificate (32 credits) utilizing traditional and non-traditional course delivery methods.

Since the program announcement in September 2005, student interest has been extensive. High school fact sheets are under development and a tentative list of potential students has been initiated by the NDSCS Enrollment Services Office.

COST: Financial support for this program will need to be extensive due to the high cost of equipment, instrumentation and the rapid change in technology in this area. Financial support will be obtained from a combination of student tuition, program and lab fees, federal and state grants, state/institutional funds and support from the industry sectors involved in this area of work. No new additional funds are being requested for this program.

ACCREDITATION: Currently there is no accrediting body established for Nanoscience Technology. Work is in progress through the engineering professional organizations to develop a program accreditation process.

DUPLICATION: Currently there is no other two-year nanoscience technology program in the state of North Dakota. In the upper Midwest region there is a small number of programs which are in the first or second year of operation.

NDSCS has entered into a consortium agreement with Minnesota State Community and Technical College-Moorhead (MSCTC-M) to develop and deliver the AAS degree in Nanoscience Technology. By working together, the two colleges intend to build upon their respective strengths to meet the needs of the highly technical industries in the region.

VIABILITY: NDSCS anticipates enrolling 5-10 **diploma** students yearly with an average of 7 completers and 5-10 **certificate** students yearly with an average of 7 completers. These student numbers will be in addition to the 10-15 students enrolled in the A.A.S. option (previously approved). Many of the nano specific classes will be taken in all three degree options allowing for an economy of scale when offering these classes.

RELATIONSHIP TO THE INSTITUTION: Student advisement will be facilitated through the program director and full-time instructional staff of the Nanoscience Technology Program and the Arts, Sciences and Business Division academic counselor. Library services will available through the NDSCS Wahpeton library and host campus libraries. Nanoscience instructional staff will also make available to students, nanospecific resource materials collected by the instructional staff. Both NDSCS and STTC locations have multiple computer labs with internet access.

RELATIONSHIP TO THE ROUNDTABLE:
The North Dakota State College of Science Nanoscience Technology Program will serve as North Dakota's premiere institution tasked with the responsibility of preparing students at the two-year level to work specifically in the growing number of new nanotechnology related industry jobs predicted to occur in North Dakota and the surrounding areas.

The current and future growth in nanoscience/nanotechnology industries in this area and others, clearly demonstrate a critical shortcoming in the availability of well trained, highly educated and skilled workforce. Many of the positions being created by this new and rapidly evolving nanoscience area of business will require production line workers, laboratory and research assistants. The two-year associate in applied science program in Nanoscience Technology currently offered by NDSCS will help meet the production line workers and technician workforce needs by being **responsive** to industry and enhancing the **economic development** locally and within the state.

Curriculum development has and will continue to involve area individuals from industry and academics who are considered experts within the field. A formal advisory committee has been developed and includes area industry leaders. This will provide for **educational excellence**.

The program will be delivered in a variety of traditional and distance education methods in order to ensure **flexibility, responsiveness and accessibility** for students in terms of access to the program offerings. Individuals who have an A.A.S. or baccalaureate degree in other science/technology related areas can broaden their employment opportunities by increasing their skill sets in the area of nanotechnology. A diploma or certificate option

will allow students to gain industry recognized credentials and facilitate their entry into this emerging area of technology.

RECOMMENDATION: Approve NDSCS to offer a program certificate and a diploma in **Nanoscience Technology**.

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Academic and Student Affairs

February 20, 2007

Dr. Michel Hillman
Vice Chancellor for Academic Affairs
North Dakota University System
State Capital Building, 10th Floor
Bismarck, ND 58505

Dear Dr. Hillman:

In accordance with State Board Higher Education Policy 403.1, Program Approval, I am submitting the enclosed Stage II Request for approval for North Dakota State College of Science to offer a Diploma and Certificate program in Nanoscience Technology.

Enclosed for review with the Stage II proposal you will find executive summary and supporting information which addresses this request. The proposal has received approval by the appropriate college committees.

Please feel free to contact me if you have any questions regarding this proposal. Your consideration is appreciated.

Sincerely,

John Richman, Ph. D.
Vice President for Academic and Student Affairs

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North Dakota University System

ACADEMIC AFFAIRS FORMAL REQUEST
STAGE II COVER PAGE

This form is to accompany each academic request to the System office for State Board of Higher Eduation or Chancellor action. The purpose of the form is to streamline the request process, promote consistency, and foster improved record-keeping.

Institution: North Dakota State College of Science

I. Action requested:

- [X] **Approval of new program,** Policy 403.1, "Program Approval", SBHE approval
- [ ] **Approval of new prefix**
- [ ] **Termination of program,** Policy 403.1.1, "Program Termination", SBHE approval
- [ ] **Place program on inactive status,** Policy 403.1.3, "Inactive Programs", Chancellor approval
- [ ] **Program title change,** Policy 403.4, "Changes in Program Titles", Chancellor approval
- [ ] **Corresponding degree title change**
- [ ] **Distance education approval,** Policy 404.1, "Distance Learning Credit Activities", Chancellor approval
- [ ] **Organizational change,** Policy 307.1, "Institutional Organization-Notice and Approval", SBHE approval
- [ ] **Other,** Policy _____, " _____ ", _____ approval

II. Program information (where applicable):

NDUS Academic Program (this is an abreviation of the Description; example UGBIO) _____

Program Title Nanoscience Technology

Old title (if title change) Nanoscience Technician

- [ ] **Major**
- [ ] **Minor**
- [ ] **2nd Major**

Short Description; (10 characters title) _____

Program Prefix Requested NANO

First Valid Term Summer 2007

Academic Career (UG, G, L, M) _____

Grading Scheme (UG, G, L, M) _____

Academic Group; (division, college, school) _____

CIP Code 41.9999

Degree/award:

- [X] Certificate Program
- [X] Diploma
- [ ] Associate of Applied Science (A.A.S.)
- [ ] Associate of Arts (A.A.)
- [ ] Associate of Science (A.S.)
- [ ] Bachelor of Science (B.S.)
- [ ] Bachelor of Arts (B.A.)
- [ ] Bachelor of Science in Education (B.S.Ed.)
- [ ] Master of Arts (M.A.)
- [ ] Master of Science (M.S.)
- [ ] Doctor of Philosophy (Ph.D.)
- [ ] Doctorate in Education (Ed.D.)
- [ ] _____
- [ ] Authorized to Offer Degree

III Submitted by:

Name: John Richman Date: 2/20/2007

For System Office use only:

Office __/__/__ AAC __/__/__ Cabinet __/__/__ Chancellor __/__/__

Board __/__/__ HECN __/__/__ CIP code _____ Major code _____

Request
For
Nanoscience Technology Program
Approval
(Stage II)



North Dakota State College of Science

Diploma and Certificate Options
In
Nanoscience Technology

February 2007

Stage II Approval Request

North Dakota State College of Science

Nanoscience Technology

Executive Summary

Program Explanation: The North Dakota State College of Science proposes to expand the options for its AAS degree program in Nanoscience Technology to offer diploma and certificate options. The Nanoscience Technology Program is currently offered concomitantly through our campus in Wahpeton and the Skills and Technology Training Center (STTC) in Fargo.

The program currently offers an AAS degree and will be expanded to offer a diploma and certificate options utilizing traditional campus based, online, off campus/in person, CD/DVD and/or ITV based delivery methodologies. The program will start accepting students into the expanded program the summer of 2007.

Students from other technology related programs have expressed interest in enhancing their technical skill sets by taking nanoscience related course work through the Nanoscience Technology Program. The approval of the diploma and certificate options would allow students with an AAS from the manufacturing and electronics programs (or other related areas) to earn a diploma or certificate in nanoscience. Students could earn the diploma or certificate by enrolling for an additional year (third year option) or by taking the required courses concurrently with their AAS Program.

The proposed NDSCS Nanoscience Technology **diploma** option will consist of a total of 51 credits of which 21 credits are in the general education areas of science, mathematics, communication, social or behavioral sciences or history or humanities and wellness. The remaining 30 credits deal with a broad range of nanoscience specific course work. The intent of the diploma option is to give students a broad exposure to the various areas associated with nanoscience and nanotechnology along with sufficient science and math courses to understand the relevant nanoscience related topics. The diploma structure outlined above meets the NDSCS/NDUS requirements for diploma outlined in the NDSCS catalog.

The proposed NDSCS Nanoscience Technology **certificate** option will consist of a total of 32 credits of which 11 are in the general education areas of science and mathematics. The remaining 21 credits are made up of a focused set of nanoscience/nanotechnology courses which deals with a single aspect or skill set involved in nanotechnology (RFID/ Semiconductor Technology, Thin Films Analysis, Quality Assurance/Quality Control, Nanobiotechnology, etc). The intent of the certificate option is to develop in students a

more focused skill/competency set that allows them to enhance their employment options. The structure outlined above meets the NDSCS/NDUS requirements for a certificate as outlined in the NDSCS catalog.

Program Rationale: Since the inception of the Red River Valley Research Corridor, nanoscience based industry has been relocating to Eastern North Dakota and the surrounding areas. The current and future growth in nanoscience /nanotechnology industries in this area and others, clearly demonstrate a critical shortcoming in the availability of well trained, highly educated and skilled workforce. Many of the positions being created by this new and rapidly evolving nanoscience area of business will require production line workers, laboratory and research assistants as well as engineers and MS/PhD. level employees. The two-year Associate in Applied Science program in Nanoscience Technology currently offered by NDSCS will help meet the production line worker and technician economic workforce needs. Individuals already holding AAS or baccalaureate degrees in other science/technology related areas can broaden their employment opportunities by increasing their skill sets in the area of nanotechnology. A diploma or certificate option will allow such students to gain industry recognized credentials in nanotechnology and facilitate their entry into this emerging area of technology. A diploma or certificate option will allow potential students/employees to select the programmatic option which best fits their career and educational goals.

Program Objectives: The objectives of these programs are to offer curriculum experiences to students that will:

Diploma Option:

1. Allow students the opportunity combine degree programs such as an AAS in electronics with a diploma in Nanoscience Technology to better prepare them for employment.
2. Allow returning students with baccalaureate or higher degrees the opportunity to earn a diploma in Nanoscience Technology to enhance their skill sets and employability (reverse transfer).

Certificate Option:

1. Allow students the opportunity to acquire focused, specific skill sets in nanoscience through the awarding of certificates in a variety of emphasis areas (RFID Technology, Surface Analysis Techniques, Quality Assurance/ Quality Control, Nanobiotechnology, etc.)

Through the general education science and mathematics courses, students gain a basic foundation in the areas of biology, chemistry, physics and algebra and statistics. This is done in order to ensure that students can understand and appreciate the underlying science based reasons for the unique properties associated with nanoscience/ nanotechnology, are able to analyze and interpret data. Diploma, certificate and reverse transfer students will be required to meet science and math pre-requisites prior to taking the nano-specific course work required for their specific diploma or certificate option.

The first level of course work will include two introductory nanoscience courses which are broad and encompassing of the nanoscience field, its potential applications, potential social and economic impacts and health and environmental aspects of this area of science and industry. These introductory courses, which are on-line, will not have any significant laboratory component and represent the first level of exposure to the nanoscience/nanotechnology fields of study. These two nanocourses are introductory in their level and have no pre-requisites. Sufficient basic science content is embedded in the introductory course to achieve a superficial understanding of what, why and how nanoscience works.

The second level of courses will focus more intensely on specific areas within the field nanoscience/nanotechnology and will cover detailed theory and application aspects of the area as well as requiring significant laboratory experiences/hands on exposure to as much of the nanoscience related equipment as possible. These courses are modularized so that individual modules which deal with the technical aspects of specific topical areas can be pulled out and delivered as needed for certificate options (as well as workforce training). Multiple modules are grouped together for delivery as topic clusters for certificates in various nanotechnology areas (RFID Technology, Surface Analysis Techniques, Quality Assurance/Quality Control, Nanobiotechnology, etc.). Multiple topic clusters will constitute a specific course in the Nanoscience curriculum.

An optional third level of exposure to nanotechnology through the program consists of extensive internship experiences with area industry leaders. AAS degree options require significant internship experience. For the diploma and certificate options the internship experiences will be optional.

The program will be delivered in a variety of traditional and distance methods in order to ensure as much flexibility for the students in terms of access to the program offerings. It is anticipated that a significant number of the general education courses and some of the introductory level nanoscience courses will be available by distance delivery methods. Courses which require a laboratory component or significant amounts of hands on utilization of equipment will be delivered by traditional methods at the STTC in Fargo. The optional internship experiences will be set up with area industries involved in nanotechnology and/or research institution laboratories.

Program Accreditation: Currently there is no accrediting body established for Nanoscience Technology. Work is in progress through the engineering professional organizations to develop a program accreditation process. Curriculum development has and will continue to involve area individuals from industry and academics who are considered experts within the field. A formal advisory committee has been developed and includes area industry leaders.

Program Assessment: NDSCS has an established assessment plan in place which is utilized extensively on campus and at satellite sites such as the STTC. A significant portion of the data collected will include industry feedback regarding our program graduate's performance and preparedness for their job positions.

Program Delivery: The program will be delivered in a variety of traditional and distance methods in order to ensure as much flexibility for the students in terms of access to the program offerings. It is anticipated that a significant number of the general education courses and some of the introductory level nanoscience courses will be available by distance delivery methods. Courses which require a laboratory component or significant amounts of hands on utilization of equipment will be delivered by traditional methods in as central a location as possible, the STTC in Fargo. Internship experiences will be setup with area industries involved in nanotechnology and/or educational institution laboratories.

Costs and Resources: Financial support for this program will be obtained from a combination of student tuition, program and lab fees, federal and state grants, state/institutional funds and support from the industry sectors involved in nanoscience/nanotechnology.

I. PROGRAM EXPLANATION

Provide a brief abstract of the Program, what it intends to accomplish, and the program start and completion date.

The North Dakota State College of Science, a recognized leader in offering programs both in technical training and education and Liberal Arts transfer programs, proposes to offer diploma and certificate options in Nanoscience Technology through our campuses in Wahpeton and the Skills and Technology Training Center (STTC) in Fargo.

The Nanoscience Technology Program will help facilitate the fulfillment of our institutions mission to meet the new and emerging economic workforce needs in North Dakota and the Red River Valley Research Corridor in the areas of nanoscience/ nanotechnology. North Dakota State College of Science's program in Nanoscience Technology will serve as North Dakota's only institution tasked with the responsibility of preparing students at the two year level to work specifically in the growing number of new nanotechnology industry jobs currently and predicted to occur in North Dakota and the surrounding areas. These new employment opportunities are the result of nanotechnology associated industry plans to relocate to the Red River Valley Research Corridor. The presence of sufficient numbers of highly skilled and educated technicians to meet these workforce needs will help attract industry and continue the growth within North Dakota.

The program will offer diploma and certificate options utilizing traditional-campus based instructional methods of course delivery, online, off campus/in person, CD/DVD and/or ITV based delivery methodologies originating from both the NDSCS campus in Wahpeton and the STTC location in Fargo. The program will also make use of industry based or university/college based research laboratories as instructional and skill building venues when feasible.

The program will start accepting students for the diploma and certificate options the summer of 2007. The diploma program will consist of three semesters and the first graduates are expected to complete the program in the spring of 2008. At the end of the diploma program cycle, each student will have taken a core curriculum of 51 credits. The diploma program will consist of 21 credit hours of general education courses and a minimum of 30 credit hours of nanoscience/nanotechnology specific courses. Students will have the option to have also completed 8 credit hours of industry internship experiences if so desired. Program target enrollment levels for the first year of operation are 5-10 diploma students.

The certificate option will consist of a total of 32 credits of which 11 are in the general education areas of science and mathematics. The remaining 21 credits are made up of nanoscience/nanotechnology courses which deals with a single aspect or skill set involved in nanotechnology (RFID/Semiconductor Technology, Thin Films Analysis, Quality Assurance/Quality Control, Nanobiotechnology, etc). Students will have the option to also completed 8 credit hours of industry internship experiences if so desired. Program target enrollment levels for the first year of operation are 5-10 certificate students.

II. PROGRAM RATIONALE

Provide a brief history and justification for the existence of this program.

The creation of the Nanoscience Technology Program at the North Dakota State College of Science will help facilitate the fulfillment of our institutions statewide mission to meet the new and emerging economic workforce needs in North Dakota and the Red River Valley in the area of nanotechnology. This program will serve as North Dakota's only institution tasked with the responsibility of preparing students at the two year level, diploma and certificate levels to work specifically in the growing number of new high-tech industry jobs predicted to occur in North Dakota and the surrounding areas. These new employment opportunities are the result of nanotechnology associated industry plans to relocate to the Red River Valley and surrounding areas. The presence of sufficient numbers of highly skilled and educated technicians to meet these workforce needs will help attract and continue the growth of industry in this region.

III. PROGRAM OBJECTIVES

Provide an explanation and justification of the program content and curriculum pedagogy of this program as well as the intended delivery methods outlined.

The Nanoscience Technology Program currently offers an Associate in Applied Science degree (AAS) option utilizing traditional campus based, online, off campus/in person, CD/DVD and/or ITV based delivery methodologies for the formal course work. We are seeking approval to expand the program offering to include diploma and certificate options.

It is the intent of the program to be as flexible as possible in terms of delivery methods in order to reach as broad a student base as possible and to facilitate student accessibility. It is expected that some of the courses will not be best served by a distance delivery format and will need to be taught in the traditional format. Such courses include most of the science laboratory courses, the instrumentation courses and those nanoscience courses with significant instrumentation content. Whenever possible, use of simulations or remote access use of equipment in other facilities will be utilized to facilitate initial training and exposure to the relevant equipment and instrumentation prior to the internship experience.

The curricular intent of the diploma option is to produce an individual who is broadly educated in basic science and mathematics, has well developed communication and critical thinking skills and a basic understanding and appreciation of the major areas which make up the ever broadening areas of nanotechnology. The intent of the certificate option is to develop in students a tightly focused skill set/competency set that allows them to enhance their employment options. The program outlines by course type is provided below.

General education		Credits	AAS- Existing	Diploma- Pending	Certificate- Pending
Biol 150	General Biology I	3	3	3	
Biol 150L	Lab	1	1	1	
Chem 115	Introductory Chemistry	3	3	3	3
Chem 115L	Lab	1	1	1	1
Phys 161	Introductory College Physics	3	3	3	3
Phys 161L	Lab	1	1	1	1
Chem 116	Organic & Biochemistry	3	3	Opt.	
Chem 116L	Lab	1	1	Opt,	
Math 103	College Algebra	3	3		
Math 210	Statistics	3	3	3	3
Engl 110	College Composition	3	3	3	
Engl 105	Technical Communications	3	3		
CIS 101	Introduction to Computers	3	3		
Phil 213	Societal & Ethical Implications of Technology	1	1	1	
	Wellness Elective	2	2	2	
		34	34	21	11
Nanoscience					
Nano 101	Fundamentals of Nanoscience I	3	3	3	
Nano 102	Fundamentals of Nanoscience II	3	3	3	

Nano 205	Laboratory Instrumentation	6	6	6	6
Nano 207	Nanobiotechnology	3	3	3	
Nano 208	Nanomaterials/Coatings	3	3	3	3
Nano 209	Thin Film Technology	3	3	3	3
Nano 210	Semiconductor Fabrication	3	3	3	3
Nano 211	Manufacturing and Quality Assurance	3	3	3	3
Nano 212	Surface and Thin Film Analysis Techniques	3	3	3	3
		30	30	30	21
Internship					
Nano 197	Internship Experience I	1	1	Opt.	Opt.
Nano 297-A	Internship Experience II	2	2	Opt.	Opt.
Nano 297-B	Internship Experience III	5	5	Opt.	Opt.
		8	8		
	TOTAL CREDITS	72	72	51	32

The field of nanoscience is a cross-disciplinary field of study and research which affects all areas of science and technology. The North Dakota State College of Science Nanoscience Technology Program design is constructed to give students a basic foundation in the areas of biology, chemistry, physics and mathematics in order to ensure that students can understand and appreciate the unique aspects of this subject area.

The nanoscience portion of the curriculum includes two introductory courses (Fundamentals of Nanoscience I and II) which are taught during the first two semesters of the program. The introductory nanoscience courses are broad and encompassing of the nanoscience field, its potential applications, potential social and economic impacts and health and environmental aspects of this area of science. Introductory nanoscience courses will be devoid of any significant laboratory component to facilitate their delivery via distance education methods. Significant use of simulations and computer modeling may be used to demonstrate critical concepts or practices. The focus of these early introductory courses will be to establish the different areas of the field, the basic concepts of each field of nanoscience and building of the vocabulary.

It will be imperative that all general education mathematics and science courses be completed within the first two semesters of the program in order to establish the foundational basis for the specific nanoscience course work to come during the remainder of the program.

The second level of nano-courses will focus more intensely on specific areas within the field and will cover theory and application aspects of the various areas as well as requiring significant laboratory experiences/hands on exposure to as much of the actual

equipment as possible. During these nano-specific courses, the science and mathematics aspects of the foundational core science courses will be reinforced and broadened.

A summer session during which a laboratory instrumentation course (NANO 205) is taken will allow students who have successfully completed the science course work, where the most basic laboratory skills are covered and developed, to transition into a more formal, industry modeled laboratory environment involving extensive hands on use of instruments in various areas of analysis.

- **Chromatography**- HPLC, GC
- **Spectroscopy**- FT-IR, UV-Visible, AA, (possibly NMR up at MSU)
- **Molecular/ Biotech**- DNA purification & sequencing, PCR techniques (RT-PCR, QPCR), Hybridization techniques (Northern, Southern, DNA Microarrays)
- **Microscopy** (Light, Electron and Scanning Probe Microscopy's- AFM/STM etc)
- **Cell Culture**
- **Clean Room Procedures**

The focus of the NANO 205 course is the development of better analytical skills, a deeper understanding of the science of the molecular interactions involved in the technique and the criteria which influence the interactions. Finally, the observation and communication skills will be further enhanced through detailed data collection, analysis and interpretation and presentation of results. The student should come out of this course with a fair amount of confidence and comfort in working with analytical instrumentation. They should also be able to describe those key factors relating to the theory of operation of the instrument. The course will be designed into independent modules which can be delivered in any order and would also facilitate use in workforce training situations.

The final semesters will be totally dedicated to nano-specific course work in the areas of nanomaterials; nano/microelectronics, nanobiotechnology/nanomedicine, fabrication and production techniques, and finally a course devoted to surface analysis/quality control techniques. These courses would cover the theory, applications and limitations of the procedures as well as involving as much exposure to instrumentation as we could possibly facilitate. In the absence of hands on practice, simulations, remote access availability would need to be sought out or developed.

IV. STRUCTURAL SETTING

Describe how the program will be provided including the use of telecommunications, any use of adjunct faculty, availability of computer services, if needed and use of host campus facilities.

It is the intent of the program to be as flexible as possible in terms of delivery methods. However, it is understood that some of the courses will not be deliverable by a distance delivery format and will need to be taught in the traditional format at NDSCS- Wahpeton, STTC-Fargo or other locations.

Whenever possible, use of simulations, remote access, and actual hands-on use of equipment in industry, host academic facilities such as the NDSU Microscopy Laboratories or possibly other NDSU facilities will be utilized to facilitate exposure to the relevant equipment and instrumentation.

Computer access and services are available at both the NDSCS campus and the STTC. Both locations are equipped for IVN and web based delivery of courses to remote locations.

Adjunct faculty will be important members of the instructional delivery team. Due to the highly specialized and broad nature of the field, it is highly unlikely that a single person would be able to instruct in the various areas of the field. Adjunct faculty or guest lecturers from industry and academia will be recruited to cover some of the areas of instruction within the nano-specific course offerings.

V. STUDENT SERVICES

Describe plans for advisement, library services, bookstores services, non-classroom contact, and financial aid arrangements.

Student advisement will be facilitated through the program director and full-time instructional staff of the Nanoscience Technology Program and the Arts, Sciences and Business Division academic counselor.

Library services will available through the NDSCS Wahpeton library and host campus libraries. Nanoscience instructional staff will also make available to students, nano-specific resource materials collected by the instructional staff. Both NDSCS and STTC locations have multiple computer labs with internet access.

Bookstore services will be coordinated through the NDSCS-Wahpeton bookstore which has many years of experience dealing with distance courses delivered by NDSCS and the STTC

Financial aid will be handled by the NDSCS financial aid office.

VI. COMPARABLE REGIONAL PROGRAMS

Currently there is no other two-year nanoscience technology program in the state of North Dakota. In the upper Midwest region there exists a small number of programs which are in the first or second year of operation.

NDSCS has entered into a consortium agreement with Minnesota State Community and Technical College-Moorhead (MSCTC-M) to develop and deliver the AAS degree in Nanoscience Technology. By working together, the two colleges intend to build upon their respective strengths to meet the needs of the highly technical industries in the region.

Other Nanoscience AAS programs are located at Dakota County Technical College in Rosemount, MN and Chippewa Valley Technical College in Eau Claire, WI. NDSCS is currently involved with a NSF sponsored collaborative effort in Nanoscience Education with both of these institutions. This tri-state consortium is seeking federal support from the National Science Foundation to establish a Midwest Regional Center for Nanoscience Education and NDSCS is a co-applicant on this grant.

The curricular model for each of these other programs, as well as ours at NDSCS, is very similar in terms of the general program design. Differences exist as to specific nano-courses taught in the programs which reflect the different nature of the nano-industries located in each area.

VII. NEED

Document the extent of interest on the part of students and industry for the program.

The creation of the NDSCS Nanoscience Technology Program fills a critical need as the Red River Valley Research Corridor continues to evolve. The Research Corridor, an initiative spearheaded by Senator Byron Dorgan, connects North Dakota colleges and universities with businesses and industries dealing in high-technology research, training and manufacturing. The strategic use of federal funds and government contracts has played an integral role in building these relationships. The Nanoscience Technology Program has been developed in response to the growing need for workers skilled in the nanoscience, nanotechnology, microfabrication and related areas throughout the Red River Valley and surrounding region. This project has garnered significant support from industry partners, public policymakers and educational leaders within the state and region.

Since the program announcement in September 2005, student interest has been extensive. High school fact sheets are under development and a tentative list of potential students has been initiated by the NDSCS Enrollment Services Office.

VIII. COST AND RESOURCES

Financial support for this program will need to be extensive due to the high cost of equipment, instrumentation and the rapid change in technology in this area. Financial support will be obtained from a combination of student tuition, program and lab fees, federal and state grants, state/institutional funds and support from the industry sectors involved in this area of work.

IX. SUMMARY

The North Dakota State College of Science Nanoscience Technology Program will serve as North Dakota's premiere institution tasked with the responsibility of preparing students at the two-year level to work specifically in the growing number of new nanotechnology related industry jobs predicted to occur in North Dakota and the surrounding areas.

The program will offer an Associate in Applied Science degree (AAS), diploma and certificate options utilizing traditional campus based, online, off campus/in person and ITV based delivery methodologies. The program will start accepting students for the diploma and certificate options the summer of 2007. The diploma program will consist of 2-4 semesters and the first graduates are expected to complete the Program in the spring of 2008. The certificate programs will consist of 2-3 semesters and the first graduates are expected to also complete the program the spring of 2008.

The current and future growth of this industry segment in this geographical area and others, clearly demonstrate a critical shortcoming in the availability of well a trained, highly educated and skilled workforce. The diploma and certificate options along with the already existing two-year Associate in Applied Science program in Nanoscience Technology will help meet these economic workforce needs.

STAGE I REQUEST
Programs Under Consideration for Development or Extension to a New Site within Two Years

Approval Status[1]	Date Announced	Campus	Policy	Program Under Consideration	CIP Code	Degree Code[2]	Existing Program to New Site	Anticipated Start Date	Method of Delivery[3]	Collaborative Program	Possible Sites	Funding Code[4]
	11-7-06	NDSCS	403.1 404.1	Nanoscience Technician	15.9999	D, CP	No	Summer 2007	T, OC, O, I, V	Yes	Fargo	A,G,R

The North Dakota State College of Science is requesting approval to develop Diploma and Certificate options in Nanoscience Technician and deliver it through multiple delivery methods (The AAS option has already been approved by NDUS). NDSCS has strong technical programs such as manufacturing and electronics some of whose faculty will play a role in the development and delivery of this program. Students from these programs have expressed interest in enhancing their technical skill sets by taking nanoscience related course work through the Nanoscience Technician program. The approval of the diploma and certificate options would allow students with an AAS from the manufacturing and electronics programs (or other related areas) to earn a diploma or certificate in Nanoscience Technician. Students could earn the diploma or certificate by enrolling for an additional year (third year option) or by taking the required courses concurrently with their AAS program.

Nanoscience technology (also called nanotechnology) is a fundamental technology that will enable radical transformation across all industrial sectors and is expected to virtually change the way everything is designed and made. Through nanotechnology, we are able to imagine, design, investigate, modify, model and manipulate any substance at the molecular or atomic level. Technicians who are trained in this area would work in research, manufacturing, production, marketing, and business environments where nano scale is a part of the industry. The market for nanotechnology is projected to reach $1 trillion by 2010. Growth over this decade is expected to produce between 800,000 and two million new technical jobs.

The college is situated in the Red River Valley Research Corridor where significant nanoscience research is taking place. NDSCS will partner with NDSU and local industries in the development of these new program options. The creation of these program options supports the NDSCS mission and the NDUS Roundtable goals of economic development, educational excellence, flexibility and responsiveness, and accessibility.

Degree Code[1]
CP=Certificate Program
AAS=Associate of Applied Science
AA=Associate of Arts
AS=Associate of Science
D=Diploma
B=Bachelors
M=Masters
S=Specialist
D=Doctoral

Method of Delivery[2] (Can use more than one)
C=Correspondence
I=IVN
O=Online
OC=Off-Campus/In Person
T=Traditional
V=Videotape

Funding Code[3] (Can use more than one except when using code S)
A=Additional Tuition Collections
G=Grant or Contract
N=New State Funds (other than tuition) required (Always Bold)
R=Re-allocation
S=Self Support

Approved Status Code
P=Proposed, no final action by AAC
N=Not recommended by AAC
A=Recommended by AAC
CC=Recommended by Cabinet
C=Approved by Chancellor (always bold)
B=Approved by Board (always bold)

The purpose of this form is to communicate planning information to maximize intercampus collaboration and cooperation. Programs listed on the form have not been approved and a listing by one campus does not prevent a similar listing by another campus. Certificates of Completion and other short term programs (less than certificate programs, see Board Policy 409) are not listed here.

Data in this table reflect the best information currently available. Monthly additions are presented in bold print and deletions in overstrike.

AAC: 12/08
Cabinet: 01/09
SBHE: 03/09

Lake Region State College

Policy 403.1, Program Approval
SBHE Policy 404.1, Distance Learning Activities

Lake Region State College requests approval to offer a **Wind Energy Technician** AAS and Certificate Program. LRSC is also requesting ongoing approval to offer this program via distance delivery. These requests are in accordance with SBHE policy 403.1, Program Approval and SBHE Policy 404.1, Distance Learning Credit Activities.

NEED: The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. In 1997, four wind towers were constructed at various locations around the state and the first major wind farm, consisting of 41 towers, was built in 2003. Since 2003, North Dakota's wind industry has grown significantly and expects to have 538 operating wind towers by March 2009.

Industry growth in North Dakota is expected to increase exponentially with talks underway to build another 3,272 towers by the end of 2012. To efficiently and appropriately maintain equipment, wind energy companies need one skillfully trained technician for every 10 towers. Based on the data in the preceding paragraph, an additional 373 qualified wind technicians will be needed within the next four years in North Dakota alone. Rapid growth in the wind energy industry has sparked a burgeoning need for technicians. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected in 2007, and another 800 technicians will be needed by the end of 2008. The industry is looking to community colleges to respond to this labor force need.

COST: The costs to start this program include faculty salaries, equipment and instructional aides. Lake Region State College has secured over $600,000 in cash, equipment and services from industry partners. In addition, LRSC has secured a $500,000 grant from ND Renewable Energy Council. LRSC is in the process of submitting several other grant applications and proposals to industry partners for support.

LRSC plans include the installation of a Wind Turbine on campus to provide both on-campus power and a live training lab for students. LRSC's wind turbine is currently #3 on the SBHE priority list for capital projects. Until the turbine is erected, LRSC has an agreement with Florida Power and Light (FPL) to utilize one of FPL's tower/turbines.

Initial investment in equipment will cost $300,000 -$500,000. Some of this equipment has already been, or will be, donated by industry partners. The balance will be purchased utilizing grant and institutional funds.

No new state funds are being requested at this time.

VIABILITY: LRSC anticipates 16 enrollments the first year of the program and 24 enrollments each year after that. They also expect 12 graduates at the end of the first year, and 20 graduates for each of the following years.

ACCREDITATION: There is currently no industry or educational accreditation available for this program.

DUPLICATION: This program will be unique to the NDUS. Currently, there are no other Wind Energy Technician programs in North Dakota, South Dakota or Montana. Minnesota West Community and Technical College in Canby, MN has a similar program.

RELATIONSHIP TO THE INSTITUTION: The proposed program clearly fits the mission of LRSC to meet labor market needs in the region and to deliver Career and Technical Education.

The needed electronics courses are currently available within the Simulator Maintenance Technician program at LRSC. The required one course in power transmission will be provided by BSC via online delivery for the Wind Energy Technician students.

The Wind Energy Technician program is designed so that students completing electronics programs from BSC or NDSCS will be able to transfer those credits into the LRSC Wind Energy Technician program.

RELATIONSHIP TO THE ROUNDTABLE:
Economic Development: LRSC has been working directly with Cavalier County JDA and Forward Devils Lake Economic Development Corporation to develop this program in order to support existing and new wind farm development in this region and throughout the state. Additionally, both Cavalier County JDA and Forward Devils Lake have committed funds to assist LRSC with program startup costs.

The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected during 2007, and another 800 technicians will be needed by the end of 2008. The industry is counting on community colleges to help meet this need in the labor force.

Educational Excellence: LRSC is working closely with industry partners to develop the program and its curriculum. Florida Power and Light, Acciona Energy, Suzlon, Ottertail Power Company, Outland Energy and others have already agreed to serve on a curriculum development/advisory committee for the program. LRSC has joined AWEA (American Wind Energy Association) and is serving on the Education subgroup that is working on educational standards for training programs. A key component in the curriculum is an internship company maintaining wind turbines.

Flexible and Responsive System: LRSC is responding to an identified need identified from Cavalier County JDA. This need was also was confirmed by other wind energy companies actively operating in North Dakota.
Accessible System: LRSC plans to deliver this program to sites near newly developed wind farms like Langdon Wind, LLC near Langdon ND. Most of the classroom coursework can be delivered utilizing interactive video and online courseware. Labs and field experiences must be conducted on campus and at turbine sites. LRSC anticipates reaching enrollment capacity within the first two years by serving ND residents near wind farms. If additional resources are found the capacity could be expanded.

Funding and Rewards: Wind farms are proving to have a noteworthy positive impact on North Dakota's rural economy. The Langdon Wind Energy Center, currently the largest wind farm in the state, serves as a model for this economic impact. The Langdon Wind Energy Center Project created 269 temporary construction jobs and 13 permanent jobs; which resulted in payments of $9.3 million to entities in Langdon and $42 million statewide. Payments of $413,000 will be made annually to local landowners with easement agreements. Property tax revenue will increase to $194,000. In the second quarter of 2008, Cavalier County sales tax revenue increased by 42.23% over 2007 figures. Langdon sales tax revenue increased by 28.68% in the second quarter of 2008, above 2007 figures. Having a program to provide a well trained workforce for the wind industry is critical for future wind farm development and economic growth in North Dakota.

Sustaining the Vision: This program prepares workers for a new and emerging occupation within North Dakota and the global economy. It is critical for support of economic development and growth for North Dakota. It is a opportunity to train native North Dakotans for a high skill, high wage career and allow them to remain in North Dakota to live and work.

RECOMMENDATION: Approve Lake Region State College to offer a **Wind Energy Technician** AAS and Certificate Program, and to offer these programs at a distance on an ongoing basis.

AAC: 12/08
Cabinet: 01/09
SBHE: 01/09

Lake Region State College
Policy 403.1, Program Approval
SBHE Policy 404.1, Distance Learning Activities

Lake Region State College requests approval to offer a **Wind Energy Technician** AAS and Certificate Program. LRSC is also requesting ongoing approval to offer this program via distance delivery. These requests are in accordance with SBHE policy 403.1, Program Approval and SBHE Policy 404.1, Distance Learning Credit Activities.

NEED: The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. In 1997, four wind towers were constructed at various locations around the state and the first major wind farm, consisting of 41 towers, was built in 2003. Since 2003, North Dakota's wind industry has grown significantly and expects to have 538 operating wind towers by March 2009.

Industry growth in North Dakota is expected to increase exponentially with talks underway to build another 3,272 towers by the end of 2012. To efficiently and appropriately maintain equipment, wind energy companies need one skillfully trained technician for every 10 towers. Based on the data in the preceding paragraph, an additional 373 qualified wind technicians will be needed within the next four years in North Dakota alone. Rapid growth in the wind energy industry has sparked a burgeoning need for technicians. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected in 2007, and another 800 technicians will be needed by the end of 2008. The industry is looking to community colleges to respond to this labor force need.

COST: The costs to start this program include faculty salaries, equipment and instructional aides. Lake Region State College has secured over $600,000 in cash, equipment and services from industry partners. In addition, LRSC has secured a $500,000 grant from ND Renewable Energy Council. LRSC is in the process of submitting several other grant applications and proposals to industry partners for support.

LRSC plans include the installation of a Wind Turbine on campus to provide both on-campus power and a live training lab for students. LRSC's wind turbine is currently #3 on the SBHE priority list for capital projects. Until the turbine is erected, LRSC has an agreement with Florida Power and Light (FPL) to utilize one of FPL's tower/turbines.

Initial investment in equipment will cost $300,000 -$500,000. Some of this equipment has already been, or will be, donated by industry partners. The balance will be purchased utilizing grant and institutional funds.

No new state funds are being requested at this time.

VIABILITY: LRSC anticipates 16 enrollments the first year of the program and 24 enrollments each year after that. They also expect 12 graduates at the end of the first year, and 20 graduates for each of the following years.

ACCREDITATION: There is currently no industry or educational accreditation available for this program.

DUPLICATION: This program will be unique to the NDUS. Currently, there are no other Wind Energy Technician programs in North Dakota, South Dakota or Montana. Minnesota West Community and Technical College in Canby, MN has a similar program.

RELATIONSHIP TO THE INSTITUTION: The proposed program clearly fits the mission of LRSC to meet labor market needs in the region and to deliver Career and Technical Education.

The needed electronics courses are currently available within the Simulator Maintenance Technician program at LRSC. The required one course in power transmission will be provided by BSC via online delivery for the Wind Energy Technician students.

The Wind Energy Technician program is designed so that students completing electronics programs from BSC or NDSCS will be able to transfer those credits into the LRSC Wind Energy Technician program.

RELATIONSHIP TO THE ROUNDTABLE:
Economic Development: LRSC has been working directly with Cavalier County JDA and Forward Devils Lake Economic Development Corporation to develop this program in order to support existing and new wind farm development in this region and throughout the state. Additionally, both Cavalier County JDA and Forward Devils Lake have committed funds to assist LRSC with program startup costs.

The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected during 2007, and another 800 technicians will be needed by the end of 2008. The industry is counting on community colleges to help meet this need in the labor force.

Educational Excellence: LRSC is working closely with industry partners to develop the program and its curriculum. Florida Power and Light, Acciona Energy, Suzlon, Ottertail Power Company, Outland Energy and others have already agreed to serve on a curriculum development/advisory committee for the program. LRSC has joined AWEA (American Wind Energy Association) and is serving on the Education subgroup that is working on educational standards for training programs. A key component in the curriculum is an internship company maintaining wind turbines.

Flexible and Responsive System: LRSC is responding to an identified need identified from Cavalier County JDA. This need was also was confirmed by other wind energy companies actively operating in North Dakota.
Accessible System: LRSC plans to deliver this program to sites near newly developed wind farms like Langdon Wind, LLC near Langdon ND. Most of the classroom coursework can be delivered utilizing interactive video and online courseware. Labs and field experiences must be conducted on campus and at turbine sites. LRSC anticipates reaching enrollment capacity within the first two years by serving ND residents near wind farms. If additional resources are found the capacity could be expanded.

Funding and Rewards: Wind farms are proving to have a noteworthy positive impact on North Dakota's rural economy. The Langdon Wind Energy Center, currently the largest wind farm in the state, serves as a model for this economic impact. The Langdon Wind Energy Center Project created 269 temporary construction jobs and 13 permanent jobs; which resulted in payments of $9.3 million to entities in Langdon and $42 million statewide. Payments of $413,000 will be made annually to local landowners with easement agreements. Property tax revenue will increase to $194,000. In the second quarter of 2008, Cavalier County sales tax revenue increased by 42.23% over 2007 figures. Langdon sales tax revenue increased by 28.68% in the second quarter of 2008, above 2007 figures. Having a program to provide a well trained workforce for the wind industry is critical for future wind farm development and economic growth in North Dakota.

Sustaining the Vision: This program prepares workers for a new and emerging occupation within North Dakota and the global economy. It is critical for support of economic development and growth for North Dakota. It is a opportunity to train native North Dakotans for a high skill, high wage career and allow them to remain in North Dakota to live and work.

RECOMMENDATION: Approve Lake Region State College to offer a **Wind Energy Technician** AAS and Certificate Program, and to offer these programs at a distance on an ongoing basis.

Lake Region
STATE COLLEGE
1801 College Drive, Devils Lake ND 58301

(701) 662-1600 * 1-800-443-1313 * fax (701) 662-1570
www.lrsc.nodak.edu * TDD (701) 662-1572

November 24, 2008

Dr. Michel Hillman
Vice Chancellor for Academic Affairs
600 East Boulevard Ave, Dept 215
Bismarck, ND 58501-0230

Dear Dr. Hillman:

In accordance with SBHE Policy 403.1 Program Approval, Lake Region State College requests approval for new certificate and AAS programs – Wind Energy Technician.

The stage II proposal is attached. The program will be delivered on campus and through distance education technologies to sites primarily in ND. Please contact me if you have any questions concerning this request.

Sincerely,

Doug Darling, Vice President
Instructional Services

Enclosures Stage II Request Cover
Stage II Narrative

CC: AAC

North Dakota University System

ACADEMIC AFFAIRS FORMAL REQUEST
STAGE II COVER PAGE

This form is to accompany each academic request to the System office for State Board of Higher Education or Chancellor action. The purpose of the form is to streamline the request process, promote consistency, and foster improved record-keeping.

Institution: Lake Region State College

I. Action requested:

- [X] **Approval of new program,** Policy 403.1, "Program Approval", SBHE approval
- [X] **Approval of new prefix**
- [ ] **Termination of program,** Policy 403.1.1, "Program Termination", SBHE approval
- [ ] **Place program on inactive status,** Policy 403.1.3, "Inactive Programs", Chancellor approval
- [ ] **Program title change,** Policy 403.4, "Changes in Program Titles", Chancellor approval
- [ ] **Corresponding degree title change**
- [X] **Distance education approval,** Policy 404.1, "Distance Learning Credit Activities", Chancellor approval
- [ ] **Organizational change,** Policy 307.1, "Institutional Organization-Notice and Approval", SBHE approval
- [ ] **Other,** Policy _____, "_____", _____ approval

II. Program information (where applicable):

NDUS Academic Program (this is an abbreviation of the Description; example UGBIO) WNDT

Program Title Wind Energy Technician

Old Title (if title change) _____

- [X] Major
- [ ] Minor
- [ ] 2nd Major

Short Description; (10 characters title) _____

Program Prefix Requested WNDT

Implementation Date (old and new dates cannot overlap) 8 / 15 / 2008

First Valid Term 1010

Academic Career (UG, G, L, M, Ph) UG

Grading Scheme (UG, G, L, M, Ph) UG

Academic Group (division, college, school) Trade Tech Division

CIP Code Requested 15 . 0 399

Stage 2 Request for
Wind Energy Technician ProgramLake Region State College
Executive Summary

Need: The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. In 1997, four wind towers were constructed at various locations around the state and the first major wind farm, consisting of 41 towers, was built in 2003. Since 2003, North Dakota's wind industry has grown significantly and will have 538 operating wind towers by March 2009. Industry growth in North Dakota is expected to increase exponentially with talks underway for another 3,272 towers to be built before the end of the year 2012. To efficiently and appropriately maintain equipment, wind energy companies need one skillfully trained technician for every 10 towers. Based on the figures in the preceding paragraph, this data indicates the need for an additional 373 qualified wind technicians within the next four years in North Dakota alone. Rapid growth in the wind energy industry has sparked a burgeoning need for technicians. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected in 2007, and another 800 technicians will be needed by the end of 2008. The industry is looking to community colleges to help meet this labor force need.

Program Objectives:

- To develop and offer a Wind Energy Technician Program that will help meet the labor market needs of North Dakota and the North Central US.
- Develop ongoing workforce training for those employed in the wind industry in North Dakota and in the region
- To train students to install, maintain, and repair wind turbines.
- To provide students with an understanding of wind energy technology and principles of maintenance and repair.
- To provide students with an understanding of proper safety work practices and procedures commonly used in the wind industry.
- To provide students with an understanding of equipment used in the production of electricity using wind.
- To provide instruction on the different types of troubleshooting techniques.
- To familiarize the students with a Wind Farm.

The program will cost 1.2 million dollars over the first three years of operation. With commitments from industry partners, grants and tuition revenue, to date LRSC has projected revenue in excess of 1.4 million dollars. All revenue is from non-appropriated sources. This Career and Technical Education program fit perfectly with the mission and location of Lake Region State College. LRSC will work with all NDUS institutions that have electronics programs that wish to articulate to the Wind Energy Tech program. BSC has agreed to provide a course on Power Transmission from their Power Plant program for LRSC Wind Energy Tech Students. LRSC plans to have some courses available through distance education.

LRSC will assess the program utilizing the guidelines from the NDUS Policy and Procedure manual as well as the LRSC Assessment Program and SBCTE guidelines.

Stage 2 Request for

Wind Energy Technician Program
Lake Region State College

1. Program Objectives:

- To develop and offer a Wind Energy Technician Program that will help meet the labor market needs of North Dakota and the North Central US.
- Develop ongoing workforce training for those employed in the wind industry in North Dakota and in the region
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- To provide students with an understanding of wind energy technology and principles of maintenance and repair.
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- To provide students with an understanding of equipment used in the production of electricity using wind.
- To provide instruction on the different types of troubleshooting techniques.
- To familiarize the students with a Wind Farm.

2. Program Assessment and Evaluation

This program will be assessed according to SBHE guidelines, LRSC program review guidelines and SBCTE guidelines.

3. Cost and Resources

The costs to start this program include faculty salaries, equipment and instructional aides. Lake Region State College has secured over $600,000 of cash, equipment and services from industry partners and a $500,000 grant from ND Renewable Energy Council. LRSC is in the process of submitting several other grant applications and proposals to industry partners for support.

LRSC plans to install a Wind Turbine on campus to power the campus and provide a live training lab for students. LRSC's wind turbine is currently #3 on the SBHE priority list

for capital projects. Until the turbine is erected, LRSC has an agreement with Florida Power and Light to utilize one of FPL's tower/turbines.

Initial investment in equipment will cost $300,000 -$500,000. Some of this equipment has/will be donated by industry partners. The balance will be purchased utilizing grant and institutional funds.

No new state funds are being requested at this time.

4. **Accreditation Requirements**

There currently is no industry or educational accreditation available for this program.

5. **Relationship of the Program**

To the institution:

- The proposed program clearly fits the mission of LRSC to meet labor market needs in the region and to deliver Career and Technical Education Programs.
- The first part of the program is electronics. LRSC currently has these courses with the Simulator Maintenance Technician program.

To the System:

- The program is designed so that students completing electronics programs from BSC or NDSCS will be able to transfer those credits to be used as degree credit in the Wind Energy Technician program.
- The program requires one course in power transmission. BSC has this course developed as an online course and has agreed to provide this course in an online format for the LRSC Wind Energy Technician students.
- This will be a unique program in the NDUS.

To the region:

- There are currently no other Wind Energy Technician programs in North Dakota, South Dakota or Montana. Minnesota West Community and Technical College in Canby, MN has a similar program.

6. **Relationship to Roundtable Recommendations**

Economic Development Connections: LRSC has been working directly with Cavalier County JDA and Forward Devils Lake Economic Development Corporation to develop this program to support existing and new wind farm development in this region and statewide. Both Cavalier County JDA and Forward Devils Lake have committed funds to assist LRSC with program startup costs.

The Wind Energy Industry is a high-growth industry relatively new to the state of North Dakota. In 1997, four wind towers were constructed at various locations around the state and the first major wind farm, consisting of 41 towers, was built in 2003. Since 2003, North Dakota's wind industry has grown significantly and will have 538 operating wind towers by March 2009. Industry growth in North Dakota is expected to increase

exponentially with talks underway for another 3,272 towers to be built before the end of the year 2012. To efficiently and appropriately maintain equipment, wind energy companies need one skillfully trained technician for every 10 towers. Based on the figures in the preceding paragraph, this data indicates the need for an additional 373 qualified wind technicians within the next four years in North Dakota alone. Rapid growth in the wind energy industry has sparked a burgeoning need for technicians. By 2010, sixty technicians will be needed to serve North Dakota's newly constructed towers. An additional 45 technicians will be needed by 2011. Across the nation, 800 technicians are employed or being recruited to service the turbines erected in 2007, and another 800 technicians will be needed by the end of 2008. The industry is looking to community colleges to help meet this labor force need.

1. **Educational Excellence:** LRSC is working closely with its industry partners to develop the program and its curriculum. Florida Power and Light, Acciona Energy, Suzlon, Ottertail Power Company, Outland Energy and others have already agreed to serve on a curriculum development/advisory committee for the program. LRSC has joined AWEA (American Wind Energy Association) and is serving on the Education subgroup that is working on educational standards for training programs. A key component in the curriculum is an internship company maintaining wind turbines.

2. **Flexible and Responsive System:** LRSC is responding to a need identified by Cavalier County JDA and confirmed by wind energy companies actively operating in North Dakota.

3. **Accessible System:** LRSC plans to deliver this program to sites near newly developed wind farms like Langdon Wind, LLC near Langdon ND. Most of the classroom coursework can be delivered utilizing interactive video and online courseware. Labs and field experiences must be conducted on campus and at turbine sites. LRSC anticipates reaching enrollment capacity within the first two years serving ND residents near wind farms. If additional resources are found the capacity could be expanded.

4. **Funding and Rewards:** Wind farms are proving to have a noteworthy positive impact on North Dakota's rural economy. The Langdon Wind Energy Center, currently the largest wind farm in the state, serves as a model for this economic impact. The Langdon Wind Energy Center Project created 269 temporary construction jobs and 13 permanent jobs; resulted in payments of $9.3 million to entities in Langdon and $42 million statewide; payments of $413,000 will be made annually to local landowners with easement agreements; and increased property tax revenue by $194,000. In the second quarter of 2008, Cavalier County sales tax revenue increased by 42.23% over 2007 figures. Langdon sales tax revenue increased by 28.68% in second quarter 2008, above 2007 figures. Having a program to provide a well trained workforce for the wind industry is critical for future wind farm development

and economic growth in North Dakota.

5. **Sustaining the Vision:** This program prepares workers for a new and emerging occupation within North Dakota and the global economy. It is critical for support of economic development and growth for North Dakota. It is a opportunity to train native North Dakotans for a high skill, high wage career and allow them to remain in North Dakota to live and work.

7. Program Requirements:

One-Year Certficate & Two-Year Associate in Applied Science
Wind Turbine Technician Training Program

	First Academic Year:	Credits:
MATH 100	Applied Mathematics	3
ELEC 100	DC Analyses	3
ELEC 101	AC Analyses	3
ELEC 170	Electronics Laboratory I	3
ELEC 180	Electronics Laboratory II	3
ELEC 281	Digital Integrated Circuits	3
ELEC 287	Digital Integrated Circuits Lab	3
ELEC XXX	PLC's	3
CIS 101	Computer Literacy	3
*ELPW 105	Electrical System Fundamentals	3
WNDT 110	Hydraulics, Fluid Power, & Pneumatics	3
WNDT 150	Turbine Blade Maintenance & Repair	2
WNDT 100	Turbine Safety	1
WNDT 180	Turbine Transmission Fundamentals	3
	Summer Session:	
WNDT	Wind Energy Internship (300 work hours) 2-6	2
	Total Certificate	38

*Course Offered by BSC.

	Second Academic Year:	
ENGL 110	College Composition I	3
ENGL 125	Technical Communications 3	3
COMM 110	Fundamentals of Public Speaking 3	3
MATH 103	College Algebra 3	3
PSYC 100	Human Relations in Organizations 3	3
CIS 103	Microcomputer Spreadsheet 3	3
HPER 210	First Aid	2
PSYC 111	Introduction to Psychology	3

	Recommended Electives	6	
	Required courses	29	
	Total for AAS Degreee		67
CIS 104	Microcomputer Database 3	3	
BADM 201	Principals of Management	3	
BADM 200	Personnel Management	3	
BVED 217	Fundamentals of MIS	4	
PHYS 211	College Physics I	3	

8. **Program Assessment/Evaluation**
The program will be evaluated according to the guideline in NDUS Policy/procedure and following the LRSC Program Review and Assessment plans. Common indicators reviewed will be: 1) enrollment 2) completion rate 3) placement rate 4) cost per enrollment. 5) employer satisfaction with graduates. All data will be utilized for program improvement in consultation with industry program advisory committee.

9. **Program Delivery:** The program will be developed and begin in Fall 2009 and will be delivered on campus and to distant site utilizing IVN and online delivery modes.

10. **New Prefix Request:** LRSC request the approval of new prefix WNDT – Wind Energy Technology and ELPW for the course to be delivered by BSC.

11. **Projected Enrollment:**

Year 1	16
Year 2	24
Year 3	24

Academic Request Budget Worksheet
Proposal **Does Not** involve new state funds

Wind Energy Technician Program

Account Description	2009-2010 Year 1	2010-2011 Year 2	2011-2012 Year 3	Grand Total
Faculty Salaries	$ 120,000.00	$ 126,000.00	$ 132,300.00	$ 378,300.00
Other salaries	$ -	$ -	$ -	$ -
Fringe Benefits	$ 36,000.00	$ 37,800.00	$ 39,690.00	$ 113,490.00
Total Salaries and Benefits	$ 156,000.00	$ 163,800.00	$ 171,990.00	$ 491,790.00
TOTAL OPERATING EXPENSES	$ 50,000.00	$ 50,000.00	$ 50,000.00	$ 150,000.00
Equipment	$ 500,000.00	$ 50,000.00	$ 10,000.00	$ 560,000.00
TOTAL PROGRAM EXPENSES	$ 706,000.00	$ 263,800.00	$ 231,990.00	$ 1,201,790.00
Total Access Fees				
Total Base Tuition	$ 62,524.48	$ 98,476.06	$ 103,399.86	$ 264,400.39
Total other local funds - new revenue	$ 1,150,000.00	$ -	$ -	$ 1,150,000.00
Total other local funds - internally reallocated				$ -
Less Tuition to Receiving Institution				$ -

	$	$	$	$
Appropriated Funds - new	-	-	-	-
Appropriated Funds - internally reallocated				
	$	$	$	$
Total Projected Revenue	1,212,524.48	98,476.06	103,399.86	1,414,400.39

Program will require new state appropriations in future biennia. Yes _____ No __X__

Operating Expenses include: travel, communications, postage, telephone, office supplies, advertising, printing and duplicating.

AAC: 9/10
Cabinet: 10/10
SBHE: 11/10

North Dakota State University and the University of North Dakota
SBHE Policy 403.1, Program Approval
SBHE Policy 404.1, Distance Learning Credit Activities
SBHE Policy 409, Degrees Offered

North Dakota State University and the University of North Dakota request approval to offer a **Master of Public Health program and degree (MPH)** and a graduate **Program Certificate in Public Health**. NDSU and UND are also requesting ongoing approval for distance/online delivery of these programs. This request is in accordance with SBHE policies 403.1 and 404.1, Program Approval and Distance Learning Credit Activities and 409, Degrees Offered.

The provision of health care is requiring practitioners in all health care fields to adopt a more fiscally responsible, comprehensive and inter-professional approach to patient care. As the population ages and chronic diseases become more prevalent, especially in rural or remote communities, disease management, health promotion/prevention and a population health approach are essential. NDSU College of Pharmacy, Nursing and Allied Sciences and the UND School of Medicine and Health Sciences (SMHS), are partnering with other colleges at each institution, and coordinating with each other, to provide the expertise, resources, and health professionals to teach in this degree program. The goal is to prepare public health professionals to effectively and inter-professionally meet the specific needs of the state. Each institution offers unique resources to support public health education and therefore each student will be able to access the full range of coursework available at either institution, regardless of where the student is matriculated. NDSU and UND will coordinate not only their curricula, but their admission standards, marketing efforts, and tuition charges to ensure that the resulting program truly is an integrated, coordinated, and seamlessly combined effort by both institutions.

NEED: Since North Dakota has several accredited health professions programs in the State, and since North Dakota does not have its own school of public health, the demand for a Master of Public Health degree should be quite good. According to the American Public Health Association, the public health workforce is currently (and in the future) suffering severe shortages. The number of public health workers in the U.S. declined to 158 workers per 100,000 population in 2000 compared to 220 workers per 100,000 in 1980. Within the next few years, state and federal public health agencies could lose up to half of their workforce to retirement, the private sector, and other opportunities. So the supply and demand side of this issue provide North Dakota with an excellent opportunity. The salary ranges for Master of Public Health degree employees range between $40,000 – $80,000 which does not take into account discipline-specific health professionals (Master of Public Health Degree Salary). Physicians, nurses, and pharmacists with MPH degrees would have even higher salaries.

Access to health care services in North Dakota can be a challenge with the majority of providers located in the four largest communities in the State. The North Dakota Department of Health has openly stated its desire to proactively cross-train health care personnel to fill multiple roles as dictated by the needs of its communities. New models of health care delivery will be required to respond to a shortage of health care providers and to meet the needs of the citizens of the state. Data to support this need comes from the UND Center for Rural Health and from state and national

organizations concerned about health care needs and education. No other program exists in ND. Dr. Terry Dwelle (state health officer) estimates at least 100 ND public health professionals wish to obtain an M.P.H. degree or certificate. There are currently 46 ND residents enrolled in the U of Minnesota M.P.H. program.

COST: An essential and necessary component of this proposed program is the need for additional appropriated dollars. Only UND and the School of Medicine and Health Sciences have, at present, a State Board of Higher Education-approved budget request for additional appropriated funds to be considered in the upcoming legislative session ($1,215,219 included in SOMHS request). In an effort to demonstrate both the importance of the appropriated funds, and especially to show just how integrated this approach is, UND and NDSU are proposing that any new appropriated funds awarded to the UND/SMHS for the upcoming biennium be equally shared by the two institutions (i.e., UND and NDSU). The conceptual foundation is clear - a joint and cooperative program needs to be just that—joint and cooperative.

Although some current faculty resources will be redirected into the M.P.H. program, the need for new courses and converting courses into on-line format will require additional faculty and administrative support totaling about $1 million/year for each institution at full implementation, for optimal operation of the program. This will be partially offset by a new programmatic tuition rate, as well as new grant monies for research. New funds have been requested as part of a new initiative in the 2011-13 biennium. Both institutions are committed to the program, and will attempt to redirect any available institutional funds that may be needed for the initial implementation of the program and to supplement any shortfall from pending new funding from the state; nevertheless, neither institution will accept any student into the program unless sufficient resources (financial and otherwise) are available to ensure the successful matriculation and graduation of that accepted student.

NDSU and UND jointly determined that a per credit hour cost of $600 was both competitive from a market standpoint, as well as viable from the institutions' standpoints assuming they receive new allocated dollars. In discussions with the leadership at both institutions and the university system office, it was determined that the optimal cost structure is in the form of a differential tuition. If the differential tuition is approved, the total cost to the student for the M.P.H. degree will be $25,800 (i.e., $600x43 credit hours), an amount that is competitive in the marketplace. Each university will therefore commit to charging only a uniform differential tuition of $600/credit hour (plus only any university-required supplemental fee that is charged to all students). In addition to the differential tuition and request for new appropriated funds, both institutions are providing a reallocation of resources to show their commitment to the program. Neither university will offer any tuition waivers during the "core course" phase unless otherwise specified by NDUS policy.

Should the legislature appropriate less than the requested amount of new appropriated dollars, that will jeopardize the success of the proposed program, UND and NDSU would be forced to request an increase in the amount of differential tuition that would be collected, which might make this program significantly less competitive in the marketplace. Indeed, an allocation substantially less than the requested amount might preclude their ability to proceed at all. Depending on the amount of legislative funding received, a decision would be made regarding the institutions' ability to offer the program. If a favorable response is received from the Legislature in a timely fashion, both institutions plan to begin offering the program in the Fall semester. In order to prepare on a timely basis, they would need to begin recruiting and hiring faculty now.

ACCREDITATION: Each institution will seek accreditation from the Council on Education in Public Health (CEPH). The curriculum, its content and the number of credit hours in this proposal is based on current CEPH guidelines, and are comparable to those of other CEPH-accredited programs.

RELATIONSHIP TO THE INSTITUTION: NDSU's proposal draws upon faculty and resources from the College of Pharmacy, Nursing and Allied Sciences, as well as other colleges and departments from across NDSU, including Veterinary and Microbiological Sciences; Food Safety; Sociology; Business; Anthropology and Emergency Management; Child Development and Family Science; and Health, Nutrition and Exercise Science. Meeting the public health needs of ND is appropriate to NDSU's land grant mission.

The UND program will draw upon faculty and resources from the School of Medicine and Health Sciences; the Colleges of Nursing, Arts and Sciences, Business and Public Administration, and Education and Human Development; and the School of Aerospace Sciences.
Each degree can enhance and be enhanced by the planned undergraduate efforts in Public Health education.

PROGRAM DELIVERY: This program will be offered in both traditional and on line formats. As the programs grows and mature, it may be possible to offer coursework at other campuses across the State. Sites for experiential learning will be developed in communities and organizations to address the number of students and areas of specialization.

VIABILITY: The enrollment projections for each institution for this MPH program are: Year 1 (20 students); Year 2 (25 students); and Year 3 (30 students). As a part of this goal, we hope to attract graduates from the undergraduate and graduate programs at UND and NDSU, as well as current health practitioners or others employed in health-related fields. This should be sufficient to offer the necessary courses each academic year. About half of these students are likely to be on-line students.

DUPLICATION: The only other Public Health program available to North Dakota residents is offered online by the University of Minnesota through the School of Medicine and Health Sciences Department of Family and Community Medicine at UND (which is not a preferred option for most North Dakota residents). The NDSU and UND programs are highly coordinated to minimize duplication of effort.

RELATIONSHIP TO THE ROUNDTABLE: This program will increase vitality in the state by training rural health practitioners to take expanded leadership roles in health care and advance public health in the state. It will be competitive with national programs and flexible and accessible enough to be desirable to our citizens. Tracks of specialization will also be offered as stand-alone certificate programs. Advancing rural and public health is critical to the future of the state and Universities. New research dollars will be generated by the programs.

RECOMMENDATION: Approve NDSU and UND's request to offer **a Master of Public Health program and degree (MPH)** and a graduate **Program Certificate in Public Health;** approve the requested new tuition rate, and approve distance delivery of this program on an on-going basis.

UND

UNIVERSITY OF NORTH DAKOTA
SCHOOL OF MEDICINE & HEALTH SCIENCES
501 NORTH COLUMBIA ROAD, STOP 9037
GRAND FORKS, ND 58202-9037
PHONE (701) 777-2514
FAX (701) 777-3527

NDSU

NORTH DAKOTA STATE UNIVERSITY
COLLEGE OF PHARMACY, NURSING & ALLIED SCIENCES
NDSU DEPARTMENT 2650, PO BOX 6050
FARGO, ND 58108
PHONE (701) 231-7456
FAX (7701) 231-7606

October 22, 2010

Michel Hillman, Ph.D.
Vice Chancellor for Academic and Student Affairs
North Dakota University System
10th Floor, State Capitol
600 East Boulevard Avenue, Dept. 215
Bismarck, ND 58505-0230

Laura Glatt
Vice Chancellor for Administrative Affairs
North Dakota University System
10th Floor, State Capitol
600 East Boulevard Avenue, Dept. 215
Bismarck, ND 58505-0230

Re: Joint NDSU/UND Master of Public Health (M.P.H.) degree program

Dear Dr. Hillman and Ms. Glatt:

We write to update you and the NDUS about the notable developments that have transpired recently in regard to our proposed M.P.H. program, and have culminated in a truly cooperative and integrated approach involving North Dakota State University and the University of North Dakota and our constituent schools and colleges. We have recently submitted two budgets to the NDUS, one from each institution, that document the extraordinary level of cooperation and integration that we are proposing for this degree program. Please permit us to outline the components of the proposed program, starting with educational/academic issues:

- Each university would admit its own students, and graduate its own students. But both universities would ensure that their admission standards and polices were complementary, and each university would have a representative on the other university's admission committee. Each university would recognize relevant coursework performed at the other university.

- The first "half" of the program, comprising some 22 credits and termed the "core courses", would be taught jointly by the two universities, with half the courses taught at one university, and half at the other. There would be no substantial duplication of course offerings, the guiding principle being that we would select the strongest candidate core courses for enrollment by all students. The second "half" of the program, comprising some 21 credits and termed the "specialization courses or tracts," would be offered at both universities, with each university

offering unique specialization areas that emphasized and reflected their particular areas of programmatic strength (e.g., pharmacy delivery for NDSU and rural health care delivery for UND). Since these specialization tracks are based on discipline specific courses unique to each institution, there is no duplication of courses being taught in the specialization tracks. Students at either university could select any specialization tract, regardless of where they were enrolled.

- Many if not most of the courses will be offered on-line, so that most students would not be required to commute extensively between the two universities, although it is likely that some degree of travel will be involved.

Here are the attendant financial considerations:

- Both institutions performed independent market surveys of the total course-specific costs that a potential M.P.H. student might experience to establish what a competitive cost might be; those data are listed as Attachment A and B. In reviewing the range of costs, we jointly determined that a per credit hour cost of $600 was both competitive from a market standpoint, as well as viable from the institutions' standpoints (assuming new allocated dollars as outlined below and on the previously submitted budget sheets). In discussions with the leadership at NDSU, UND, and the NDUS, we determined that the optimal cost structure is in the form of a differential tuition, which we herewith request in the stated amount. If the differential tuition is approved, the total cost to the student for the M.P.H. degree will be $25,800 (i.e., $600*43 credit hours), an amount that is competitive in the marketplace. Since North Dakota has several accredited health professions programs in the State, and since North Dakota does not have its own school of public health, the demand for a Master of Public Health degree should be quite good. According to the American Public Health Association, the public health workforce is currently (and in the future) suffering severe shortages. The number of public health workers in the U.S. declined to 158 workers per 100,000 population in 2000 compared to 220 workers per 100,000 in 1980.[1] Within the next few years, state and federal public health agencies could lose up to half of their workforce to retirement, the private sector, and other opportunities.[1] So the supply and demand side of this issue provide North Dakota with an excellent opportunity. The salary ranges for Master of Public Health degree employees range between $40,000 – $80,000 which does not take into account discipline-specific health professionals.[2] Physicians, nurses, and pharmacists with MPH degrees would have even higher salaries. The enrollment projections for each institution (i.e., NDSU and UND) for this MPH program are: Year 1 (20 students); Year 2 (25 students); and Year 3 (30 students).

- Each university will therefore commit to charging only a uniform differential tuition of $600/credit hour (plus only any university-required supplemental fee that is charged to all students). Should there be a material difference in the number of students enrolled at each university, an appropriate mechanism of funds transfer would be developed to ensure that each university garners the same amount of differential tuition dollars for the core course work (reflecting the fact that both universities will jointly and equally share the teaching load for the core courses).

- Neither university will offer any tuition waivers during the "core course" phase unless otherwise specified by NDUS policy.

- For the specialization courses, all of the associated differential tuition dollars will flow to the university in which the student takes his/her specialization tract, regardless of where a particular student is enrolled and regardless of which university confers the degree. An appropriate mechanism of funds transfer will need to be developed to ensure that the dollars "follow the feet" of the students.

- An essential and necessary component of our proposed program is the need for additional appropriated dollars. Only UND and the School of Medicine and Health Sciences have, at present, a State Board of Higher Education-approved budget request for additional appropriated funds to be considered in the upcoming legislative session ($1,215,219 included in SOMHS request). In an effort to demonstrate both the importance of the appropriated funds, and especially to show just how integrated our approach is, we are proposing that any new appropriated funds awarded to the UND/SMHS for the upcoming biennium be equally shared by the two institutions (i.e., UND and NDSU)., The conceptual foundation is clear: a joint and cooperative program needs to be just that—joint and cooperative!

- Should the legislature appropriate less than the requested amount of new appropriated dollars, that will jeopardize the success of our proposed program, as we would be forced to request an increase in the amount of differential tuition that we would collect, which might make our program significantly less competitive in the marketplace. Indeed, an allocation substantially less than the requested amount might preclude our ability to proceed at all. Depending on the amount of funding received, a decision would be made regarding the institutions' ability to offer the program. The request includes NDSU funding for a Program Co-Director for the Fargo campus, eight and a half (8.5) new tenure track faculty, one (1) administrative assistant, nine and a half (9.5) teaching assistants, and some operating funds. It also includes UND funding for one (1) Program Co-Director for the Grand Forks campus, five (5) new tenure tract faculty, one (1) administrative assistant, four (4) teaching assistants, and some operating funds.

- In addition to the differential tuition and request for new appropriated funds, both institutions are providing a reallocation of resources to show their commitment to the program.

- If we receive a favorable response from the Legislature in a timely fashion, both institutions plan to begin recruiting students and faculty to begin implementation of the program during the 2011 Fall Semester.

We are grateful for the guidance and assistance that each of you has provided us as we have developed this unique program, and we appreciate the support of the Chancellor as well. We have profited greatly from the counsel and help provided by many colleagues at NDSU and UND, and would particularly like to recognize and thank both Presidents Bresciani and Kelley and Provosts Schnell and LeBel for their support for this joint MPH degree program.

Please let us know if we need to provide any further clarification or information. We are eager to begin working in earnest to implement the program, and look forward to hearing from you soon.

Sincerely yours,

Charles Peterson, Pharm. D.
Dean
College of Pharmacy, Nursing, and Allied Sciences
NDSU

Joshua Wynne, M.D., M.B.A., M.P.H.
Vice President for Health Affairs
Dean
UND School of Medicine & Health Sciences

Attachments

cc: William Goetz, Ph.D., Chancellor, NDUS
Dean L. Bresciani, Ph.D., President, NDSU
Robert O. Kelley, Ph.D., President, UND
Craig Schnell, Ph.D., Provost/Vice President for Academic Affairs, NDSU
Paul LeBel, J.D., Provost/Vice President for Academic Affairs, UND
Donald Miller, Pharm.D., Chair, Department of Pharmacy Practice, NDSU
Cynthia Naughton, Pharm.D., Associate Dean for Academic Affairs and Assessment, NDSU
Gwen Halaas, M.D., M.B.A., Senior Associate Dean for Academic and Faculty Affairs, UND SMHS

References

1. Perlino CM. The Public Health Workforce Shortage: Left Unchecked, Will We Be Protected? American Public Health Association. Issue Brief. September 2006. http://www.apha.org/NR/rdonlyres/8B9EBDF5-8BE8-482D-A779-7F637456A7C3/0/workforcebrief.pdf
2. Master of Public Health (MPH) Degree Salary: Employees with a Master of Public Health (MPH) Degree Salary Ranges by Job. PayScale. http://www.payscale.com/research/US/Degree=Master_of_Public_Health_(MPH)/Salary

Attachment A

UND-School of Medicine and Health Sciences

Tuition for MPH

University of Minnesota SPH

MPH

Per credit – Fall/Spring Resident $665 Non-Resident $883

Summer Resident & Non-Resident $665

43 credits = $28,595 / $37,969

http://www.sph.umn.edu/prospective/financing/tuition.asp

University of Nebraska Medical Center College of Public Health

Graduate per-credit hour

Resident	$261.75
Non-Resident	$705.75

43 credits = $11,223 / $30,315

http://www.unmc.edu/studentservices/tuition.htm

University of Iowa College of Public Health

Semester hours of on-campus MPH tuition

	0-2	3	4	5	6	7	8	9+
Resident	$1,468.00	$2,085.00	$2,819.50	$3,549.50	$4,166.50	$4,783.50	$5,400.50	$6,134.00
Non-Resident	$1,468.00	$2,085.00	$2,819.50	$7,399.50	$8,786.50	$10,173.50	$11,560.50	$13,057.00

http://www.public-health.uiowa.edu/mph/admissions/mph_cost.html

Students who enroll in more than 9 semester hours of **on-campus classes** do not pay for additional hour of **on-campus enrollment**. However, students who have a mixed load of on and off-campus classes will not see a savings unless their on-campus hours total more than 9. Distance education classes are billed separately and do not count toward the 9 hours of tuition saving.

MPH in Policy

Tuition and Expenses

The following table reflects the estimated annual expenses for MPH students enrolled for 9 or more semester hours in the fall and spring semesters for 2010-2011. Costs vary for International Students.

	Iowa Residents	Non-Residents
Tuition and Fees*	$12,268	$26,114
Books and Supplies	$1,090	$1,090

Living Expenses**	$14,585	$14,585
Total	**$27,943**	**$41,789**

(Tuition x 2 years = $24,336 and $52,228) (Total x 2 years = $55,886 or $83,578)

*This includes the following fees: computer, arts and cultural events, student activity, student services, student union, building, and health.

**Living expenses reflect the estimated annual student costs of housing, transportation, food, and other personal expenses based on federal financial aid guidelines (family expenses not included), according to the UI Office of Student Financial Aid.

For more information, please visit the Graduate College website.
http://www.public-health.uiowa.edu/hmp/programs/mph/tfa.html

University of Washington

http://sph.washington.edu/prospective/tuition/asp?program=MPH

MPH Programs Tuition

MPH Program Resident Annual Tuition and Fees for Academic Year 2010-2011

Fee	Amount
Operating Fee	$12,487
Building Fee	$453
Technology Fee	$123
Services & Activities Fee	$351
IMA Bond Fee	$105
2010-2011 Total (Program fees not included; see below)	$13,519

MPH Program Non-Resident Annual Tuition and Fees for Academic Year 2010-2011

Fee	Amount
Operating Fee	$25,492
Building Fee	$788
Technology Fee	$123
Services & Activities Fee	$351
IMA Bond Fee	$105
2010-2011 Total (Program fees not included; see below)	$26,859

Two years = $27,038 or $53,718

ASPH

The average yearly cost of education including tuition, fees, books, etc. in 2008-2009 was $16,236 for in-state tuition and fees and $23,518 for out-of-state tuition and fees; and the median for in-state was $12,426 and $22,134 for out-of-state. For in-state, the range is from $4,054 per year to $51,000; and $10,171 to $51,000 for out-of-state. Most master's programs are two years in length, and these figures are based on a two-year completion of degree. However, there are also accelerated programs, distance learning programs, programs for part-time students, etc.
http://www.asph.org/document.cfm?page=727#tuition

ATTACHMENT B

NDSU Survey
Resident Tuition Comparisons for Master of Public Health
(Based on 24 semester credits per year)

University of Minnesota = $665/credit hour, $15,960 per year

University of Iowa = $682/credit hour (up to 9 credits), $12,268 per year

University of Wisconsin = $686/credit hour, $16,464 per year

University of Nebraska = $555/credit hour, $13,320 per year

Colorado School of Public Health = $553/credit hour, $13,272 per year

University of Montana = $477/credit hour (includes $150/credit MPH surcharge), $11,450 per year

University of Washington = $13,519 annual tuition and fees

University of Alaska = $474/credit hour, $11,376 per year

North Dakota State University = $600/credit hour (includes proposed program fee), or $12,900 per year (or total of $25,800 for 43 credit hours)

Academic Request Budget Worksheet for Proposals Which DO Involve New State Funds
Master of Public Health/Graduate Certificate in Public Health
NDSU

Account Description	Year 1 7/11*-6/12*	Year 2 7/12*-6/13*	Year 3 7/13*-6/14*	Grand Total
Faculty Salaries[1]	361,388.00	640,000.00	770,000.00	1,771,388.00
Other Salaries (including teaching assistants)	40,000.00	70,000.00	100,000.00	210,000.00
Fringe Benefits	120,416.00	192,000.00	231,000.00	543,416.00
Internally reallocated[2]	75,000.00	67,500.00	60,000.00	202,500.00
TOTAL SALARIES AND BENEFITS	596,804.00	969,500.00	1,161,000.00	2,727,304.00
TOTAL OPERATING EXPENSES	40,000.00	40,000.00	50,000.00	130,000.00
Equipment	0.00	0.00	0.00	0.00
TOTAL PROGRAM EXPENSES	636,804.00	1,009,500.00	1,211,000.00	2,857,304.00
Total Access Fees	0.00	0.00	0.00	0.00
Total Base Tuition[3]	258,000.00	600,000.00	760,000.00	1,618,000.00
Total other local funds (gifts, grants, etc.) internally reallocated	0.00	0.00	0.00	0.00
Total other local funds (gifts, **grants**, etc.) - new revenues	0.00	38,196.00	72,005.00	110,201.00
Less Tuition to Receiving Institution	(0.00)	(0.00)	(0.00)	(0.00)
Appropriated Funds - New	303,804.00	303,804.00	318,995.00	926,603.00
Appropriated Funds - Internally Reallocated[2]	75,000.00	67,500.00	60,000.00	202,500.00
TOTAL PROJECTED REVENUE	636,804.00	1,009,500.00	1,211,000.00	2,857,304.00

Program will require new state appropriations in future biennia. No _____ Yes X

If yes, how much annually? $250,000

Operating Expenses include: travel, communications, postage, telephone, office supplies, advertising, printing and duplicating.

1. Faculty salaries - Salaries for new faculty members and Program Director. Salaries to be distributed among participating departments
2. Internal reallocation - salaries of various faculty members and an administrative assistant
3. Total base tuition - based on differential tuition of $600/credit hour, 21.5 credit hours/year, and the following number of students entering each year: Year 1 = 20, Year 2 = 25, Year 3 = 30 (tuition increased by 3.5% per year) (Note: data rounded)

Academic Request Budget Worksheet for Proposals Which DO Involve New State Funds
Master of Public Health/Graduate Certificate in Public Health
UND

Account Description	Year 1 7/11*-6/12*	Year 2 7/12*-6/13*	Year 3 7/13*-6/14*	Grand Total
Faculty Salaries[1]	368,803.00	664,884.00	808,235.00	1,841,922.00
Other Salaries (including teaching assistants)	45,000.00	47,250.00	66,150.00	158,400.00
Fringe Benefits	108,002.00	185,867.00	228,215.00	522,084.00
Internally reallocated[2]	75,000.00	67,500.00	60,000.00	202,500.00
TOTAL SALARIES AND BENEFITS	596,805.00	965,501.00	1,162,600.00	2,724,906.00
TOTAL OPERATING EXPENSES	40,000.00	44,000.00	48,400.00	132,400.00
Equipment	0.00	0.00	0.00	0.00
TOTAL PROGRAM EXPENSES	636,805.00	1,009,501.00	1,211,000.00	2,857,306.00
Total Access Fees	0.00	0.00	0.00	0.00
Total Base Tuition[3]	258,000.00	600,000.00	760,000.00	1,618,000.00
Total other local funds (gifts, grants, etc.) internally reallocated	0.00	0.00	0.00	0.00
Total other local funds (gifts, grants, etc.) - new revenues	0.00	38,196.00	72,005.00	110,201.00
Less Tuition to Receiving Institution	(0.00)	(0.00)	(0.00)	(0.00)
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TOTAL PROJECTED REVENUE	636,805.00	1,009,501.00	1,211,000.00	2,857,306.00

Program will require new state appropriations in future biennia. No ____ Yes X
If yes, how much annually? $ 250,000

Operating Expenses include: travel, communications, postage, telephone, office supplies, advertising, printing and duplicating.

1. Faculty salaries - Salaries for new faculty members and Program Director. Salaries to be distributed among particpating schools/colleges and departments
2. Internal reallocation - various faculty members' salaries and that of a part-time administrative assistant
3. Total base tuition - based on differential tuition of $600/credit hour, 21.5 credit hours/year, and the following number of students entering each year: Year 1 - 20 Year 2 - 25 Year 3 - 30 (tuition increased by 3.5%/year) (Note: data rounded)

Glatt, Laura

From: Givers, David
Sent: Tuesday, January 25, 2011 10:38 AM
To: Glatt, Laura
Cc: McDonald, Cathy; Hoffmann, Mark
Subject: RE: EPSCOR federal funding generated in 09-11

Hi Laura,

Yes these are still our best projections. When we made our estimates we felt we would meet them.

Best wishes,

David

From: Glatt, Laura
Sent: Monday, January 24, 2011 5:01 PM
To: Givers, David
Cc: McDonald, Cathy
Subject: EPSCOR federal funding generated in 09-11

David: Back in February 2010 you provided the following figures related to EPSCoR:

	General fund base	Anticipated federal fund
09-11	$7,050,000	$17,470,000
11-13	$8,700,000	$19,700,000

Are you still comfortable with the federal projections? House Appropriations has asked for the amount of federal funds EPSCoR projects for both 09-11 and 11-13. If you could let me know by 12 noon on Wednesday I would greatly appreciate it.

Laura

The North Dakota University System had sufficient funding to support the following number of North Dakota Professional Student Exchange Program by class and year:

Veterinary Medicine (including KSU)					
	2006-07	2007-08	2008-09	2009-10	2010-11
Freshman	7	8	8	9	12
Sophomore	9	7	8	11	9
Junior	4	9	7	10	11
Senior	4	4	9	7	10
TOTAL	24	28	32	37	42

Optometry					
	2006-07	2007-08	2008-09	2009-10	2010-11
Freshman	4	4	4	5	8
Sophomore	3	4	4	4	5
Junior	4	3	4	4	4
Senior	5	4	3	4	4
TOTAL	16	15	15	17	21

Dentistry					
	2006-07	2007-08	2008-09	2009-10	2010-11
Freshman	8	8	8	7	7
Sophomore	4	8	8	6	7
Junior	4	4	8	6	10
Senior	4	4	4	8	2
TOTAL	20	24	28	27	26

Prepared by the NDUS office, Jan. 25, 2011.

North Dakota University System Office
FTE Positions, Fiscal Year 10-11

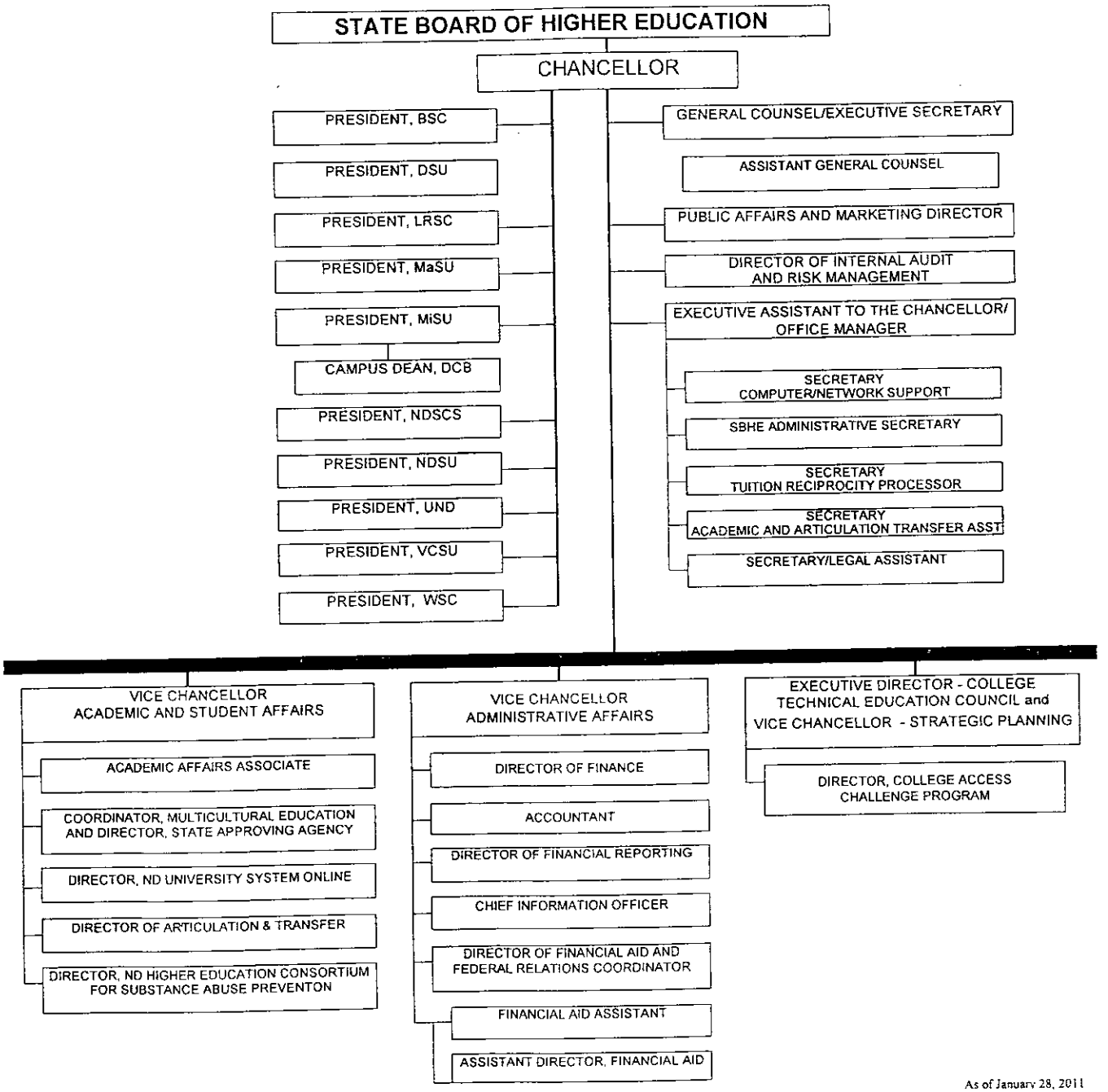
Position	FTE	Fund Source
Director Of Public Affairs/Marketing	1.0	general fund
Director of Financial Reporting	1.0	general fund
Secretary/Computer Support	1.0	general fund
Secretary/Academic and Articulation	1.0	general fund
Secretary/MN Reciprocity Processor	1.0	general fund
Chancellor	1.0	general fund
Vice Chancellor of Admin Affairs	1.0	general fund
Asst. General Counsel	1.0	general fund
Vice Chancellor for Acad & Student Affairs	1.0	general fund
Secretary/Legal Asst.	1.0	general fund
Vice Chancellor Strategic Planning	1.0	general fund
Director ND Univ System Online	1.0	general fund
Director of Finance	1.0	general fund
Exec. Asst. to Chancellor/Office Manager	1.0	general fund
Office Accountant	1.0	general fund
Asst. Director of Financial Aid	1.0	general fund
Director of Articulation & Transfer	1.0	general fund
Admin Sec. to SBHE	1.0	general fund
Director of State Approving Agency/Multi-Cultural	1.0	70% federal/30% general fund
Director of Internal Audit and Risk Assessment	1.0	campus assessment
Academic Affairs Assoc.	1.0	general fund
General Counsel	1.0	general fund
Financial Aid Assistant	1.0	general fund
Grad Research Assist for ND Partners In Prevention	0.5	federal funds
ND CACG Coordinator	1.0	federal funds
Dir HE Consortium for Subst Abuse Prev.	1.0	general fund 1/
Director of Financial Aid/Federal Relations	1.0	general fund
TOTAL	26.5 2/	

1/ funding will likely be shifting to 75% general fund and 25% federal funds

2/ NDUS Office has contracted for CIO services since June 2006, funded from the SITS pool in the NDUS office budget; SITS funding is distributed to NDSU as the fiscal agent for operations

G:\LAURA\excel\OFFICE\[NDUS Office FTE and fund source 10.11.xlsx]Salary History 2005-08

North Dakota University System Organizational Chart



As of January 28, 2011

G:\sheila\EXCEL\3011\313\system chart w-no names.xlsx

NDUS Office Staffing Overview
Prepared for the Interim HE Committee, January 2011

Chancellor serves as the chief executive officer of the Board and chief executive officer of the University System.

Vice Chancellor for Academic and Student Affairs oversees all academic and student affairs functions within the North Dakota University System through policy development, implementation management and multi-agency coordination.

Vice Chancellor for Administrative Affairs oversees all administrative, financial, and information technology functions within the North Dakota University System through policy development, implementation management and multi-campus coordination in the following areas: financial, accounting, budgeting, purchasing, capital construction, audit, financial aid, human resources, and information technology.

Vice Chancellor for Strategic Planning and Executive Director of the College Technical Education Council (CTEC) is responsible for developing and implementing a comprehensive strategic plan, and related accountability; coordination of Roundtable on Higher Education activities, in cooperation with legislative leadership; focuses on statewide workforce issues; and, coordination for the two-year colleges in the University System through CTEC.

CIO is responsible for providing overall leadership, vision, strategy, management, and accountability for systemwide information technology services. In carrying out these responsibilities, the CIO must ensure that the infrastructure and applications provide an environment that is cost-effective and responsive to student needs and addresses the mission of the NDUS and its institutions. *(Currently a contract position)*

General Counsel/SBHE Exec. Sec. provides a broad range of legal services to the SBHE, chancellor and chancellor's staff (including SITS employees located in Grand Forks and Fargo) and 9 of the 11 NDUS colleges and universities and their officers and employees (NDSU and UND have separate legal counsel offices), including legal research and advice, drafting or reviewing legislation, policies and procedures, drafting and reviewing all contracts and other legal documents for the system and 9 institutions, legal or policy analysis, assistance with HR functions and advice regarding personnel matters, representation of institution officers at disciplinary and other hearings and responsibility for loss control and risk management functions. The General Counsel also serves as SBHE Secretary (a constitutionally-mandated position).

Director of Internal Audit and Risk Assessment is responsible for managing and conducting financial, operational, compliance and IT audits to assess the adequacy and effectiveness of systems, processes, and controls within the NDUS to ensure accuracy of financial records and efficiencies of operations. Evaluate and manage risk assessment and assist in the design and administration of related policy and procedure.

Director of public affairs and marketing is responsible for coordinating, preparing and disseminating information to the public, the legislature, the media, prospective students and other constituencies of the State Board of Higher Education and the North Dakota University System.

Executive Assistant to the Chancellor/Office Manager provides support to the Chancellor and communicates information on behalf of the chancellor to various groups/individuals within the office and university system, SBHE members, state government and the public. This position is also the NDUS Office manager supervising five secretarial support positions.

Assistant General Counsel assists the General Counsel with a broad range of legal services for the SBHE, chancellor and chancellor's staff and 9 of the 11 NDUS colleges and universities and their officers and employees. Currently, the Assistant General Counsel devotes the majority of time to campus personnel matters and contract drafting and review.

Academic Affairs Associate provide support involving broad System-level academic issues including academic program review, academic policies and procedures, education initiatives, IPEDS, college preparatory course approvals, out-of-state institutional requests.

Director of Articulation and Transfer leads successful development and implementation of the State Board of Higher Education's policies and initiatives to improve the transfer and admissions experiences for students enrolled in the North Dakota University System.

Director of the North Dakota University System Online (NDUSO) is responsible for the planning and facilitation of online initiatives throughout the NDUS, including accreditation with the Higher Learning Commission and explore and establish relationships with other state and regional online initiatives, including adult learning initiatives.

Director for the ND State Approving Agency (SAA) and Coordinator for Multi-Cultural Education administers applicable state and federal statutes and contractual obligations with the U.S. Department of Veterans Affairs, Veterans Administration Division; assists with the development, planning, and implementation of strategies to create and maintain an all-inclusive multicultural campus community in support of the NDUS diversity goals, and administer the ND Indian Scholarship Program.

Director of Higher Education Consortium for Substance Abuse Prevention coordinates the prevention efforts of colleges and universities throughout the state. The director provides technical assistance to campuses to ensure compliance with Drug Free Schools and Campuses Act and the implementation of evidence-based prevention strategies.

Director of Financial Aid and Federal Relations Coordinator oversees and administers several state-funded financial aid programs; develops and monitors System financial aid policies and programs in cooperation with the campus financial aid directors; coordinates positive federal relations as directed by the Chancellor; and, assists in coordinating student exchange programs through regional consortiums (WICHE and MHEC).

Director of Finance is responsible for assisting in the development of and monitoring policies and activities for all budget related matters for the North Dakota University System.

Director of Financial Reporting prepares the consolidated annual financial statements for the North Dakota University System; and, in cooperation with the campus Controllers and Chief Accountants, leads System accounting and auditing activities to ensure compliance with accounting, auditing, state and federal requirements.

Director, College Access Challenge Grant, fosters partnerships aimed at increasing the number of low-income students prepared to enter and succeed in college through administration of a federal grant.

Asst. Director of Financial Aid assists the Director of Financial Aid in the general administration of student financial aid programs administered by the NDUS Office, especially the Career/Technical Education and Academic Scholarship Program and STEM Loan Forgiveness program, in compliance with state and federal laws and regulations.

Financial Aid Assistant provides support in administering several financial aid programs administered by the North Dakota University System Office in compliance with state and federal regulations.

Secretary/Legal Asst. provides secretarial support to the Vice Chancellor for Strategic Planning/ Executive Director of the College Education Technical Council (CTEC) and General and Assistant General Counsel.

Secretary/Computer and Network Support provides computer support for the NDUS Office and members of the SBHE, assists the office manager in keeping the web site updated, and assists the director of public affairs with major publications produced by the office.

Secretary/Academic and Articulation-Transfer Assistant provides secretarial support to the Vice Chancellor for Academic and Student Affairs, Director of Articulation and Transfer and the Academic Affairs Associate/Director of Research.

Secretary, Tuition Reciprocity Processor provides high-level support to the Vice Chancellor for Administrative Affairs, provides assistance to the Coordinator of Multicultural Education on the ND Indian Scholarship Program, and is responsible processing reciprocity applications.

Administrative Secretary to SBHE provides secretarial support to the State Board of Higher Education (SBHE), SBHE Subcommittees, Chancellor's Cabinet and NDUS Office staff.

Office Accountant is responsible for the administration and maintenance of office accounting, payroll, financial and budget monitoring for the North Dakota University System Office.

Graduate Research Assistant for Project ND Partners in Prevention is responsible for all phases of research project, administration of survey and/or evaluation materials and identification of evidence-based events and/or delivery of programming with participants for this grant project (0.5 FTE position).

North Dakota University System
Fiscal Year Tuition and Fee Revenues, per Student
Prepared for House Appropriations, 1/27/11

It should be noted that revenues per student are impacted by: changes in rates, changes in enrollment, changes in mix of students (e.g. resident, non-resident, full-time, part-time, etc.)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)
	2005-11 Biennium											2007-09 Biennium																						2005-07 Biennium			
	6/30/10 Revenues Per Student 1/											6/30/09 Revenues Per Student 1/													6/30/08 Revenues Per Student 1/									6/30/07 Revenues Per Student 1/			
	Fall '09 FTE Students 2/	FTE Student Change over Fall '08	Tuition	Change over '09		Fees	Change over '09		Total	Change over '09		Fall '08 FTE Students 2/	FTE Student Change over Fall '07	Tuition	Change over '08		Fees	Change over '08		Total	Change over '08		Fall '07 FTE Students 2/	FTE Student Change over Fall '06	Tuition	Change from '07		Fees	Change from '07		Total	Change from '07		Fall '06 FTE Students 2/	Tuition	Fees	Total
BSC	3,160	223	$4,548	$175	4.0%	$482	$43	9.9%	$5,030	$218	4.5%	2,937	145	$4,373	$180	4.3%	$438	-$7	-1.5%	$4,812	$173	3.7%	2,792	141	$4,193	$270	6.9%	$445	-$11	-2.3%	$4,638	$260	5.9%	2,651	$3,923	$455	$4,379
LRSC	868	84	$4,804	-$232	-4.6%	$655	-$29	-4.2%	$5,459	-$261	-4.6%	784	20	$5,097	$139	2.8%	$683	-$99	-11.7%	$5,720	$29	0.5%	764	14	$4,908	$472	10.6%	$783	-$50	-6.0%	$5,691	$423	8.0%	750	$4,436	$832	$5,268
WSC	573	11	$3,211	$271	9.2%	$1,439	$36	2.6%	$4,649	$307	7.1%	562	11	$2,940	$301	11.4%	$1,403	$180	14.8%	$4,343	$481	12.5%	551	-97	$2,639	-$940	-12.0%	$1,222	-$89	-6.8%	$3,862	-$449	-10.4%	648	$3,000	$1,311	$4,311
UND, including SDMHS 3/	11,308	169	$7,537	$342	4.8%	$1,498	$102	7.3%	$9,035	$444	5.2%	11,137	170	$7,195	$365	5.3%	$1,398	$94	7.2%	$8,592	$459	5.8%	10,967	-414	$6,830	$327	5.0%	$1,302	$164	14.4%	$8,132	$491	6.4%	11,381	$6,509	$1,139	$7,642
NDSU, excluding Ag. Res/Ext	12,577	783	$6,905	$202	3.0%	$1,583	$204	15.4%	$8,489	$407	5.1%	11,794	573	$6,703	$485	7.8%	$1,329	$41	3.2%	$8,032	$526	7.0%	11,221	331	$6,218	$242	4.0%	$1,288	-$3	-0.3%	$7,506	$238	3.3%	10,890	$5,976	$1,292	$7,268
NDSCS	2,076	35	$3,509	-$160	-4.4%	$1,579	$269	15.3%	$5,088	$49	1.0%	2,041	-56	$3,669	-$91	-2.4%	$1,369	$58	4.4%	$5,039	-$33	-0.6%	3,097	-74	$3,780	$195	5.5%	$1,311	$91	2.4%	$5,071	$226	4.7%	2,171	$3,545	$1,288	$4,845
DSU	2,187	-107	$3,527	$26	0.5%	$1,199	$99	9.0%	$4,726	$125	1.9%	2,294	136	$3,501	$276	5.3%	$1,100	-$11	-1.0%	$4,601	$265	4.7%	2,158	99	$3,225	$517	11.0%	$1,132	$182	19.0%	$4,356	$699	13.4%	2,059	$4,707	$930	$5,637
MASU	642	99	$4,937	$17	0.4%	$1,927	$62	3.3%	$6,865	$80	1.2%	563	-23	$4,920	$223	4.8%	$1,863	$109	6.2%	$6,785	$332	5.2%	586	-66	$4,697	$454	10.7%	$1,756	$24	1.4%	$6,458	$478	8.0%	652	$4,243	$1,732	$5,975
MiSU	2,832	112	$5,170	-$304	-5.6%	$1,317	$264	25.1%	$6,487	-$40	-0.6%	2,720	-10	$5,474	$225	4.9%	$1,053	-$26	-2.4%	$6,527	$299	3.1%	2,730	-198	$5,248	$491	10.3%	$1,079	$215	25.0%	$6,328	$707	12.8%	2,928	$4,758	$864	$5,622
VCSU	833	10	$5,278	$213	4.2%	$1,721	-$34	-1.9%	$6,999	$179	2.6%	823	16	$5,065	$377	8.1%	$1,755	$49	2.9%	$6,820	$426	6.7%	807	-87	$4,688	$244	5.5%	$1,706	$111	6.9%	$6,394	$355	5.9%	844	$4,444	$1,595	$6,039
DCB	490	50	$3,521	$275	8.5%	$963	$106	12.4%	$4,484	$382	9.3%	440	38	$3,246	$36	1.1%	$856	-$44	-4.8%	$4,102	-$7	-0.2%	402	3	$3,210	$128	4.2%	$900	$17	1.9%	$4,109	$146	3.7%	399	$3,081	$883	$3,964

1/ Taken from the CND General Ledger, does not include scholarship allowance which is reflected on annual financial statement reported tuition and fees
2/ Taken from the NDUS Fall enrollment report
3/ Excludes Aerospace fee revenues; however, Aerospace students included in Fall enrollment, as Aerospace students pay other mandatory student fees

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NDUS Seven-Year Comparison of Mandatory Annual Fees

(Mandatory Fees are Fees That all Students Are Required to Pay)

Prepared for House Appropriations, January 28, 2011

	2006-07	2007-08			2008-09			2009-10			2010-11		
	Total Annual Fee Amount	Total Annual Fee Amount	Dollar Chge over previous year	Percent Chge over previous year	Total Annual Fee Amount	Dollar Chge over previous year	Percent Chge over previous year	Total Annual Fee Amount	Dollar Chge over previous year	Percent Chge over previous year	Total Annual Fee Amount	Dollar Chge over previous year	Percent Chge over previous year
Total Mandatory Fees													
BSC	$568.72	$568.72	$0.00	0.0%	$568.72	$0.00	0.0%	$664.72	$96.00	16.9%	$664.72	$0.00	0.0%
LRSC	$782.72	$842.72	$60.00	7.7%	$842.72	$0.00	0.0%	$842.72	$0.00	0.0%	$842.72	$0.00	0.0%
WSC	$691.30	$726.40	$35.10	5.1%	$760.20	$33.80	4.7%	$760.20	$0.00	0.0%	$838.20	$78.00	10.3%
UND	$1,006.00	$1,105.22	$99.22	9.9%	$1,237.12	$131.90	11.9%	$1,265.66	$28.54	2.3%	$1,282.00	$16.34	1.3%
NDSU	$947.64	$962.12	$14.48	1.5%	$962.12	$0.00	0.0%	$962.12	$0.00	0.0%	$1,021.56	$59.44	6.2%
NDSCS	$480.16	$492.24	$12.08	2.5%	$492.24	$0.00	0.0%	$512.16	$19.92	4.0%	$544.62	$32.46	6.3%
DSU	$920.72	$944.72	$24.00	2.6%	$1,064.72	$120.00	12.7%	$1,088.72	$24.00	2.3%	$1,088.72	$0.00	0.0%
MaSU	$788.72	$788.72	$0.00	0.0%	$815.22	$26.50	3.4%	$815.22	$0.00	0.0%	$815.22	$0.00	0.0%
MiSU	$701.80	$793.60	$91.80	13.1%	$864.60	$71.00	8.9%	$1,064.48	$199.88	23.1%	$1,161.14	$96.66	9.1%
VCSU	$651.72	$740.72	$89.00	13.7%	$740.72	$0.00	0.0%	$844.72	$104.00	14.0%	$844.72	$0.00	0.0%
DCB	$626.72	$661.72	$35.00	5.6%	$681.72	$20.00	3.0%	$716.72	$35.00	5.1%	$736.72	$20.00	2.8%

1/ Mandatory fees include: 1.) student activity and university/college fees. The student activity fees support student government and other student activities, including, but not limited to, student organizations and clubs, lyceums, drama, music, field trips and student publications; 2.) The university or college fee support activities for the benefit of the student body, including, but not limited to, auxiliary operations debt retirement such as student unions, student union operations, athletics, and placement services, 3.) ConnectND fee ($81 per semester); 4.) campus technology fee, and, 5.) NDSA fee ($0.36 per semester

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Explanation of mandatory fee increases in excess of 5%
2007-08 Through 2010-11

	Dollar Increase	Percent Increase	Explanations Provided By Campuses
2007-08:			
LRSC	$60.00	7.7%	Increased facilities useage fee, which hadn't had an increase since 1999. Appv'd by Student Senate
WSC	$35.10	5.1%	$26 increase in technology fee, to provide funds for 3-yr replacement cycle in student computer labs; $9.10 increase in college fee. Appv'd by student senate
UND	$99.22	9.9%	Agreement with student government provides for automatic increase in student activity fee and wellness center operations fees at the same rate as tuition, with a cap of 5%, with further discussion with students for any increase exceeding 5%. The $99.22 total increase included: 5% increase in the student activity fee $24.72; 5% increase in wellness center operations fee $4.50; additional $70 increase in student activity fee to support costs associated with move to Division I athletics.
MiSU	$91.80	13.1%	The student association was represented in deliberations by four members serving with four faculty/staff on the finance committee. The students took the recommendations of the finance committee to the student association and they voted in favor of the following increases as presented by the finance committee: $40 Student health fee, $20 Athletic fee and $31.80 Student activity fee
VCSU	$89.00	13.7%	The increase was approved by the student senate to provide additional fee revenue to offset the athletics' deficit and to provide additional revenue to suppc student activities
DCB	$35.00	5.6%	Increase in student activity fee.
2008-09:			
UND	$131.90	11.9%	UND met with Student Government leadership to review fee increases and restructuring of the fees, and the approved fees reflect their input. The total increase includes the following: 5% increase for student activity fee ($29.45) and wellness center operating fee ($4.73); $74 increase for the move to Divisior athletics, consistent with the original plan; $23.72 additional increase needed to neutralize reduced student fees to part-time students as a result of the restructuring. (Since the restructuring, increases in mandatory fees were 2.3% in 2009-10 and 1.3% in 2010-11)
DSU	$120.00	12.7%	New Badlands Activity Center fee
MiSU	$71.00	8.9%	The student association was represented in deliberations by four members serving with four faculty/staff on the finance committee. The students took the recommendations of the finance committee to the student association and they voted in favor of the following increases as presented by the finance committee: $16 Athletic fee to support increased costs, especially travel costs due to fuel increases; and $55 Student activity fee to fund increased student activities requested by the students
2009-10:			
BSC	$96.00	16.9%	New wellness center fee to support operations of the wellness center portion of the acquatics center. A Joint Powers Agreement is in place between BSC ar Parks and Rec for operation of the facility. The facility is scheduled for completion in November 2009. However, to allow for potential delays, the fee will not be assessed to students until the spring 2010. The student board of governors has surveyed student opinion, which has been favorable. On December 5, 2007, the board of governers voted to support the proposed fee.
MiSU	$199.88	23.1%	Includes new health and wellness center fee of $271.94, offset by $72.06 decrease in other fees as a result of library and student union bonds ($45) and redirecting other fees to the health and wellness center ($27.06). The net fee increase to the students was $199.88. In addition to the process in place for student input on the finance committee, the student body was informed of the plans through various communications and 2 student representatives were chosen by the student government association to serve on the building committee for the duration of the project.
VCSU	$104.00	14.0%	Redirected $104 from the laptop fee to the technology fee. No increase to students.
DCB	$35.00	5.1%	Increase in student activity fee to provide funds to support the new football and softball programs.

Explanation of mandatory fee increases in excess of 5%
2007-08 Through 2010-11

	Dollar Increase	Percent Increase	Explanations Provided By Campuses
2010-11:			
WSC	$78.00	10.3%	The student senate supported the increase, which will allocate $63.97 to the student senate for their discretionary use. The remaining $14.03 will be allocated to support various other needs, including parking, etc.
NDSU	$59.44	6.2%	Includes the following increases: Student activity fee $9.60; Library fee $19.92; Student health services fee $30. The increase in the student activity fee was the recommendation of the Student Activity Fee Assessment Committee of the Student Senate to growing needs. The library fee increase was to provide support for collections in the library. The increase in the student health services fee was the first increase since 2001, and revenue will be used to address increased expenses related to the expansion of the Student Health Service to provide greater access for the larger student population.
NDSCS	$32.46	6.3%	Includes the following increases: Athletics ($20) to help support the new women's softball program and other increasing costs in the athletic department; Student Health Center ($6) to address increased useage of the center; Other areas supported by the activity fee ($6.46), including clubs, drama, music student senate and the student center. All increases approved by the student senate.
MiSU	$96.66	9.1%	Includes the following increases: Athletics ($30); Placement fee ($8); Fitness Center ($40) and Student activity fee ($18.66). Approved by student government association.

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NORTH DAKOTA UNIVERSITY SYSTEM
PROGRAM FEES 2007-08 THROUGH 2010-11

	2010-11	2009-10	2008-09	2007-08
Bismarck State College:				
Electronics	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Instrumentation & Control Technology	500	500	-	-
Lineworker	500	500	500	500
Mechanical Maintenance	500	500	500	500
Nursing ($250 per term -3)	750	750	750	750
Power Plant	500	500	500	500
Process Plant	500	500	500	500
Renewable Generation Technology	500	-	-	-
Welding	500	500	500	500
Petroleum Production Technology	500		-	
Petroleum Engineering Technology	500		-	
TOTAL	**$ 6,250**	**$ 4,750**	**$ 4,250**	**$ 4,250**
Lake Region State College:				
Nursing ($250 per term -3)	**$ 750**	**$ 750**	**$ 750**	**$ 750**
Williston State College:				
Nursing ($250 per term -3)	**$ 750**	**$ 750**	**$ 750**	**$ 750**
University of North Dakota:				
Clinical Lab Science (Cytology only)	$ 1,000	$ 1,000	$ 1,000	$ 1,000
CoBPA Full-Time	200	200	200	200
CoBPA Part-Time	100	100	100	100
[illegible]gineering	300	300	300	300
[illegible]neering Graduate	300	300	300	300
[illegible]	1,600	1,600	1,600	1,600
Nursing - Masters	1,000	1,000	1,000	1,000
Nursing - Undergraduates	1,000	600	600	600
Nursing Anesthesia	4,000	4,000	4,000	3,000
Social Work Undergraduates	450	450	450	450
Social Work Graduates	600	600	600	600
Teacher Education	200	200	200	200
TOTAL	**$ 10,750**	**$ 10,350**	**$ 10,350**	**$ 9,350**
North Dakota State University				
Architecture/Landscape Architecture/Environmental Design 1/	$ 1,861	$ 1,798	$ 1,737	$ 1,654
Athletic Training - Undergraduate Program	500	500	500	500
Business Masters (Per 3-credit Course)	150	150	150	150
Dietetics (CPD)	1,500	1,200	1,200	1,200
Dietetics (DPD)	600	350	350	350
Education (One-time)	875	875	875	875
Engineering	656	656	656	656
Health, Nutrition & Exercise Science	570	570	570	570
Interior Design	500	500	500	500
Marriage and Family Therapy	500	500	500	500
Nursing	600	600	600	600
Pharmacy - New Students 2/	5,639	5,448	5,264	5,013
Athletic Training - Masters (MATrg) 3/	$114/credit	1,000	1,000	1,000
Advanced Athletic Training - Masters Program 3/	$114/credit	-	-	-
TOTAL		**$ 14,147**	**$ 13,902**	**$ 13,568**

1/ The architecture/landscape architecture/environmental design fee is equal to 33% of the ND resident rate, as approved by the SBHE June 2004.

[illegible] pharmacy program fee is equal to the ND resident rate, as approved by the BHE February 2002.

[illegible]e program fees for the Athletic Training MATrg and Advanced Athletic Training Masters programs average annual rate over the two year program would be $2,052, as credits by semester vary.

NORTH DAKOTA UNIVERSITY SYSTEM
PROGRAM FEES 2007-08 THROUGH 2010-11

	2010-11	2009-10	2008-09	2007-08
North Dakota State College of Science				
Agriculture	$ 300	$ 300	$ 300	$ 300
Auto Body Repair and Refinishing Technology	400	400	400	400
Automated Manufacturing Technician	300	300	300	300
Automotive Technology	400	400	400	400
Building Construction Technology	100	100	100	100
Civil Engineering and Surveying Technology	300	300	300	300
Culinary Arts	300	300	300	300
Dental Hygiene	500	500	500	500
Diesel Technology	300	300	300	300
Electrical Technology	400	400	400	400
Electronics Technology	200	200	200	200
Health Information Technician	100	100	100	100
Machinist and Toolmaker	500	500	500	500
Nursing ($250 per term -3)	750	750	750	750
Occupational Therapy Assistant	200	200	200	200
Pharmacy Technician	300	300	300	300
Practical Nursing	500	500	300	300
Recreational Engine Technology	200	200	200	200
Welding Technology	400	400	400	400
TOTAL	**$ 6,450**	**$ 6,450**	**$ 6,250**	**$ 6,250**
Dickinson State University				
[illegible]ing	**$ 300**	**$ 300**	**$ 300**	**$ 300**
[illegible] fee is assessed at $18 /cr hr for 300 and 400 level courses in the baccalaureate program, resulting in approximately $300 per year.)				
Minot State University				
Athletic Trainer Program	$ 500	$ -	$ -	$ -
Clinical Lab Science UND	1,500	1,500	1,500	1,500
Nursing	600	600	600	300
International Student	50	50	50	50
TOTAL	**$ 2,650**	**$ 2,150**	**$ 2,150**	**$ 1,850**
Minot State University - Bottineau Campus				
Nursing ($250 per term -3)	**$ 750**	**$ 750**	**$ 750**	**$ 750**

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BSC Major Programs

rgraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Instrumentation & Control Technology (new program - fall 09)	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217		
	Fall 2008	-	-	-	-	-		
Lineworker	Fall 2010	1,682	321	250	50	2,304	1.63%	0.00%
	Fall 2009	1,682	284	250	50	2,267	0.00%	0.00%
	Fall 2008	1,682	284	250	50	2,267		
Mechanical Maintenance	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
Nursing	Fall 2010	1,682	321	250	100	2,354	1.60%	0.00%
	Fall 2009	1,682	284	250	100	2,317	0.00%	0.00%
	Fall 2008	1,682	284	250	100	2,317		
Power Plant and Process Plant	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
ing Welding	Fall 2010	1,682	321	250	-	2,254	1.67%	0.00%
	Fall 2009	1,682	284	250	-	2,217	0.00%	0.00%
	Fall 2008	1,682	284	250	-	2,217		
Surgical Technology	Fall 2010	1,682	321	-	122	2,126	1.77%	0.00%
	Fall 2009	1,682	284	-	122	2,089	0.00%	0.00%
	Fall 2008	1,682	284	-	122	2,089		
Agriculture, Industry & Technology	Fall 2010	1,682	321	-	100	2,104	1.79%	0.00%
	Fall 2009	1,682	284	-	100	2,067	0.00%	0.00%
	Fall 2008	1,682	284	-	100	2,067		
All Other	Fall 2010	1,682	321	-	-	2,004	1.88%	0.00%
	Fall 2009	1,682	284	-	-	1,967	0.00%	0.00%
	Fall 2008	1,682	284	-	-	1,967		

(a) Tuition and student fees for an average resident student taking 15 credit hours. BSC added a Wellness Center fee in fall 2010 of $4/credit up to 12 credits/semester.

(b) Most course fees are charged to specific courses (for consumable supplies for science/clinical labs, art labs, etc.) that could be tied to numerous transfer or technical programs. Other than those listed here, no course fees in the aggregate are extraordinary to any one program. Additionally, some programs have external certification testing fees that are collected by BSC and remitted to the testing agent. Those are not included here.

LRSC Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Dakota Nursing Program	Fall 2010	1,533	421	250	75	2,279	2.24%	0.00%
	Fall 2009	1,533	421	250	25	2,229	0.00%	0.00%
	Fall 2008	1,533	421	250	25	2,229		
Peace Officer Training	Fall 2010	1,533	421	-	500	2,454	0.00%	0.00%
	Fall 2009	1,533	421	-	500	2,454	0.00%	0.00%
	Fall 2008	1,533	421	-	500	2,454		
Wind Energy Technician	Fall 2010	1,533	421	-	120	2,074	5.60%	0.00%
(new program Fall 2009)	Fall 2009	1,533	421	-	10	1,964	0.00%	0.00%
	Fall 2008	1,533	421	-	10	1,964		
Automotive Technology	Fall 2010	1,533	421	-	77	2,031	0.00%	0.00%
	Fall 2009	1,533	421	-	77	2,031	0.00%	0.00%
	Fall 2008	1,533	421	-	77	2,031		
Information Technology	Fall 2010	1,533	421	-	134	2,088	3.57%	0.00%
(course fees charged for	Fall 2009	1,533	421	-	62	2,016	3.17%	0.00%
external testing certifications	Fall 2008	1,533	421	-	-	1,954		
Adult Farm Management	Fall 2010	1,533	421	-	25	1,979	0.00%	0.00%
	Fall 2009	1,533	421	-	25	1,979	0.00%	0.00%
	Fall 2008	1,533	421	-	25	1,979		
Liberal Arts Associate	Fall 2010	1,533	421	-	40	1,994	0.00%	0.00%
(course fees would only appl	Fall 2009	1,533	421	-	40	1,994	0.00%	0.00%
to certain lab combinations)	Fall 2008	1,533	421	-	40	1,994		

WSC Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
General*	Fall 2010	1,309	419			1,728	2.31%	0.00%
	Fall 2009	1,309	380			1,689	0.00%	0.00%
	Fall 2008	1,309	380			1,689		
Nursing	Fall 2010	1,309	419	250		1,978	2.01%	0.00%
	Fall 2009	1,309	380	250		1,939	0.00%	0.00%
	Fall 2008	1,309	380	250		1,939		

*Includes all programs other than nursing

Tuition and student fees for an average resident student taking 15 credit hours-at WSC students are not charged tuition for the 14th, 15th and 16th credit hours taken. CND and NDSU fees are capped at 12 credit hours.

UND Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Business	Fall 2010	2,826	641	150		3,617	2.95%	3.50%
	Fall 2009	2,731	633	150		3,513	3.13%	3.51%
	Fall 2008	2,638	619	150		3,407		
Nursing	Fall 2010	2,826	641	500		3,967	8.29%	3.50%
	Fall 2009	2,731	633	300		3,663	3.00%	3.51%
	Fall 2008	2,638	619	300		3,557		
Teacher Education .	Fall 2010	2,826	641	100		3,567	2.99%	3.50%
	Fall 2009	2,731	633	100		3,463	3.18%	3.51%
	Fall 2008	2,638	619	100		3,357		
Engineering	Fall 2010	2,826	641	150		3,617	2.95%	3.50%
	Fall 2009	2,731	633	150		3,513	3.13%	3.51%
	Fall 2008	2,638	619	150		3,407		
Social Work	Fall 2010	2,826	641	225		3,692	2.89%	3.50%
	Fall 2009	2,731	633	225		3,588	3.07%	3.51%
	Fall 2008	2,638	619	225		3,482		
Recreation and Leisure Services; Rehabilitation and Human Services	Fall 2010	2,826	641	225		3,692	2.89%	3.50%
	Fall 2009	2,731	633	225		3,588	3.07%	3.51%
	Fall 2008	2,638	619	225		3,482		
Air Traffic Control	Fall 2010	2,826	641		1,900	5,367	1.97%	3.50%
	Fall 2009	2,731	633		1,900	5,263	7.27%	3.51%
	Fall 2008	2,638	619		1,650	4,907		
Aviation (Fee=Intro to Avia. Helicopter; highest cost course in Aviation)	Fall 2010	2,826	641		25,045	28,512	0.68%	3.50%
	Fall 2009	2,731	633		24,955	28,318	4.74%	3.51%
	Fall 2008	2,638	619		23,779	27,036		
Occupational Therapy	Fall 2010	5,087	641			5,728	3.25%	3.50%
	Fall 2009	4,915	633			5,548	3.37%	3.51%
	Fall 2008	4,749	619			5,367		
Clinical Lab Science	Fall 2010	2,826	641	500		3,967	2.68%	3.50%
	Fall 2009	2,731	633	500		3,863	2.84%	3.51%
	Fall 2008	2,638	619	500		3,757		
Other Undergrad Programs (no Program Fee or extra-ordinary course fees)	Fall 2010	2,826	641			3,467	3.08%	3.50%
	Fall 2009	2,731	633			3,363	3.28%	3.51%
	Fall 2008	2,638	619			3,257		

For Air Traffic Control and Aviation, the course fee represents the highest course fee in the program.

The Distance Engineering Degree Program is not reported above. Students in DEDP are typically part time. The program has an access fee of $170/credit.

Music students pay course fees for individual lessons which are not reported above.

NDSU Revised Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Architecture/Landscape Architecture/ Environmental Design (the program fee is 33% of the Resident rate)	Fall 2010	2,820	511	930	250	4,510	3.59%	3.50%
	Fall 2009	2,724	481	899	250	4,354	2.89%	3.50%
	Fall 2008	2,632	481	869	250	4,232		
Athletic Training	Fall 2010	2,820	511	250	40	3,620	4.03%	3.50%
	Fall 2009	2,724	481	250	25	3,480	2.87%	3.50%
	Fall 2008	2,632	481	250	20	3,383		
Dietetics - CPD (Coordinated Program in Dietetics)	Fall 2010	2,820	511	750	325	4,405	9.18%	3.50%
	Fall 2009	2,724	481	600	230	4,035	7.51%	3.50%
	Fall 2008	2,632	481	600	40	3,753		
Dietetics - DPD (Didactic Program in Dietetics)	Fall 2010	2,820	511	300	270	3,900	8.64%	3.50%
	Fall 2009	2,724	481	175	210	3,590	8.20%	3.50%
	Fall 2008	2,632	481	175	30	3,318		
Eduction (has a one-time $875 initial program fee)	Fall 2010	2,820	511	875	-	4,205	3.07%	3.50%
	Fall 2009	2,724	481	875	-	4,080	2.31%	3.50%
	Fall 2008	2,632	481	875	-	3,988		
Engineering	Fall 2010	2,820	511	328	25	3,683	3.52%	3.50%
	Fall 2009	2,724	481	328	25	3,558	2.65%	3.50%
	Fall 2008	2,632	481	328	25	3,466		
Health Nutrition and Exercise Sciences	Fall 2010	2,820	511	285	25	3,640	3.56%	3.50%
	Fall 2009	2,724	481	285	25	3,515	2.84%	3.50%
	Fall 2008	2,632	481	285	20	3,418		
Interior Design	Fall 2010	2,820	511	250	65	3,645	3.70%	3.50%
	Fall 2009	2,724	481	250	60	3,515	3.14%	3.50%
	Fall 2008	2,632	481	250	45	3,408		
Marriage & Family Therapy	Fall 2010	2,820	511	250	-	3,580	3.62%	3.50%
	Fall 2009	2,724	481	250	-	3,455	2.74%	3.50%
	Fall 2008	2,632	481	250	-	3,363		
Nursing	Fall 2010	2,820	511	300	25	3,655	3.55%	3.50%
	Fall 2009	2,724	481	300	25	3,530	2.68%	3.50%
	Fall 2008	2,632	481	300	25	3,438		
Pharmacy (Professional Degree) (the program fee is equal to the Resident rate)	Fall 2010	2,820	511	2,820	-	6,150	3.72%	3.50%
	Fall 2009	2,724	481	2,724	-	5,929	3.20%	3.50%
	Fall 2008	2,632	481	2,632	-	5,745		
All Other Programs *	Fall 2010	2,820	511	-	35	3,365	3.86%	3.50%
	Fall 2009	2,724	481	-	35	3,240	2.92%	3.50%
	Fall 2008	2,632	481	-	35	3,148		

* All Other Programs: Approximately 77% of the undergrad students are included in this category and do not pay program fees.

NDSCS Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Liberal Arts	Fall 2010	1,684	290	-	18	1,992	0.81%	0.00%
	Fall 2009	1,684	274	-	18	1,976	0.66%	0.00%
	Fall 2008	1,684	261	-	18	1,963		
Agriculture	Fall 2010	1,684	290	150	66	2,190	0.74%	0.00%
	Fall 2009	1,684	274	150	66	2,174	0.60%	0.00%
	Fall 2008	1,684	261	150	66	2,161		
Auto Body Repair	Fall 2010	1,684	290	200	171	2,345	0.69%	0.00%
	Fall 2009	1,684	274	200	171	2,329	0.56%	0.00%
	Fall 2008	1,684	261	200	171	2,316		
Auto Technology	Fall 2010	1,684	290	200	36	2,210	0.73%	0.00%
	Fall 2009	1,684	274	200	36	2,194	0.60%	0.00%
	Fall 2008	1,684	261	200	36	2,181		
Building Construction Tech	Fall 2010	1,684	290	50	176	2,200	0.73%	0.00%
	Fall 2009	1,684	274	50	176	2,184	0.60%	0.00%
	Fall 2008	1,684	261	50	176	2,171		
Civil Engineering	Fall 2010	1,684	290	150	331	2,455	0.66%	0.00%
	Fall 2009	1,684	274	150	331	2,439	0.54%	0.00%
	Fall 2008	1,684	261	150	331	2,426		
Culinary Arts	Fall 2010	1,684	290	150	150	2,274	0.71%	0.00%
	Fall 2009	1,684	274	150	150	2,258	0.58%	0.00%
	Fall 2008	1,684	261	150	150	2,245		
Dental Hygiene	Fall 2010	1,684	290	250	138	2,362	0.68%	0.00%
	Fall 2009	1,684	274	250	138	2,346	0.56%	0.00%
	Fall 2008	1,684	261	250	138	2,333		
Diesel Technology	Fall 2010	1,684	290	150	76	2,200	0.73%	0.00%
	Fall 2009	1,684	274	150	76	2,184	0.60%	0.00%
	Fall 2008	1,684	261	150	76	2,171		
Electrical Technology	Fall 2010	1,684	290	200	226	2,400	0.67%	0.00%
	Fall 2009	1,684	274	200	226	2,384	0.55%	0.00%
	Fall 2008	1,684	261	200	226	2,371		
Health Infomation Tech	Fall 2010	1,684	290	50	-	2,024	0.80%	0.00%
	Fall 2009	1,684	274	50	-	2,008	0.65%	0.00%
	Fall 2008	1,684	261	50	-	1,995		
Master Tech Auto/Diesel	Fall 2010	1,684	290	200	-	2,174	0.74%	0.00%
	Fall 2009	1,684	274	200	-	2,158	0.61%	0.00%
	Fall 2008	1,684	261	200	-	2,145		
Machinist	Fall 2010	1,684	290	250	203	2,427	0.66%	0.00%
	Fall 2009	1,684	274	250	203	2,411	0.54%	0.00%
	Fall 2008	1,684	261	250	203	2,398		
Practical Nursing	Fall 2010	1,684	290	250	259	2,483	0.65%	0.00%
	Fall 2009	1,684	274	250	259	2,467	4.80%	0.00%
	Fall 2008	1,684	261	150	259	2,354		
Nursing	Fall 2010	1,684	290	250	259	2,483	0.65%	0.00%
	Fall 2009	1,684	274	250	259	2,467	0.53%	0.00%
	Fall 2008	1,684	261	250	259	2,454		
Occupational Therapy	Fall 2010	1,684	290	100	254	2,328	0.69%	0.00%
	Fall 2009	1,684	274	100	254	2,312	0.57%	0.00%
	Fall 2008	1,684	261	100	254	2,299		
Pharmacy Technician	Fall 2010	1,684	290	150	16	2,140	0.75%	0.00%
	Fall 2009	1,684	274	150	16	2,124	0.62%	0.00%
	Fall 2008	1,684	261	150	16	2,111		
Recreational Engines Tech	Fall 2010	1,684	290	100	50	2,124	0.76%	0.00%
	Fall 2009	1,684	274	100	50	2,108	0.62%	0.00%
	Fall 2008	1,684	261	100	50	2,095		
Welding Technology	Fall 2010	1,684	290	200	-	2,174	0.74%	0.00%
	Fall 2009	1,684	274	200	-	2,158	0.61%	0.00%
	Fall 2008	1,684	261	200	-	2,145		

DSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
All Other Programs	Fall 2010	2,153	544			2,697	2.78%	3.50%
	Fall 2009	2,080	544			2,624	3.23%	3.48%
	Fall 2008	2,010	532			2,542		
Nursing	Fall 2010	2,153	544	150		2,847	2.63%	3.50%
	Fall 2009	2,080	544	150		2,774	3.05%	3.48%
	Fall 2008	2,010	532	150		2,692		

MaSU Major Programs

Undergraduate Students-On-campus Delivery

		Resident Tuition	Student Fees 1/	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
All Undergraduate Programs	Fall 2010	2,134	835		15	2,984	2.5%	3.49%
	Fall 2009	2,062	835		15	2,912	2.5%	3.50%
	Fall 2008	1,992	835		15	2,842		

1/ Student Fees Include a $475 Technology Fee per semester.

The majority of the course fees are $15/semester. The two largest exceptions are Introduction to Education ($180) and Student Teaching ($100).

MiSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Basic major	Fall 2010	2,238	581	-	-	2,819	4.60%	3.49%
	Fall 2009	2,163	532	-	-	2,695	6.86%	3.50%
	Fall 2008	2,090	432	-	-	2,522		
Nursing	Fall 2010	2,238	581	300	291	3,410	3.77%	3.49%
	Fall 2009	2,163	532	300	291	3,286	5.56%	3.50%
	Fall 2008	2,090	432	300	291	3,113		
Athletic Training *	Fall 2010	2,238	581	250	-	3,069	4.21%	3.49%
	Fall 2009	2,163	532	250	-	2,945	6.24%	3.50%
	Fall 2008	2,090	432	250	-	2,772		
Clinical Lab Science **	Fall 2010	2,238	581	1,000	-	3,819	3.35%	3.49%
	Fall 2009	2,163	532	1,000	-	3,695	4.91%	3.50%
	Fall 2008	2,090	432	1,000	-	3,522		

* Athletic Training major began Fall 2010

** Clinical Lab Science program fee is submitted to UND

VCSU Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
All undergraduate programs 1/	Fall 2010	2,216	821	-	72	3,110	2.75%	3.50%
	Fall 2009	2,141	821	-	64	3,026	2.62%	3.50%
	Fall 2008	2,069	821	-	59	2,949		

1/ All resident undergraduate students pay the same tuition rate regardless of program. VCSU does not charge program fees. Course fees are similar for all UG students. An average is included here.

Tuition and student fees for an average resident student taking 15 credit hours.

DCB Major Programs

Undergraduate Students-On-campus Delivery

Undergraduate Program		Resident Tuition	Student Fees	Program Fees	Course Fees	Total	Total % increase	Tuition % Increase
Nursing	Fall 2010	1,560	368	250	150	2,328	0.43%	0.00%
	Fall 2009	1,560	358	250	150	2,318	0.75%	0.00%
	Fall 2008	1,560	341	250	150	2,301		
CISCO Networking Technician (Certificate of Completion)	Fall 2010	1,560	368	-	150	2,078	0.49%	0.00%
	Fall 2009	1,560	358	-	150	2,068	0.84%	0.00%
	Fall 2008	1,560	341	-	150	2,051		
All other programs	Fall 2010	1,560	368			1,928	0.53%	0.00%
	Fall 2009	1,560	358			1,918	0.91%	0.00%
	Fall 2008	1,560	341			1,901		

HIGHER EDUCATION - SUMMARY OF KEY RECOMMENDATIONS

The 2011-13 executive budget recommends the following higher education funding changes compared to 2009-11 legislative appropriations for higher education:

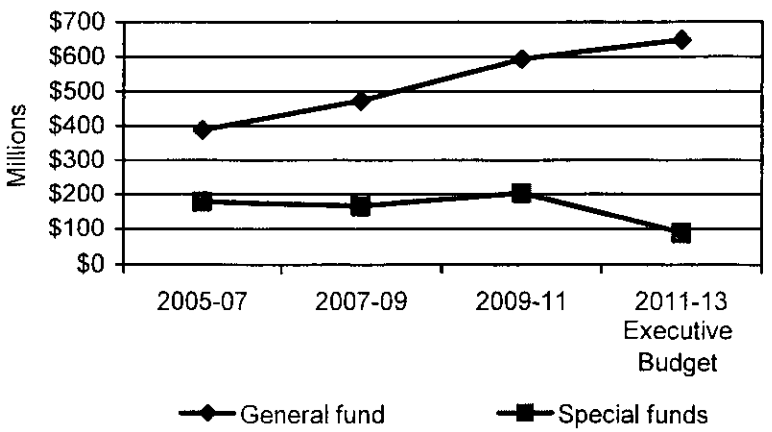
- Increase **general fund** support by $54,918,263 as follows:

	2009-11 Legislative Appropriations	2011-13 Executive Recommendation	Increase (Decrease)	
Ongoing general fund appropriations	$534,062,895	$605,854,782	$71,791,887[1]	13.4%
One-time general fund appropriations	59,233,248	42,359,624	(16,873,624)	(28.5%)
Total	$593,296,143	$648,214,406	$54,918,263	9.3%

[1]The increase in funding is due in part to increasing funding for campus operations by approximately $32.6 million, providing $10 million of funding for campus equity distributions, and providing $5 million of funding to be distributed to campuses based on student completion rates.

- Decrease support from **special funds** by $113,527,160, or 56 percent. Special funds support relates primarily to major capital projects funded from local sources or through the issuance of revenue bonds.
- Adjust the authorized number of **full-time equivalent (FTE) positions** from 2,131.42 to 2,245.51 to reflect the number of FTE positions supported by the general fund.

Higher Education Appropriations



Biennium	General Fund	Special Funds	Total
2005-07	$387,157,893	$178,552,108	$565,710,001
2007-09	$472,036,237	$165,419,701	$637,455,938
2009-11	$593,296,143	$202,764,364	$796,060,507
2011-13 - Executive budget	$648,214,406	$89,237,204	$737,451,610

Key recommendations include:

1. Funding of $42,359,624 is provided for **one-time general fund appropriations**, including:

Major capital projects	$37,651,000
Special assessments payoff	4,302,624
Forest Service emerald ash borer program	250,000
Mental health services program planning	156,000
Total	$42,359,624

2. Funding of $32.6 million from the general fund for **campus parity** to continue the fiscal year 2011 legislatively authorized salary increases, 3 percent per year salary increases for the 2011-13 biennium, health insurance increases, and estimated utility cost increases.
3. Funding of $2,426,499 from the general fund is provided for increased **retirement contributions** for North Dakota University System employees. The funding will be used to increase the state contribution to employee retirement programs by 1 percent on January 1, 2012, and by 1 percent on January 1, 2013.
4. Funding of approximately $10 million from the general fund for **campus equity** payments allocated as follows:

Bismarck State College	$543,985
Lake Region State College	219,139
Williston State College	166,667
University of North Dakota (UND)	2,459,984
UND School of Medicine and Health Sciences	591,552
North Dakota State University	4,698,999
State College of Science	166,667
Dickinson State University	472,867
Mayville State University	166,667
Minot State University	180,142
Valley City State University	166,667
Dakota College at Bottineau	166,667
Total	$10,000,003

5. Funding of $19,927,568, of which $19,579,140 is from the general fund and $348,428 is from federal funds, for the **student financial assistance grant program**. This represents an increase of $553,546 from the 2009-11 biennium appropriation of $19,374,022.
6. Funding of $3 million from the general fund provided by the 2009 Legislative Assembly for the **career and technical education and academic scholarship program** is removed. The executive recommendation provides the program with a continuing appropriation from the lands and minerals trust fund. Total program funding required for the 2011-13 biennium is estimated to be $10 million.

Senate Approp. HB 1003 NDUS 2/7/11

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7. Funding of $1 million from the permanent oil tax trust fund for **tribal college assistance grants** to defray the costs of education associated with the enrollment of nonbeneficiary students at tribal colleges. The 2009-11 biennium appropriation for the grant program was $700,000 from the permanent oil tax trust fund.
8. Funding of $6,640,563 from the general fund to **limit tuition increases** to 2.5 percent per year at four-year institutions and to provide for no tuition increases at two-year institutions.
9. Funding of $5 million from the general fund for distributions to campuses based on **student completion rates.**
10. Funding of $1 million is from the general fund for a startup fund available to campuses for **initiating or expanding academic and technical programs.**
11. Funding of $3,565,836, of which $3,100,529 is from the general fund and $465,307 is from other funds, for the **professional student exchange program**. This level represents a total funds increase of $228,736 from the 2009-11 legislative appropriation of $3,337,100. The executive budget recommendation reduces funding provided for the program from the student loan trust fund by $525,663 and replaces that funding with $510,000 of funding from the general fund.
12. Funding of $2,456,826 from the general fund for the **scholars program**. This level represents an increase of $343,242 from the 2009-11 legislative appropriation of $2,113,584.
13. Funding of $8.7 million from the general fund is recommended for **competitive research** matching funding. This represents an increase of $1.65 million from the 2009-11 legislative appropriation of $7.05 million.
14. A **system information technology services pool** of $36,061,999, of which $35,522,562 is from the general fund and $539,437 is from special funds, is provided for support of the Higher Education Computer Network, the Interactive Video Network, the On-line Dakota Information Network, and other related technology initiatives. The funding includes an increase of $1,249,509 for parity, $3,527,000 for technology maintenance, and $616,000 for a ConnectND database upgrade. This level of funding represents an increase of $5,831,961 from the 2009-11 appropriation of $30,230,038. The executive budget recommendation reduces funding provided for the pool from the student loan trust fund by $481,163 and replaces that funding with $590,000 of funding from the general fund.
15. Funding of $149,853,482 is provided for **capital assets**, including:

	General Fund	Special Funds	Total
Capital construction lease payments	$11,837,519	$417,250	$12,254,769
Campus extraordinary repairs	11,160,089	0	11,160,089
Special assessments payoff	4,302,624	0	4,302,624
Major capital projects	37,651,000	84,485,000[1]	122,136,000
Total	$64,951,232	$84,902,250	$149,853,482

[1]Includes funding of $2.32 million from the permanent oil tax trust fund.

Please refer to the schedules under the **CAPITAL CONSTRUCTION** section for additional information regarding capital improvements.

Prepared by the Legislative Council staff
for House Appropriations - Education and
Environment Division
February 2, 2011

LISTING OF PROPOSED CHANGES TO HOUSE BILL NO. 1003

Department - North Dakota University System

Proposed funding changes:

	FTE	General Fund	Special Funds	Total
University System Office				
1 Remove funding included in the executive budget recommendation related to 2007-09 carryover amounts for the following programs:				
System governance		($276,862)		($276,862)
Student financial assistance grant program		(553,546)		(553,546)
Scholars program		(343,242)		(343,242)
Native American scholarship program		(1,175)		(1,175)
Education incentive program		(89,650)		(89,650)
Professional student exchange program		(244,398)		(244,398)
System information technology services		(55,332)		(55,332)
Total		($1,564,205)	$0	($1,564,205)
University System Institutions				
2 Remove funding to limit tuition increases		($6,640,563)		($6,640,563)
3 Remove equity funding distributions to campuses		($10,000,000)		($10,000,000)
Capital Projects				
4 Remove funding for the Dickinson State University Stoxen Library project		($8,800,000)		($8,800,000)
5 Add funding for the State College of Science diesel technology building project		$10,200,000		$10,200,000
Total proposed funding changes		($16,804,768)	$0	($16,804,768)

HIGHER EDUCATION INFORMATION

(Compiled by Legislative Council Staff)

1. Do peer institution calculations use actual funding for peer institution funding levels or are the peer intuition current funding levels calculated by using an inflationary factor?

   - The North Dakota University System office updates the funding of the peers every 2 years in preparation for the next biennial budget cycle. In order to prepare various options for the request and distribution of equity funds, this is usually done in January or February of even numbered years. The most recent data from IPEDS is used to update the peers, and for the 2011-13 request, that included fiscal year 2008 financial data and fall 2007 enrollment data.

2. Prior to the Higher Education Roundtable, did the North Dakota University System office use general fund carryover to increase "base level" appropriations?

   - No.

3. Does the University System comprehensive annual financial report include information regarding extraordinary repair expenses by institution?

   - No.

4. What funding is included in the University System 2011-13 budget using other funding from the state that may be replacing funding from the general fund?

   - Items include:

     $10 million - CTE and Academic Scholarships (Lands and Minerals Trust Fund)

     $465,307 - Kansas State University veterinary medical education student exchange program (Student Loan Trust Fund)

     $539,437 - System Information Technology Services positions (Student Loan Trust Fund)

     $2,320,000 - Williston State College campus improvements (Permanent Oil Tax Trust Fund)

     $1 million - Tribal College Assistance Grants (Permanent Oil Tax Trust Fund)

5. What is the Title II program?

   - Title II is a federally funded program to improve the quality of teaching and instruction in math and science in the United States. The majority of the funding goes to DPI for distribution to K-12 schools. A smaller, fixed percentage, goes to the state higher education agency, primarily for continuing teacher education. The NDUS Office distributes its portion of funding on a competitive basis to institutions of higher education and organizations to provide services to elementary and secondary teachers to improve the teaching-learning process in

mathematics and science. The ultimate goal is to improve both pedagogy and student performance.

6. What are University System broadband employees?

> Broadbanding is an approach to job classification and compensation that takes into consideration content and scope of a job; employee knowledge, skills and abilities; the job market; and employee performance.
>
> Broadbanding groups similar jobs together using a few, wide salary bands defined by the U.S. Department of Education. Within those bands, positions with similar skill requirements are grouped into job families. Job family titles are used on all payroll records, budget documents, personnel files and other official records. The hiring institutions may assign functional titles for other uses.
> Broadbanding policies, band descriptions, functional title suggestions, pay policy and forms can be found in the NDUS Human Resource Policy Manual.
>
> Placement of a position within a job band is based on the position description. The position description also is used to determine fair market value for each position. The market rate is used in making salary decisions. Other salary-setting considerations are job performance, level of responsibility, directly related experience and internal equity.
>
> Job bands in the University System are managed by the NDUS Human Resource Council. If an employee or employee's supervisor is dissatisfied with a job band or job family assignment, the assignment may be appealed within 30 days from the date the band/job family assignment was mailed. Appeals are filed with the human resource offices of the hiring institutions.

7. If a capital project does not require the use of the entire general fund appropriation for the project, what can the remaining funding be used for?

   - Remaining funding can be used for other capital projects or repairs.

8. What is the difference between EPSCOR and Centers of Excellence?

   - EPSCOR: The Experimental Program to Stimulate Competitive Research is designed to expand and enhance the research capability of scientists in states that traditionally have lacked strong university-based research efforts. The programs represent a federal-state partnership to enhance the science and engineering research, education, and technology capabilities of states that receive smaller amounts of federal research and development funds. The EPSCOR program uses state funds primarily to leverage competitive research and development of federal grants. The programs are used to implement a multi-faceted infrastructure development plan that increases the number of scientists and engineers engaged in research of national significance, improves the productivity of the researchers, increases the number of student involved in STEM research, and fosters university-private sector partnerships and promotes the transfer of university research to the commercial sector.

   - Centers of Excellence: The Centers of Excellence program was established by the State Board of Higher Education pursuant to NDCC Section 15-69-02. A center must be an

institution of higher education under the control of the SBHE or a nonprofit institution-related foundation. In order to be considered for center designation, the institution of higher education or nonprofit foundation must be working in partnership with the private sector. The Centers of Excellence are to:

- Use university or college research to promote private sector job growth and expansion of knowledge based industries or use university or college research to promote the development of new products, high-tech companies, or skilled jobs in the state.
- Create high-value private sector employment opportunities in the state.
- Provide for public-private sector involvement and partnerships.
- Leverage other funding from the private sector.
- Increase research and development activities that may involve federal funding from the EPSCOR program
- Foster and practice entrepreneurship
- Promote the commercialization of new products and services in industry clusters
- Become financially self-sustaining.

9. What is research indirect cost funding?

- Indirect costs (also known as facility and administrative costs) are costs that are incurred for common objectives and therefore cannot be identified readily and specifically to a particular sponsored project, an instructional activity, or any other institutional activity. Such costs are normally classified under the following categories: depreciation and use allowances, general administration expenses, operation and maintenance expenses, library expenses, departmental administration expenses, and student administration and services. Since direct assignment of indirect costs is not possible, cost recovery is accomplished through the use of a rate or percentage applied to the direct costs of funded projects. The rate is approved by the federal government and some programs contain ceilings on the indirect cost that may be reimbursed.

Higher education institutions may have different indirect cost recovery rates for different programs. For example, the University of North Dakota has a different cost recovery rate for EERC federal grants, EPSCoR federal grants, and other federal grants. Funds received through the indirect cost rate are split between the Office of Vice President for Research, general uses, and the department receiving the grant.

NORTH DAKOTA RESIDENT
UND SCHOOL OF MEDICINE AND HEALTH SCIENCES
COST OF ATTENDANCE
2010-2011

	FRESHMEN	SOPHOMORES	JUNIORS	SENIORS
	10 Months	10.5 Months	12 Months	11 Months
TUITION	$24,119	$24,119	$24,119	$24,119
FEES	$1282	$1282	$1282	$1282
MICROSCOPE FEE	$325			
BOOKS & SUPPLIES	$2250	$1300	$725	$500
USMLE STEP 1 (REG. FEE)		$505		
PDA		$400		
USMLE STEP 2 CK (REG. FEE)				$505
USMLE STEP 2 CS (REG. FEE)			$1075	
TRAVEL EXPENSE FOR STEP 2 CS				$500
ROOM & BOARD	$9104	$9539	$10,996	$10,114
TRANSPORTATION	$3496	$3614	$3977	$3843
PERSONAL/MISC.	$3149	$3271	$3619	$3884
MEDICAL/DENTAL/VISION	$1690	$1745	$1887	$1693
TOTAL	**$45,415**	**$45,775**	**$47,680**	**$46,440**

The Cost of Attendance reflects average expenses incurred by a student to attend medical school for one year. It is adjusted annually based on student surveys and the consumer price index (CPI). It does not include expenses for individuals other then the student (with the exception of daycare costs), or expenses incurred during periods of non-enrollment.

Other necessary expenses such as daycare costs, health insurance premiums, emergency car repairs, medical/dental bills not covered by insurance, and the purchase of a computer may be included in the Cost of Attendance, if incurred during the academic year. Students may request consideration for a Cost of Attendance increase by submitting a Request for Re-evaluation form and supporting documentation to the Medical School Student Financial Aid Office.

The total amount of a students financial aid award cannot exceed the Cost of Attendance.

2010 – 2011 Projected Aviation Program Costs

UND Aerospace offers two aviation degree programs with a total of seven academic majors. Each has its own flight course requirements, which affect the cost of a degree program.

	** Flight Costs
BACHELOR of BUSINESS ADMINISTRATION	
Airport Management	
Survey of Flight / Intro into ATC or	$ 4,862
Private Pilot Certificate/ Intro into ATC	10,149
Aviation Management	$ 42,201
Private / Commercial / Instrument / Multi Engine/ Intro into ATC	
BACHELOR of SCIENCE in AERONAUTICS	
Air Traffic Control (Includes ATC Lab Fees)	
Survey of Flight or	$ 14,097
Private Pilot Certificate/Simulator	19,384
Aviation Technology Management	
Survey of Flight or	$ 4,237
Private Pilot Certificate	9,524
Commercial Aviation	$ 59,652
Private / Commercial / Instrument / Multi Engine / CFI / CFII/Intro into ATC /Altitude Chamber /CRJ 200 FTD/GATT	
Flight Education	$ 61,116
Private / Commercial / Instrument / Multi Engine / CFI / CFII / MEI/Intro into ATC	
Unmanned Aircraft Systems Operations	$ 52,256
Private/ Commercial/ Instrument/ Multi-Engine/ Intro into ATC/ Altitude Chamber / GATT	
UAS Operations	
BACHELOR of SCIENCE in ELECTRICAL or MECHANICAL ENGINEERING	
Aerospace Focus	
Private Pilot Certificate	$ 9,524

***NOTE:* Total flight costs are based on averages and are subject to change. Also, the ATC cost includes flight and ATC lab fees.

ADDITIONAL ESTIMATED COSTS PER ACADEMIC YEAR (August-May)

TUITION AND FEES	
North Dakota Resident	$ 6,934
Minnesota Resident	$ 7,284
Contiguous States and Provinces	$ 9,760
Western Undergraduate Exchange and Midwestern Higher Education Consortium	$ 9,760
W.U.E. Includes: AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, SD, UT, WA and WY; MHEC Includes: MI, MO, NE, KS and WI.	
Non-Resident	$ 16,333
Foreign	$ 16,333
ROOM AND BOARD	$ 6,009
Costs based on UND residence hall rates (double room, Unlimited Access & Res. Hall Fee)	

FINANCIAL AID AND SCHOLARSHIPS

The University of North Dakota offers financial aid to qualified students. Financial aid can be awarded in the form of grants, loans, employment, and scholarships. Flight costs are considered in determining a student's financial need.

Approximately $900,000 in scholarships is awarded annually to more than 1,600 UND undergraduates. In addition, more than $370,000 in scholarships and training awards are granted each year to aviation students. Please refer to the enclosed *Financial Aid Facts for Aviation Students* fact sheet for more information

(Over)

2010—2011 Projected Individual Flight Training Cost

These are the projected costs for flight courses for the 2010- 2011 school year based on anticipated rates(#). Course costs are based on the average number of hours it takes a student to complete the course, and may vary from student to student according to their capability and motivation. Financial aid may be available to assist with these costs, but applying for aid must be done well in advance. Flight costs are in addition to tuition, room and board.

SURVEY OF FLIGHT

AVIT 101 — $ 4,237

Instructor Time	45	hrs
S.E. Simulator	10.4	hrs
Warrior	12.5	hrs

PRIVATE PILOT

AVIT 102 Intro to Aviation — $ 9,524*

Instructor Time	79	hrs
S. E. Simulator	3	hrs
Warrior	48	hrs
FAA Written		

*if using C172 the estimate would be $576 higher

COMMERCIAL, INSTRUMENT, and MULTI-ENGINE

AVIT 221 Basic Attitude Instrument Flying — $ 7,409*

Instructor Time	48	hrs
S. E. Simulator	13.5	hrs
C172	34.5	hrs

*if using Warrior the estimate would be $414 less

AVIT 222 IFR Regulations & Procedures — $ 8,034

Instructor Time	65	hrs
S. E. Simulator	8.5	hrs
C172	34	hrs
FAA Written		

AVIT 323 Aerodynamics –Airplanes — $ 6,274

Instructor Time	42	hrs
C172	27.5	hrs
Arrow	5	hrs
FAA Written		

AVIT 325 Multi-Engine Systems & Procedures — $ 10,335

Instructor Time	63	hrs
M. E Simulator	16.5	hrs
Seminole	23.5	hrs

FLIGHT INSTRUCTOR

AVIT 414 CFI Certification (CFI) — $ 7,576

Instructor Time	65	hrs
Decathlon	1.5	hrs
C172	14.5	hrs
Arrow	16	hrs
FAA Written		

AVIT 415 Instrument Flight Instructor (CFII) — $ 5,492

Instructor Time	50	hrs
S.E. Simulator	5.0	hrs
C172	21	hrs
FAA Written		

AVIT 416 Multi-Engine Flight Instructor (MEI) — $ 5,847

Instructor Time	31	hrs
M.E. Simulator	1.5	hrs
Seminole	17	hrs

ALTITUDE CHAMBER

AVIT 309 Altitude Chamber	$175
AVIT 309 GATT II Trainer	$ 65

REGIONAL JET

FIXED TRAINING DEVICE LAB

AVIT 428 Transport Category Aircraft Systems	$ 275
AVIT 480 Advanced Aircraft Operations	$3,868

AEROBATIC TRAINING

AVIT 389 Intro to Aerobatic Flight — $ 2,233

Instructor Time	14	hrs.
Decathlon	10	hrs.

SEAPLANE CERTIFICATION

AVIT 385 Seaplane Certification — $ 2,433

Instructor Time	15	hrs
Top Cub	10	hrs

TAILWHEEL TRAINING

AVIT 386 Conventional Aircraft Operations — $1,727

Instructor Time	10	hrs.
Decathlon	8	hrs.

UNMANNED AIRCRAFT SYSTEMS OPERATIONS

AVIT 338 UAS Operations — $9,815

Instructor Time	86	hrs.
UAS Simulator	70	hrs.

AIR TRAFFIC CONTROL COURSES

AVIT 103 Intro into ATC ATC 2000 Simulator	$625
AVIT 260 Tower Operations I Tower Simulator	$665
AVIT 261 Radar Operations I ATC 2000 Simulator	$1,875
AVIT 362 Tower Operations II Tower Simulator	$1,520
AVIT 363 Radar Operations II ATC 2000 Simulator	$1,875
AVIT 464 Tower Operations III Tower Simulator	$1,520
AVIT 465 Radar & Tower Operations IV Tower Simulator	$1,520
AVIT 468 Non-Radar Procedure	$260

 # Estimated course costs do not include potential fuel surcharge, which may be implemented pending market conditions. Revised 1/10/11

COMMERCIAL AVIATION

Catalog 2009 - 2011

NAME_____ STUDENT ID_____

Essential Studies Requirements:

I. Communication *(9 credits minimum)*

	Engl	110	Composition I	3_____
	Engl	120 or Engl	125	3_____
(O)	Comm	110	Fund. Public Spkng.	3_____

II. Social Science *(9 credits minimum)*

Must be taken in a minimum of 2 departments. Make sure three credits are Global Diversity if testing out of Language

(U) _____	3_____	
_____	3_____	
_____	3_____	

III. Fine Arts and Humanities *(9 credits minimum)*

(G)	Lang	101	Foreign Lang.	4_____
(G)	Lang	102	Foreign Lang.	4_____
(#)	_____			3_____

This course must meet the Fine Arts Requirement

IV. Math, Science & Technology *(9 credits minimum)*

(Q)	AtSc	110	Meteorology I	4_____
(Q)	Math	146	Applied Calculus	3_____
(Q)	Phys	150	Physics for Aerospace	5_____

V. Senior Capstone

(A)	Avit	485	Avit Senior Capstone	3_____

Other Requirements:

AtSc	231	Aviation Meteorology	4_____

One of the Following:

ISBE	320	Business Comm.	3_____
Engl	226	Intro to Creative Writing	3_____
Engl	308	Art of Writing Non Fiction	3_____

A cumulative and institutional GPA of 2.5 is required to remain enrolled in Aviation courses.

Aviation Requirements:

Flight Courses

Avit	102	Introduction to Aviation	5 9524-
Avit	221	Basic Attitude Inst. Flying	3 7409-
Avit	222*	IFR Regulation & Procedures	3 8034-

(*Physics 150 should be taken before or with this class)

Avit	323**	Aerodynamics – Airplanes	3 6274-
Avit	324**	Aircraft Systems	3_____

**these two courses must be taken together

Avit	325	Multi-Engine Systems & Proced.	2 10,335-
Avit	414	Certified Flight Instructor	5 7.576-
Avit	415	Instrument Flight Instructor	4 5.492-
Avit	480	Advanced Aircraft Operations	3 3.868-

Non-Flight Courses

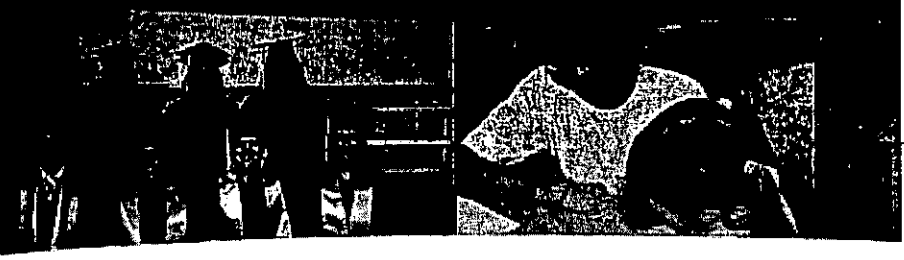
Avit	100	Aviation Orientation	1_____
Avit	103	Intro to Air Traffic Control	2 625-
Avit	208	Aviation Safety	3_____
Avit	250	Human Factors	2_____
Avit	309	Flight Physiology	3_____
Avit	327	Gas Turbine Engines	2_____
Avit	403	Aerospace Law	3_____
Avit	411	Int'l & Long Range Nav.	3_____
Avit	421	Advanced Aerodynamics	3_____
Avit	428	Transport Category Systems	4_____
Avit	430	Crew Resource Mgmt.	3_____

Two of the following:

Avit	402	Airport Planning & Admin.	3_____
Avit	405	Airline Operations & Mgmt.	3_____
Avit	407	General Aviation Operations	3_____

Electives as needed to meet Graduation Requirements

Note: The Aviation Faculty highly recommends that Aviation Students graduating with the Commercial Aviation major take upper level aviation electives to further develop their expertise in the aviation discipline.



Liberal arts
Business Programs
—Accounting
—Administrative Assistant
—Business administration
—Farm management
—Marketing/Management
—Office management
Career and Technical
Technology-Optimized Agriculture (DCTOA)
Health IT
Bachelor degrees through Mayville State
Master degrees through UND
Transfer options
Community Education
Distance education and outreach
Cooperative education
GED -- High school equivalent
Course descriptions
Term Schedules

Home : Educational Programs : Business Programs : Farm management

Farm management



Serving our region's primary business
The LRSC Farm Management program serves about 110 farm families from 10 counties in north central and northeastern North Dakota.

The average farm enrolled in the program had gross cash sales of about $350,000 and farmed approximately 2,300 acres.

Participants may receive individual and group instruction, updates on marketing of crops and livestock, join marketing clubs, and attend specialized classes and workshops

Can you make the following statements about your farm operation?

- My financial information is completed in a timely matter
- I know my cost of production per bushel or cwt. on every major enterprise in my farm business and know how much each enterprise contributes to the total
- When my lenders needs to see a balance sheet, it is completed and ready to go
- My farm compares favorably to others in similar circumstances
- I know how the return from my investment in the farm business compares with returns from nonfarm investments
- I can easily chart the financial progress or decline in my farm business
- I have the information needed to evaluate profitable changes in my farm business

If you can't but would like to make these statements, contact Lake Region State College's **farm business management program.**

Educational options

- Business and family records
- Cash flow planning
- Beginning and ending balance sheets-FinPack
- FINAN-Whole Farm Analysis
- FINAN-Crop and Livestock Enterprise
- Comparisons with benchmark and similar farm data

Certificate

BOTE 112	1
BOTE 131	1
BOTE 132	1
BOTE 147	3
BOTE 152	3
BOTE 201	3
BOTE 214	3
BOTE 217	3
BOTE 275	3
BUSN 282	1
Category 1	6
Category 2	3

Diploma

First Year
Same Courses as above

Second Year

BOTE 127	3
BOTE 231	1
BOTE 232 or COOP 197	1
BOTE 251 or BOTE 222	3
Category 1	5
Category 2	6
Electives	12

Associate in Applied Science

First Year

BOTE 112	1
BOTE 127	3
BOTE 131	1
BOTE 132	1
BOTE 147	3
BOTE 152	3
BOTE 201	3
BOTE 214	3
BOTE 217	3
BOTE 275	3
BUSN 282	1
ENGL 110	3
Category 1	6

Second Year

BOTE 231	1
BOTE 232 or COOP 197	1
BOTE 251 or BOTE 222	3
HPER 101 or 102	2
Category 1	5
Category 2	9
MATH/SCNC/CSCI Electives	3
Humanities/Social Science Electives	6
Electives	3

Medical Subplan
Diploma or AAS requirements plus:

BOTE 171	3
BOTE 223	3
Category 3	4

Legal Subplan
Diploma or AAS requirements plus 6 credit hours:

ACCT 215	3
CJ 201	3
SOC 252	3

Category 1

ACCT 200	3
ACCT 201	3
ACCT 207	3
ACCT 212	2
ACCT 231	2
BOTE 188	4
BUSN 254	2

Category 2

BOTE 148	2
BOTE 209	3
BOTE 218	3
CIS 104	3
CIS 105	3
CIS 162	2
CIS 181	3

Category 3

BIOL 220	4
HPER 100	3
HPER 210	2

Adult Farm Management

The Adult Farm Management program at provides area farmers with the opportunity to gather information and develop the skills necessary for the rapidly advancing technology in agricultural production.

Areas of instruction include farm records, farm analysis, and current topics. Contact the Agriculture Department for further information.

AGRI 241	3
AGRI 242	3
AGRI 299	1-3

Information Technology

Due to society's increased utilization of various information technologies, there is a growing demand for people to support the hardware, software, communications, and training needs of a business organization. Many businesses, especially smaller companies, are looking for individuals who have the computer skills and technical training to provide this support while also increasing the productivity and efficiency of the organization.

This program is designed to provide students with the business application and technical skills for entry-level positions in business and also help prepare them for leading certification exams.

All students enrolled in Information Technology are expected to have basic Windows skills and keyboard at approximately 35 words per minute. It is strongly recommended that students without basic keyboarding skills take a basic keyboarding class or those without Windows skills take CIS 162—Operating Systems (Windows) in preparation for beginning this curriculum.

Certificate
Upon completion, the graduate will be able to do the following:

- Understand and use the basic terminology and concepts related to business and personal computing
- Select, install, configure, operate, and provide operational maintenance of a personal computer system (including hardware and software) for business applications
- Prepare documents, using word-processing software; create, modify, produce graphics, and print spreadsheets using spreadsheet software; create, modify, query, and generate reports using database management software
- Use operating system commands to perform basic system operations, configuration, installation, and disk management activities
- Use a graphical user interface to perform utility and setup functions, run application software, exchange data, and perform multitasking activities
- Understand basic concepts, control structures, and logic to create, modify, compile, and execute simple programs
- Access and utilize various Internet applications to research and retrieve information, electronically transfer files or data, and communicate electronically

First Semester

CIS 128	3
CIS 164	4
CSCI 122	3
Program Electives	6

Second Semester

BADM 291	1
CIS 129	3
CIS 220	3
CSCI 101	3
Program Electives	6

HB1003
2/7/11

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

State Capitol - 600 E Boulevard Ave Dept. 215
Bismarck ND 58505-0230
Phone: 701.328.2960 Fax: 701.328.2961
E-mail: NDUS.office@ndus.edu Web: ndus.edu

TO: Chairman Bob Skarphol and members of the House Appropriations – Education & Environment Division

FROM: William Goetz, Chancellor

DATE: February 7, 2011

RE: Proposed Amendments to HB1003

The committee was provided with proposed amendments for the committee's consideration to HB 1003 on January 25. Those are being resent to you along with additional proposed amendments to HB 1003. I anticipate discussion of both sets of amendments upon the committee working on the NDUS budget. Please do not hesitate to give me a call at 328-2963 if you have questions.

Attachments

g:\terry\1100\11ses\memo to house approp with amendments 2-7-11.docx

North Dakota University System
PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003
January 24, 2011

Page 1, line 20, replace "5,831,961" with "6,341,961" and replace "$36,061,999" with "36,571,999"

Page 2, line 18, replace "10,418,528" with "10,469,528" and replace "103,926,168" with "104,436,168"

Page 2, line 20, replace "11,412,768" with "11,922,768" and replace "100,171,450" with "100,681,450"

Page 2, line 27, replace "10,074,192" with "10,324,092" and replace "10,317,673" with "10,567,573"

Page 2, line 28, replace "13,605,815" with "13,855,715" and replace "38,053,301" with "38,303,201"

Page 2, line 30, replace "6,105,815" with "6,355,715" and replace "30,553,301" with "30,803,201"

Page 3, line 6, replace "111,705" with "231,705" and replace "155,367" with "275,367"

Page 3, line 7, replace "1,314,987" with "1,434,987" and replace "9,314,859" with "9,434,859"

Page 3, line 9, replace "1,314,987" with "1,434,987" and replace "9,314,859" with "9,434,859"

Page 3, line 16, replace "2,931,326" with "3,181,326" and replace "3,017,801" with "3,267,801"

Page 3, line 17, replace "4,136,622" with "4,386,622" and replace "11,920,096" with "12,170,096"

Page 3, line 19, replace "1,316,622" with "1,566,622" and replace "9,100,096" with "9,350,096"

Page 3, line 26, replace "35,292,034" with "39,392,034" and replace "37,592,579" with "41,692,579"

Page 3, line 27, replace "51,235,765" with "55,335,765" and replace "178,573,093" with "182,673,093"

Page 3, line 29, replace "29,535,765" with "33,635,765" and replace "156,873,093" with "160,973,093"

Page 4, line 5, replace "39,459,719" with "40,359,719" and replace "41,151,944" with "$42,051,944"

Page 4, line 6, replace "56,226,469" with "57,126,469" and replace "166,286,316" with "167,186,316"

Page 4, line 8, replace "20,126,469" with "21,026,469" and replace "130,186,316" with "131,086,316"

Page 4, line 15, replace "19,064,898" with "19,314,898" and replace "19,818,230" with "20,068,230"

Page 4, line 16, replace "21,842,593" with "22,092,593" and replace "54,203,080" with "54,453,080"

Page 4, line 18, replace "11,342,593" with "11,592,593" and replace "43,703,080" with "43,953,080"

Page 4, line 25, replace "8,825,388" with "9,075,388" and replace "9,209,078" with "9,459,078"

Page 4, line 26, replace "11,249,592" with "11,499,592" and replace "31,757,019" with "32,007,019"

Page 4, line 29, replace "11,249,592" with "11,499,592" and replace "31,757,019" with "32,007,019"

Page 5, line 4, replace "542,494" with "717,494" and replace "751,485" with "926,485"

Page 5, line 5, replace "1,846,777" with "2,021,777" and replace "13,685,384" with "13,860,384"

Page 5, line 7, replace "1,846,777" with "2,021,777" and replace "13,685,384" with "13,860,384"

Page 5, line 14, replace "5,352,750" with "6,352,750" and replace "5,949,620" with "$6,949,620"

Page 5, line 16, replace "5,050,000" with "5,550,000" and replace "5,050,000" with "5,550,000"

Page 5, line 17, replace "3,590,159" with "4,090,159" and replace "38,810,736" with "39,310,736"

Page 5, line 24, replace "9,219,470" with "12,329,470" and replace "9,477,886" with "12,587,886"

Page 5, line 25, replace "10,633,048" with "13,743,048" and replace "27,259,465" with "30,369,465"

Page 5, line 27, replace "9,818,048" with "12,928,048" and replace "26,444,465" with "29,554,465"

Page 6, line 4, replace "5,782" with "75,782" and replace "115,507" with "185,507"

Page 6, line 5, replace "776,632" with "846,632" and replace "6,748,729" with "6,818,729"

Page 6, line 7, replace "776,632" with "846,632" and replace "6,748,729" with "6,818,729"

Page 6, line 13, replace "5,763,005" with "7,542,055" and replace "46,653,406" with "48,432,456"

Page 6, line 14, replace "5,763,005" with "7,542,055" and replace "46,653,406" with "48,432,456"

Page 6, line 16, replace "5,763,005" with "7,542,055" and replace "46,653,406" with "48,432,456"

Page 7, line 3, replace "198,392,272" with "211,156,222" and replace "737,451,610" with "750,215,560"

Page 7, line 4, replace "83,490,760" with "83,990,760" and replace "89,237,204" with "89,737,204"

Page 7, line 5, replace "114,901,512" with "127,165,462" and replace "648,214,406" with "660,478,356"

Statement of Purpose of Amendment:

1.) Adds $1,779,050 in base funding to the UND SOMHS for 8 additional medical students, 15 additional health science students and 9 new residency slots in 2012-13.

2.) Adds $510,000 in one-time funding to the SITS line item in the NDUS Office for expansion of the use of Smarthinking Online tutoring and writing services from five to eleven campuses.
3.) Adds $4,009,900 in one-time general funds and $500,000 in other funds for the #1 small-to-medium size project at each campus as follows:
4.) Adds $3,100,000 in one-time general funds for the joint UND/NDUS IT facility project in the UND budget increasing the project amount from $11.2 to $14.3 million
5.) Adds $2,865,000 in one-time general funds for the VCSU Rhoades Science Center project in the VCSU budget increasing the project amount from $7,971,000 to $10,836,000

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North Dakota University System
PROPOSED AMENDMENTS TO HB1003
February 7, 2011

Page 2, after line 17 insert: "EPA Regulation Fund $727,500"

Page 2, line 18, replace "10,418,528" with "11,146,028" and replace "103,926,168" with "104,653,668"

Page 2, line 20, replace "11,412,768" with "12,140,268" and replace "100,171,450" with "100,898,950"

Page 7, line 3, replace "198,392,272" with "199,119,772" and replace "737,451,610" with 738,179,110

Page 7, line 5, replace "114,901,512" with "115,629,012" and replace "648,214,406" with "648,941,906"

Page 7, after line 22 insert: " EPA Regulation Fund 0 727,500"

Page 7, line 23, replace "126,844,624" with "127,572,124"

Page 7, line 25 replace "42,359,624" with "43,087,124"

Page 10, after line 12, insert: "Section 14. EPA Regulation Fund. Subdivision 1 of section 1 of this Act includes $727,500, or so much as the sum as may be necessary, to be allocated by the State Board of Higher Education to campuses to fund the necessary changes to comply with EPA Hazardous Air Pollutants regulation related to generators.

Statement of Purpose of Amendment:

Creates a one-time fund in the NDUS budget, for allocation by the SBHE, to be used to address recently enacted EPA regulations (EPA Hazardous Air Pollutants.40 CFR 63. Subpart ZZZZ) related to generators of $727,500, at campuses, where necessary.

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HB 1003
3/11

Stateline Midwest

Vol. 19, No. 11 • December 2010

THE MIDWESTERN OFFICE OF THE COUNCIL OF STATE GOVERNMENTS

INSIDE

CSG Midwest Issue Briefs 2
- States grapple with how to tax agricultural land
- Region positioned to be carbon-capture hub
- High-speed rail at a crossroads
- North Dakota not resting on economic success

Around the Region 4
- Economic data tell tale of two Midwests
- Most states in region adopt Common Core

Question of the Month 5
How do states in the Midwest handle recounts in legislative and statewide elections?

Feature Story 7
Lawmakers mull risks and rewards of allowing small farmers to sell raw milk

Profile 8
Kansas Senator Janis Lee

FirstPerson 9
North Dakota Sen. Rich Wardner on how his state is changing its use of oil revenue

CSG News & Events 10
- Panel weighs in on future of nuclear energy
- Province of Alberta joins Midwestern Legislative Conference

Capitol Clips 12
- Minnesota reduces legislative committees
- States at forefront of foreclosure fight
- Close lens on tax credits for film industry
- Civil unions get OK in Illinois

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Demand performance

States mull changes in college funding that focus less on enrollment, more on course completion and graduation

by Jennifer Ginn (jginn@csg.org)

Late last year, higher-education officials in Indiana got word that they would have to find $150 million in cuts in order to help balance the state's biennial budget.

What they did — and didn't do — tells a lot about the commitment in that state to fund higher education in a different way.

As Teresa Lubbers explains, the state's performance-based funding formula — a relatively small, but not insignificant, portion of the larger formula for postsecondary institutions — was kept intact.

"Our recommendation was to hold true to the performance funding formula even when you have cuts," says Lubbers, the Indiana commissioner of higher education and a former state senator. "We decided we did not want to walk away from the performance funding formula in a time of taking money away."



Teresa Lubbers

Interest in this performance-based model is taking hold not only in Indiana, but in other states in the Midwest and the nation as well.

"In the past, the vast majority of states have funded [based on] enrollments because we believed giving people college access was the most important thing," says Kevin Corcoran, program director at the Lumina Foundation for Education.

"In recent years," he adds, "the focus has shifted to what happens after they get there. We believe giving access is only the start."

Lumina lists performance pay as one option for policymakers to pursue in order to increase productivity in higher education — a critical goal for all states considering current fiscal conditions and economic trends pointing to the need for more people with postsecondary degrees and certificates.

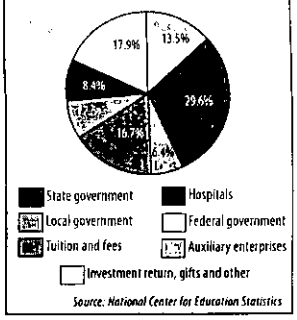
Currently, dollars are most often allocated to colleges and universities based upon the number of students who enroll at the beginning of a semester. What becomes of those students — whether they stay in their classes and whether they graduate — is usually not taken into consideration.

Performance-based funding fundamentally changes the way states provide money for higher education: Either all or part of an institution's funding is based upon how well it performs in areas such as credits completed by students, degrees earned or, in the case of two-year colleges, the number of students who transfer to four-year institutions.

"For us, it just seems like commonsense," says Corcoran, adding that it "does us no good" to have people go to college and leave with "debts and no degree."

According to the Southern Regional Education Board, fewer than one-third of freshmen entering a four-year university actually graduate in four years in this country. Only 55 percent of freshmen have graduated within six years.

Revenue sources for U.S. public degree-granting institutions



Source: National Center for Education Statistics

Improving those numbers — by giving higher-education institutions a financial incentive to do better — is a central goal of performance-based funding.

An old funding idea revisited

This isn't the first time that performance-based funding in higher education has caught the attention of policymakers.

▶ PLEASE TURN TO PAGE 6

Elusive finish line: Data on college completion rates in Midwest

	Two-year colleges		Four-year colleges	
State	% of freshmen returning their sophomore year	Graduation rate for students after 3 years	% of freshmen returning their sophomore year	Graduation rate for students after 6 years
Illinois	50.5%	24.5%	71.7%	58.9%
Indiana	55.3%	27.1%	75.3%	56.6%
Iowa	50.7%	34.0%	65.0%	61.4%
Kansas	51.2%	32.3%	70.6%	52.8%
Michigan	50.3%	14.9%	72.9%	54.3%
Minnesota	53.1%	30.9%	77.3%	58.4%
Nebraska	58.0%	32.7%	75.7%	54.3%
North Dakota	60.1%	35.1%	75.1%	45.6%
Ohio	55.8%	25.2%	75.8%	55.6%
South Dakota	66.4%	56.7%	70.8%	46.9%
Wisconsin	56.4%	33.6%	77.7%	58.2%

Source: The National Center for Higher Education Management Systems

▶ CONTINUED FROM PAGE 1

Performance funding ties student outcomes to allocation of higher-education dollars

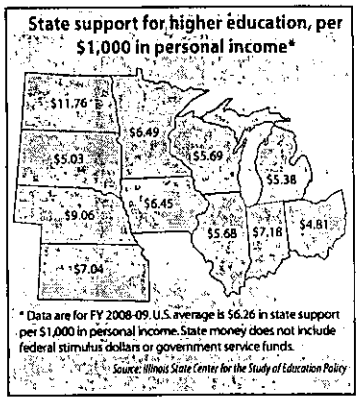
According to a study from the Community College Research Center at Columbia University, 26 states enacted some form of performance-based funding between 1979 and 2007, but 14 of them later dropped it. Factors causing states to abandon this approach have included declines in higher-education funding, a lack of institutional support and/or the loss of key proponents, and little support from the business community. In some states, too, the way the performance-based formula was established made it easier to abandon: Rather than being placed in statute, the formula was a budget proviso.

According to the center, the fact that so many state attempts at performance-based funding have been short in duration or limited in scope have made it difficult to measure the impact of this approach.

Opposition to performance-based funding has often centered on concerns about the cost of compliance as well as the pressure it could put on colleges to lower academic standards and/or narrow student access.

But with states facing record deficits, the demand for accountability and performance is high; as a result, legislators and education leaders are again taking a close look at new approaches to higher-education funding.

Indiana's efforts date back to 2003, while Ohio is in the second year of a new funding system. Illinois, which used performance funding from 1998 to 2002, is considering this model once again.



Incentives for colleges to perform

Earlier this year, Illinois lawmakers passed a resolution (SJR 88) establishing the Higher Education Finance Study Commission. Made up of legislators, finance experts, and education, business, labor and nonprofit leaders, the commission was tasked with, among other responsibilities, "analyzing best practices implemented in other states, such as Ohio and Indiana, for incentivizing certificate and degree completion, including incentives for students and for institutions."


Sen. Mike Frerichs

Donald Sevener, interim executive director of the Illinois Board of Higher Education, says his state's fiscal and economic problems are at least partly the reason for the renewed interest in performance funding.

"When you have a state unable to make its payments to institutions and lots of vendors on time, when you have resources dwindling year by year, it might be the most opportune time to evaluate what dollars we get and target them to state goals," Sevener explains.

He adds the state's colleges might welcome the opportunity to prove to legislators that what they're doing is valuable and that it is working.

"With more students completing courses, more students graduating, increasing numbers of minority and low-income students in college and succeeding, when we can show results like that ... we can show the dollars you're giving us are having positive outcomes," he says.

> "States have funded [based on] enrollments because we believed giving people college access was the most important thing. ... In recent years, the focus has shifted to what happens after they get there."
>
> Kevin Corcoran, program director
> Lumina Foundation for Education

Michael Frerichs, vice chair of the Illinois Senate Higher Education Committee, says performance funding hasn't been high on the committee's to-do list, but he wants to learn more.

"I'm interested in taking a look at the recommendations of the commission [which were due by Dec. 1]," Sen. Frerichs says. "I think we definitely have a problem funding higher education, and we ought to be looking at different mechanisms."

Indiana has begun to do just that over the past seven years, as part of an effort to improve college completion and success rates.

Lubbers says her state's performance-based approach has been more of "an evolutionary process than a revolutionary process."

It started out with state incentives for universities that receive federal research funding. In 2007, the Indiana Commission on Higher Education added other factors, such as the number of degrees awarded, changes in the on-time graduation rate, and an incentive for community colleges to increase the rate of students transferring to four-year institutions.

During the 2009-11 budget cycle, Lubbers says, the state added another performance-based factor: course completion.

Colleges receive 90 percent of their usual funding for the number of students enrolled in courses, while 10 percent is based on students completing the courses. Another incentive encourages colleges to successfully serve low-income students.

"Through the course of this time period, we've had no new dollars really," Lubbers says. "We've had to carve out a portion of the base [funding] to do this, which makes it a little more challenging. We only have a little less than 7 percent of the higher-education budget which is performance-based."


Eric Fingerhut

Plans in Ohio are for performance funding to cover 100 percent of state funding for undergraduate education.

Ohio Board of Regents chancellor Eric Fingerhut says the state's performance funding system currently only applies to universities, but that community colleges will be brought into the system.

To help prevent schools from losing large amounts of funding while working to improve performance, stopgap measures have been built into Ohio's new formula.

Currently, a university cannot lose more than 2 percent of its previous funding due to poor performance.

"We will accelerate that pace," Fingerhut says. "At some point in the near future, that floor will go away completely."

Among the indicators being used in Ohio to gauge the performance of colleges and universities are course and degree completion. Community colleges will use "success points," which are major accomplishments for a student (such as completing the first 15 credit hours) that indicate he or she is on the right academic path.

"Everything we do is driven by our strategic plan for higher education, a plan which was required by the governor and General Assembly in statute [in 2008]," says Fingerhut, a former state legislator.

The goal of that plan, he adds, "is to leverage the assets of higher education to drive Ohio's future economic prosperity."

And that, in turn, has put less of a focus on student enrollment numbers and more of an emphasis on student outcomes.

"Only graduations and completions change the educational attainment of Ohio," he says. "It's necessary to align your funding, which is the principal incentive structure you have for your institutions, to your goal, which is graduation, not enrollment."

Fingerhut says Ohio's universities have generally supported this move toward performance-based funding because they were involved in its creation. He adds, too, that this model can help institutions point to the value that higher education brings to a state's economy.

"When you think about a state budget, everybody thinks about the bottom line, what has to be cut," Fingerhut says. "We are a top-line revenue generator. As long as we're demonstrating our commitment to be a top-line revenue generator, then we will continue to get support [from legislators]."

This article was written by Jennifer Ginn, a CSG education policy analyst. She can be reached at jginn@csg.org.

Sheet approved 2/11/11

Also voted to remove NDSU Science Center Project

Prepared by the Legislative Council staff for House Appropriations - Education and Environment Division
February 10, 2011

LISTING OF PROPOSED CHANGES TO HOUSE BILL NO. 1003

Department - North Dakota University System

Proposed funding changes:	FTE	General Fund	Special Funds	Total
University System Office Ongoing Funding Changes				
1 Remove funding included in the executive budget recommendation related to 2007-09 carryover amounts for the following programs				
System governance		($276,862)		($276,862)
Student financial assistance grant program		(553,546)		(553,546)
Scholars program		(343,242)		(343,242)
Native American scholarship program		(1,175)		(1,175)
Education incentive program		(89,650)		(89,650)
Professional student exchange program		(244,398)		(244,398)
System information technology services		(55,332)		(55,332)
Total		($1,564,205)	$0	($1,564,205)
2 Remove increased funding for the EPSCOR program to provide total funding of $7,050,000		($1,650,000)		($1,650,000)
3 Remove funding to be distributed to institutions based on performance		($5,000,000)		($5,000,000)
4 Reduce funding for tribal college assistance grants and adjust Section 11 accordingly (funding is provided from the permanent oil tax trust fund			($300,000)	($300,000)
University System Institutions Ongoing Funding Changes				
5 Remove funding to limit tuition increases		($6,640,563)		($6,640,563)
6 Remove equity funding distributions to campuses		$10,000,000		$10,000,000
7 Remove funding included in the executive recommendation for STEM teacher education enhancement that was originally added by the 2009 Legislative Assembly		$1,500,000		$1,500,000
Total proposed ongoing funding changes		($26,354,768)	($300,000)	($26,654,768)

-LC

Attachment One
- HB 1003
- Feb 11, 2011

One-Time Funding Changes

8 Remove funding of $4,302,624 provided to campuses to pay off special assessment balances and provide funding of $881,982 to campuses for estimated 2011-13 special assessment payments	($3,420,642)		($3,420,642)
9 Remove funding for the Dickinson State University Stoxen Library project	($8,800,000)		($8,800,000)
10 Add funding for the State College of Science diesel technology building project	$10,500,000		$10,500,000
Total proposed one-time funding changes	($1,720,642)	$0	($1,720,642)
Total proposed funding changes	($28,075,410)	($300,000)	($28,375,410)

Other proposed changes:

1 Add a section to allow the Department of Commerce to continue up to $4,335,000 of unspent 2009-11 biennium funding for the Great Plains Energy Research Center into the 2011-13 biennium and transfer the funding to Bismarck State College for the National Energy Center of Excellence 4th floor remodeling project. This will not have an appropriation effect. (approved by committee on February 10)

	2009-11 Legislative Appropriations	2011-13 Executive Budget	Executive Budget Increase (Decrease) Compared to 2009-11		2011-13 Funding Based on Proposed Amendment Changes	Proposed Amendment Changes Increase (Decrease) Compared to 2009-11	
Ongoing general fund appropriations	$534,062,895	$605,854,782	$71,791,887	13.4%	$579,500,014	$45,437,119	8.5%
One-time general fund appropriations	59,233,248	42,359,624	(16,873,624)	(28.5%)	40,638,982	(18,594,266)	(31.4%)
Total	$593,296,143	$648,214,406	$54,918,263	9.3%	$620,138,996	$26,842,853	4.5%

- Attachment 7 HB 1003 - Feb 11, 2011

NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities (Revised 12/16/2010) to Executive Recommendation

(1)	(2) Project Description	(3) Campus	(4) Project Type	(5) 2011-13 Request State	(6) 2011-13 Request Other	(7) 2011-13 Request Total	(8) Other Source	(9) 2011-13 Exec Recommend
			A=addition; R=renovation; NC=new construction					
Section 1: CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	***Workforce Training Center Addition (Added as #1 priority by SBHE 12/16/10)***	WSC	A	*$700,000*	*$300,000*	*$1,000,000*	*local*	*$0*
2	Joint NDUS/UND IT Facility	NDUS/ UND	NC	$17,600,000	$0	$17,600,000		$11,200,000 GF
3	Rhoades Science Center Addition & Renovation	VCSU	A, R	$10,836,000	$0	$10,836,000		$7,971,000 GF
4	Old Main Renovation	NDSCS	R	$8,180,000		$8,180,000		$8,180,000 GF
5	Plant Services Building	BSC	NC	$1,500,000	$0	$1,500,000		$1,500,000 GF
6	Health Sciences Facility	SOMHS	A	$28,890,000		$28,890,000		$0
7	Geothermal Heating and Cooling	MiSU	R	$5,000,000	$11,234,555	$16,234,555	Includes $2,500,000 from 2009 Legislature, grants	$0
8	Road Repairs/Repaving (180,000 sq. ft.)	DCB	R	$700,000	$31,250	$731,250	local	$0
9	Steven's Hall Addition & Renovation	WSC	A, R	$10,434,000	$0	$10,434,000		$0
10	Erlandson Center Addition/Renovation	LRSC	A/R	$4,850,000		$4,850,000		$0
11	Bismarck HE Center (BSC, DSU, MiSU, UND)	multi	NC	$8,500,000	$0	$8,500,000		$0
12	EERC Office and Lab Addition	UND	A	$12,500,000	$0	$12,500,000		$0
13	Heating System Upgrade - Thatcher Hall	DCB	R	$265,000	$0	$265,000		$0
Cont'd from 09-11	Science Center Addition and Renovation (project authorized in 09-11 at $1.610 M GF and $590,000 OF, increase to $2.930 M GF and $590,000 OF)	WSC	A, R	$1,320,000		$1,320,000		$1,320,000 Perm Oil Trust Fund
	Total Ranked State Funded Projects-Campuses, System, Energy Projects For Inclusion in Request			**$111,275,000**	**$11,565,805**	**$122,840,805**		**$28,851,000 GF $1,320,000 POTF $30,171,000 Total**
Section 2: OTHER CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS NOT FOR INCLUSION IN 2011-13 BUDGET REQUEST								
14	Ceres Hall Renovation	NDSU	R	$10,000,000	$0	$10,000,000		
15	Old Main Renovation/Addition	MaSU	A, R	$10,700,000	$0	$10,700,000		
16	Law School Renovation and Addition	UND	A, R	$9,845,000	$0	$9,845,000		
17	Campus Environment & Circulation	WSC	R	$4,100,000	$0	$4,100,000		
18	Bisek Hall Expansion	NDSCS	A	$10,500,000		$10,500,000		
19	Architecture Building/Ehly Hall Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
20	Vangstad Auditorium Renovation	VCSU	R	$3,316,998	$0	$3,316,998		
21	Clean Coal Initiative (including Replacement of Coal Fired Boilers)	UND	R	$13,500,000	$56,500,000	$70,000,000	private, grants	
22	Fieldhouse Renovation/Addition	MaSU	A, R	$3,850,000	$0	$3,850,000		
23	Community Health & Education Center (Health and Wellness Center-Phase II)	MiSU	A	$9,850,000	$0	$9,850,000		
24	Geosciences Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
25	Stoxen Library Addition - Phase I	DSU	A	$10,560,000	$0	$10,560,000		$8,800,000 GF
26	NECE - 4th Floor Completion	BSC	R	$3,255,000	$1,080,000	$4,335,000	grants, private	
	Campus Branding, Not Included in SBHE List	WSC						$1,000,000 POTF $500,000 OF
	Total Other State Funded Projects-Campuses, System, Energy Projects NOT Included in Request			**$95,476,998**	**$57,580,000**	**$153,056,998**		**$8,800,000 GF $1,000,000 POTF $500,000 OF $10,300,000 Total**

NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities (Revised 12/16/2010) to Executive Recommendation

(1)	(2) Project Description	(3) Campus	(4) Project Type	(5)	(6)	(7)	(8)	(9)
				2011-13 Request				2011-13
				State	Other	Total	Other Source	Exec Recommend
			A=addition; R=renovation; NC=new construction					
Section 3: Non-State Funded (Unranked) Projects for Inclusion in 2011-13 Budget Request								
	Student Union Renovation/Addition	BSC	A, R		$7,500,000	$7,500,000	Revenue Bond $7,000,000/Auxiliary Reserves $500,000	$7,500,000
	Two Stand-alone Bay Shops for Workforce Training (Added by SBHE on 12/16/10)	WSC	NC		*$1,200,000*	*$1,200,000*	*private, local*	*$0*
	EERC Sturry Building Expansion	UND	A		$2,700,000	$2,700,000	private, grants	$2,700,000
	Wilkerson Hall Renovation & Addition	UND	A, R		$14,000,000	$14,000,000	Revenue Bonds	$14,000,000
	University Town Home Apartments	UND	NC		$5,000,000	$5,000,000	Revenue Bonds	$5,000,000
	Bison Sports Arena (to be completed in 3 phases)-reauthorization	NDSU	R		$29,100,000	$29,100,000	private	$29,100,000
	Indoor Practice Facility	NDSU	NC		$5,000,000	$5,000,000	private	$5,000,000
	IT Infrastructure (to be completed in phases)	NDSU	R		$2,000,000	$2,000,000	local, grants	$2,000,000
	Forkner Hall	NDSCS	R		$5,000,000	$5,000,000	Revenue Bond	$5,000,000
	Schulz Renovation	NDSCS	R		$4,000,000	$4,000,000	Revenue Bond	$4,000,000
	Frank Vertin Football Complex	NDSCS	R		$1,500,000	$1,500,000	private	$1,500,000
	Landscape Plan-Phase II & III 10-Year Plan	MiSU	R		$800,000	$800,000	local, private	$800,000
	New Resident Apartments	MiSU	NC		$3,500,000	$3,500,000	Revenue Bond	$3,500,000
	Old Main Classroom Remodel	MiSU	R		$750,000	$750,000	private	$750,000
	Lokken Football Field Artificial Turf ($180,000 09-11 deferred maintenance funding)	VCSU	R	$180,000	$815,000	$995,000	private	$815,000 OF
	Total Non-State Funded Projects - Campuses			**$180,000**	**$82,865,000**	**$83,045,000**		**$81,665,000 OF**
Section 4: EXPERIMENT STATIONS and EXTENSION SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Research Greenhouse Complex Final Phase	NDAES	NC	$6,991,650	$2,502,931	$9,494,581	private, grants	$6,991,650 GF $2,502,931 OF
2	Agronomy Laboratories (CREC, HREC, LREC, CGEC)	NDAES	NC	$5,275,000	$0	$5,275,000		$0
3	Seed Conditioning Plants (NCREC, CREC, WREC, LREC)	NDAES	NC, R	$8,400,000	$0	$8,400,000		$0
4	Learning/Conference Center at Western 4-H Camp, Washburn	Ext.	NC	$2,500,000	$1,300,000	$3,800,000	private, grants	$0
	Total State Funded Projects - Experiment Stations/Extension Service			**$23,166,650**	**$3,802,931**	**$26,969,581**		**$6,991,650 GF $2,502,931 OF $9,494,581 Total**
Section 5: FOREST SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Nursery Freezer Conversion/New Building	Forest Serv	R	$550,000	$0	$550,000		$0
	TOTAL - NDUS Ranked State General Fund Major Capital Projects Requested for Inclusion in 2011-13 Budget Request			**$134,991,650**	**$15,368,736**	**$150,360,386**		**$35,842,650 GF $1,320,000 POTF $84,167,931 OF $121,330,581 Total**
	TOTAL - NDUS Ranked State General Fund and Non-State Funded Requested Major Capital Projects for Inclusion in 2011-13 Budget Request, Plus Exec Recom Addns			**$135,171,650**	**$98,233,736**	**$233,405,386**		**$44,642,650 GF $2,320,000 POTF $84,667,931 OF $131,630,581 Total**

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NORTH DAKOTA
UNIVERSITY SYSTEM

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Annual Financial Report

Fiscal Year Ended June 30, 2010

NORTH DAKOTA UNIVERSITY SYSTEM

ANNUAL FINANCIAL REPORT

Fiscal Year Ended
JUNE 30, 2010

Prepared by the Director of Financial Reporting
North Dakota University System Office

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

NORTH DAKOTA UNIVERSITY SYSTEM
TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS:	
Statement of Net Assets	16
Statement of Revenues, Expenses, and Changes in Net Assets	17
Statement of Cash Flows	18
Statement of Net Assets – Component Units	19
Statement of Revenues, Expenses, and Changes in Net Assets – Component Units	21
Notes to Financial Statements	23
SUPPLEMENTARY INFORMATION:	
Combining Statement of Net Assets	68
Combining Statement of Revenues, Expenses, and Changes in Net Assets	70
Combining Statement of Cash Flows	72
Statement of Net Assets – Non-Major Component Units	74
Statement of Revenues, Expenses, and Changes in Net Assets – Non-Major Component Units	76
Schedule of Bonds Payable – Primary Institution	78
Financial Information for Revenue Producing Buildings (Unaudited)	81

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows provide information on the System as a whole and present a long-term view of the System's finances. Refer to Note 1 in the accompanying financial statements for activities included in the System's basic financial statements.

The statements assist in answering the question "Is the System as a whole financially better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information on the System as a whole and on its activities in a way that helps answer this question. The Statement of Cash Flows summarizes transactions affecting cash and cash equivalents during the fiscal year. It also provides information about the ability of the System to generate future cash flows necessary to meet its obligations and to evaluate its potential for additional financing.

Other non-financial factors, such as the condition of the campuses infrastructure, changes in legislative funding and changes in student enrollments need to be considered in order to assess the overall health of the System.

STATEMENT OF NET ASSETS

The Statement of Net Assets presents the financial position of the System at one point in time and includes all assets and liabilities of the System. Net assets are the difference between assets and liabilities and may be thought of as one way to measure the System's financial health, or financial position. Over time, increases or decreases in the System's net assets are an indicator of whether its financial health is improving or deteriorating.

Assets and liabilities are classified as either current or noncurrent. Current assets are those resources that are convertible to cash within one year and are available to satisfy current liabilities. Current assets include cash and cash equivalents, short-term investments and accounts receivable. Noncurrent assets are mainly long-term investments and property, equipment and intangibles. Current liabilities are those obligations of the System that are due within one year of the statement date. Noncurrent liabilities are comprised of long-term debt and other obligations of the System.

Net assets are reported in three categories: invested in capital assets, net of related debt; restricted net assets (both nonexpendable and expendable); and unrestricted net assets. Net assets invested in capital assets, net of related debt, consist of capital assets less the balance of the outstanding debt incurred during the construction or improvement of those assets. Restricted net assets are limited in use due to the constraints put in place by the donors or by law. Unrestricted net assets are those assets that do not qualify as either invested in capital assets, net of related debt, or restricted net assets but may have Board or other campus designated restrictions on use.

Unrestricted net assets encompass a wide array of core operational functions of the campuses. The balances shown are not only cash balances, but consist of investments, accounts receivable, inventories, and other non-liquid assets. Operating cycles create significant balance fluctuations during the fiscal year. Therefore, although some funds are not yet expended as of a particular point in time, they are generally designated for specific uses.

The following table shows the Condensed Statement of Net Assets at June 30, 2010 and 2009:

	2010	2009		Dollar Change	Percent Change
Current assets	245,085	$ 251,497		$ (6,412)	-3%
Capital assets, net	835,221	757,599	(1)	77,622	10%
Other noncurrent assets	153,012	103,850		49,162	47%
Total assets	$ 1,233,318	$ 1,112,946		$ 120,372	11%
Current liabilities	$ 97,262	$ 92,855	(1)	$ 4,407	5%
Noncurrent liabilities	311,131	265,180	(1)	45,951	17%
Total liabilities	$ 408,393	$ 358,035		$ 50,358	14%
Invested in capital assets, net	$ 561,022	$ 502,661	(1)	$ 58,361	12%
Restricted	106,801	100,284	(1)	6,517	6%
Unrestricted	157,102	151,966	(1)	5,136	3%
Total net assets	$ 824,925	$ 754,911		$ 70,014	9%
Current Ratio (current assets to current liabilities)	2.5	2.7			
Primary Reserve Ratio (expendable net assets to operating expenses)	0.26	0.27			

(1) 2009 amounts are adjusted for the effect of the Net Asset Restatements described in footnote 1 of the 2010 Annual Financial Report

Total assets increased $120.4 million during fiscal year 2010 to a total of $1.233 billion. Cash and equivalents increased $17.8 million and investments increased $18.8 million. Grants and contracts receivables increased $2.2 million. Net capital assets increased $77.6 million for net additions to property and equipment less depreciation expense, as discussed in a later section of this MD&A.

Total liabilities increased $50.4 million during fiscal year 2010 to a total of $408.4 million. Accounts payable and accrued liabilities increased $3.3 million due primarily to timing of billings. Long-term liabilities increased $46.0 million, as discussed in a later section of this MD&A.

The current ratio, calculated by dividing current assets by current liabilities, measures the System's ability to meet current obligations. The System's current ratio at June 30, 2010 was 2.5 to 1, which indicates the System's current assets are almost three times that of its current liabilities. A ratio of less than 1 to 1 would be cause for concern.

Total net assets increased $70.0 million during fiscal year 2010 as a result of the year's activity.

The primary reserve ratio (calculated by dividing expendable and unrestricted net assets by operating expenses), measures the ability of the System to continue operating at current levels, within current restrictions, without future revenues. Proof of an adequate reserve ratio is often required to secure long-term financing. The System's primary reserve ratio at June 30, 2010 is 0.26 to 1, which indicates in an emergency situation, the System could continue its current operations for approximately 14 weeks.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

The Statement of Revenues, Expenses, and Changes in Net Assets provides information about the System's activities during the year by reporting all the revenues and expenses for the year. In the Statement of Revenues, Expenses and Changes in Net Assets, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. When revenues and other support exceed expenses, the result is an increase in net assets. When the reverse occurs, the result is a decrease in net assets. The relationship between revenues and expenses may be thought of as the System's operating results.

Revenues and expenses are categorized as either operating or nonoperating. Operating revenues are revenues earned by the System in exchange for its goods and services, such as tuition and fees, grants and contracts, sales and services of educational departments and auxiliary enterprise revenues. Operating expenses are expenses incurred during the normal operations of the System and include, salaries and wages, operating expenses, depreciation, scholarships and fellowships and cost of sales and services. Nonoperating revenues and expense are those derived from non-exchange transactions. Examples include: insurance proceeds, investment income, gifts, state appropriations, interest on capital asset-related debt and gains or losses on capital assets. Even though state appropriations fund operating expenses, they are classified as nonoperating revenues as the Government Accounting Standards Board has ruled that they are not an exchange for goods or services. Other nonoperating items that are reported separately at the bottom of the statement include capital related transactions – appropriations, gifts, grants and transfers.

The following table shows a Condensed Statement of Revenues, Expenses and Changes in Net Assets for the fiscal years ended June 30, 2010 and 2009:

	2010	2009	Dollar Change	Percent Change
Operating revenues	$ 601,712	$ 571,483	$ 30,229	5%
Operating expenses	949,665	880,640	69,025	8%
Operating loss	(347,953)	(309,157)	(38,796)	12.5%
Nonoperating revenues, net of expenses	362,763	309,784	52,979	17%
Income before capital grants, gifts, and transfers	14,810	627	14,183	2263%
Capital appropriations, grants and gifts	60,776	31,509	29,267	93%
Transfers	(5,573)	(4,203)	(1,370)	33%
Increase in net assets	$ 70,013	$ 27,933	$ 42,080	151%
Tuition and Fees Funding Ratio (tuition and fees to operating expenses)	27%	28%		
Net Income Margin (increase in net assets to total revenue)	6.7%	3.0%		

From June 30, 2009, operating expenses increased 8 percent while operating revenues increased 5 percent, resulting in a 12.5 percent increase in the operating loss for fiscal year 2010 as compared to fiscal year 2009. Net income margin, calculated by dividing increase in net assets by total revenue, is a measure of current year financial status. The System's net income margin for fiscal year 2010 is 6.7 percent. A positive margin is good, as it signifies the System is not spending more than it is taking in.

Revenues

The following table shows revenues by source for the fiscal years ended June 30, 2010 and 2009:

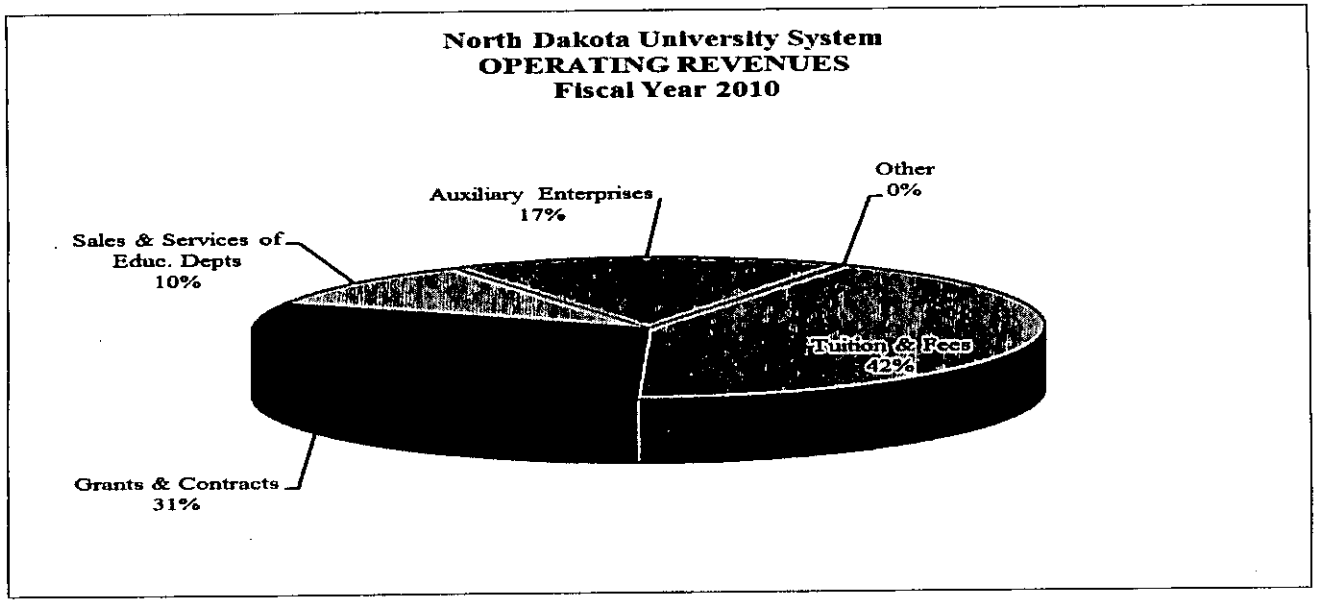
	June 30 (in Thousands)		Dollar Change	Percent Change
	2010	2009		
Operating revenues				
Student tuition and fees	$ 253,693	$ 244,594	$ 9,099	4%
Grants and contracts	186,341	173,529	12,813	7%
Sales and services of education departments	61,731	57,477	4,254	7%
Auxiliary enterprises	98,486	94,330	4,157	4%
Other	1,461	1,554	(93)	-6%
Total operating revenues	$ 601,712	$ 571,483	$ 30,229	5%
Nonoperating revenues, capital gifts and grants				
State Appropriations	$ 292,859	$ 261,729	$ 31,130	12%
Federal appropriations	6,166	5,543	623	11%
Federal grants and contracts	43,072	28,003	15,069	54%
Gifts	24,108	23,264	844	4%
Investment income	10,029	5,843	4,186	72%
Insurance proceeds	221	293	(72)	-25%
Tax revenues	2,493	2,366	127	5%
Gain on sale of capital assets	-	-	-	0%
Other nonoperating, net	-	24	(24)	-100%
State appropriations-capital assets	37,322	17,063	20,259	119%
Capital grants & gifts	23,454	13,946	9,508	68%
Total nonoperating revenues, capital gifts and grants	$ 439,724	$ 358,074	$ 81,649	23%
Total Revenues	$ 1,041,435	$ 929,558	$ 111,878	12%

Tuition and fee revenues increased 4 percent from fiscal year 2009. Grant and contract awards (included in operating revenues) increased 7 percent in fiscal year 2010. Within this total, federal grants and contracts revenue increased $12.5 million and state grants and contracts revenue increased $1.7 million while private grants and contracts decreased $1.4 million.

Revenues from auxiliary enterprises such as housing, bookstore and foodservice increased 4 percent from fiscal year 2009.

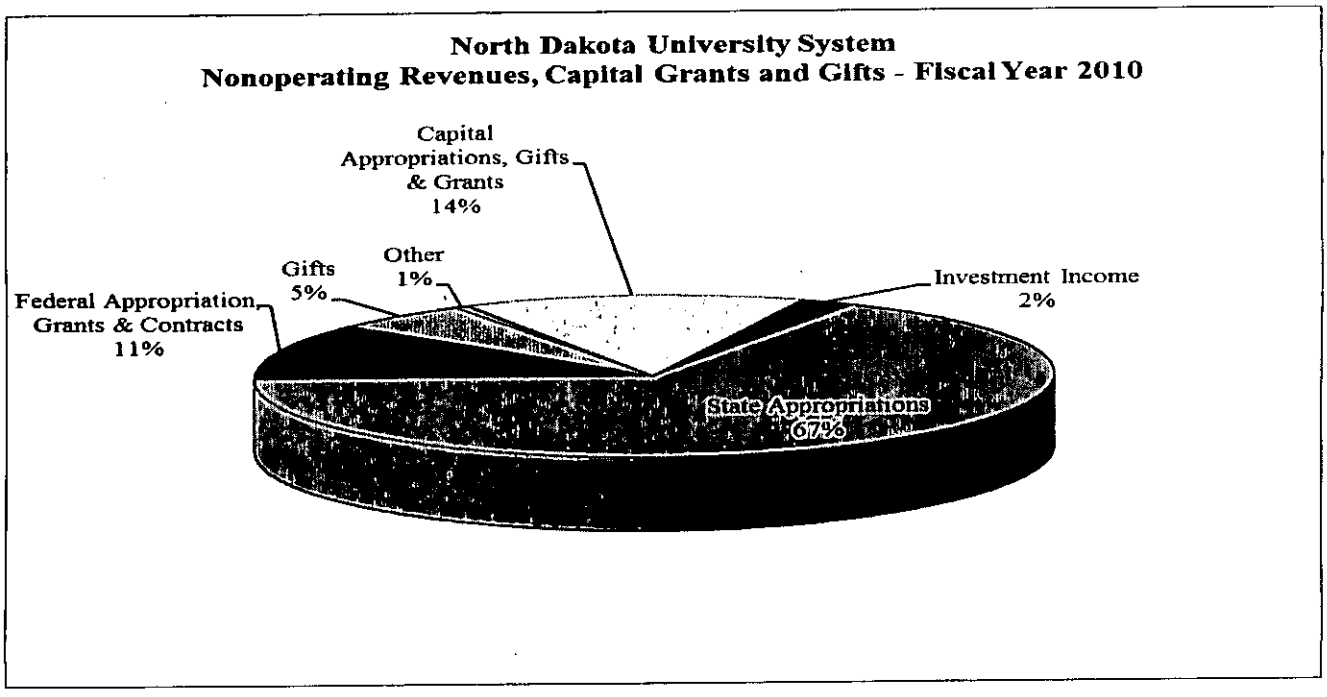
State appropriations, excluding capital assets, increased 12 percent over fiscal year 2009. Investment income increased 72 percent from fiscal year 2009, due to improved market conditions.

The following graph depicts sources of operating revenues for fiscal year 2010:



In fiscal year 2010, tuition and fees accounted for 42 percent of operating revenues as compared to 43 percent in the previous fiscal year.

The following chart depicts sources of nonoperating revenues, capital grants and gifts for fiscal year 2010:



Expenses

The following table shows expenses by natural classification for the fiscal years ended June 30, 2010 and 2009:

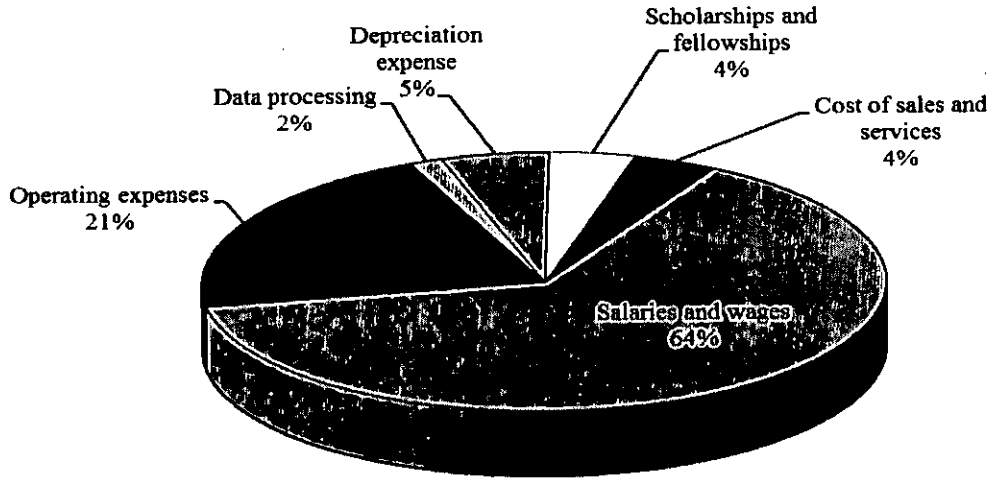
	June 30 (in Thousands) 2010	2009	Dollar Change	Percent Change
Operating expenses				
Salaries and wages	$ 607,927	$ 543,133	$ 64,794	12%
Operating expenses	201,855	210,827	(8,972)	-4%
Data processing	14,521	15,245	(724)	-5%
Depreciation expense	48,453	45,478	2,975	7%
Scholarships and fellowships	38,638	27,877	10,761	39%
Cost of sales and services	38,272	38,080	192	1%
Total operating expenses	$ 949,665	$ 880,640	$ 69,025	8%
Nonoperating expenses				
Interest on capital asset related debt	$ 13,641	$ 14,180	$ (539)	-4%
Loss on sale of capital assets	662	1,794	(1,132)	-63%
General and special grant expenditures	671	808	(137)	-17%
Other nonoperating, net	1,212	-	1,212	+100%
Total nonoperating expenses	$ 16,186	$ 16,782	$ (596)	-4%
Total expenses	$ 965,851	$ 897,421	$ 68,429	8%

Salaries and wages expense for the System increased by 12 percent in fiscal year 2010 as a result of wage increases and increases in insurance premiums. Operating expenses, including travel, office expenses, supplies, utilities, repairs, rents and leases, fees, instructional supplies and other general expenses decreased 4 percent in fiscal year 2010 which is lower than the Higher Education Price Index which reported a 0.9% increase for fiscal year 2010.

Scholarships and fellowships expense increased 39 percent primarily due to increases in the state student financial assistance grant.

The allocation of operating expenses among the natural classification categories has not changed significantly from fiscal year 2009. The following chart depicts the uses of operating funds according to natural classification for fiscal year 2010:

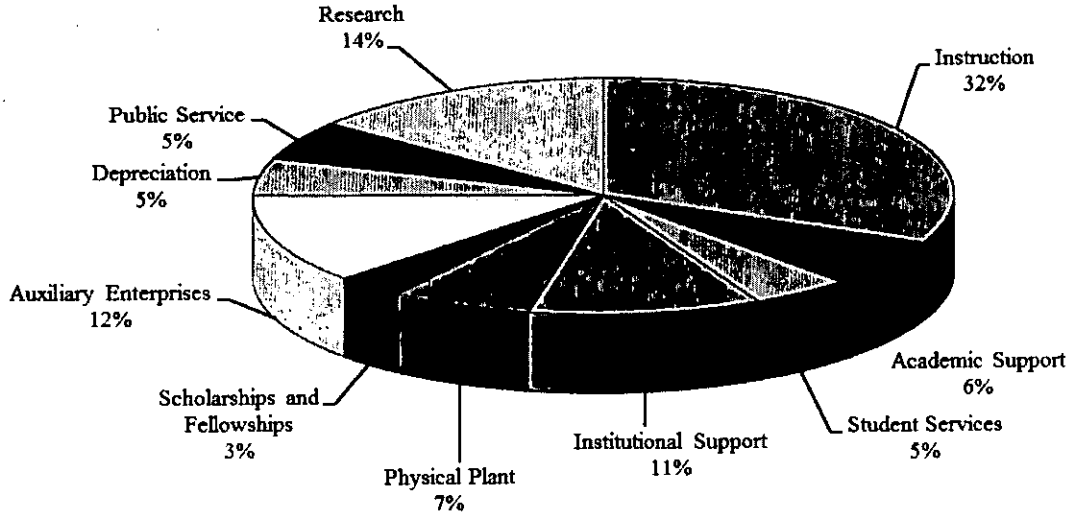
North Dakota University System
OPERATING EXPENSES - Fiscal Year 2010
(excluding capital items and other nonoperating expenses)



In addition to their natural classification, it is also informative to review operating expenses by function. The following chart illustrates operating expenses by function for fiscal year 2010:

North Dakota University System
OPERATING EXPENSES BY FUNCTION - Fiscal Year 2010

(excluding capital items and other nonoperating expenses)



The allocation of expenses to functional areas has not changed significantly from prior year.

Instructional expenses, at 32 percent, continue to represent the largest expenditure category. The instructional function includes all expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. Academic support includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. Student services include all offices that provide a specific service to students, including career services, registration, admission and counseling. Institutional support includes staff that support the institution as a whole (e.g. business office, IT support and president's office). The physical plant function includes upkeep, maintenance and utilities for campus facilities. Scholarships and fellowships include aid provided to students. Auxiliary enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing. Depreciation represents the non-cash expense of capitalized assets over time. Public service includes expenses for activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. All activities specifically organized to produce research, which is mostly federally funded, is included in the research function.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows shows inflows and outflows of cash without regard to accrual items. Cash flows from operating activities on the Statement of Cash Flows will always be different from the operating gain or loss on the Statement of Revenues, Expenses, and Changes in Net Assets (SRECNA) because of the inclusion of noncash items, such as depreciation expense, on the SRECNA. Also, the SRECNA is prepared on the accrual basis of accounting, meaning that it shows revenues earned and expenses incurred. The primary cash receipts from operating activities consist of tuition and fees, grants and contracts, and auxiliary income from housing, food service and bookstore operations. Cash outlays include payment of wages and benefits; operating expenses such as utilities, supplies, insurance and repairs; and, scholarships to students.

State appropriations are the primary source of cash flows from noncapital financing activities. Accounting standards require that we reflect this source of revenue as nonoperating, even though the campus budgets depend on this to continue the current level of operations. Other noncapital financing activity includes gifts received from endowment and charitable gift annuities.

Cash flows from capital and related financing activities include all plant funds and related long term debt activities (except depreciation and amortization), as well as capital gifts, grants and appropriations. Purchase and sale of investments and income earned on investments are included in cash flows from investing activities.

The Condensed Statement of Cash Flows for the fiscal years ended June 30, 2010 and 2009 is shown below:

June 30, 2010 and 2009 (in Thousands)

	2010	2009
Cash flows from operating activities	$ (296,941)	$ (261,811)
Cash flows from noncapital financing activities	363,989	327,695
Cash flows from capital and related financing activities	(40,707)	(70,817)
Cash flows from investing activities	(8,556)	(5,966)
Increase (decrease) in cash and cash equivalents during the year	$ 17,785	$ (10,899)

Consistent with accounting standards, cash flows from state appropriations (excluding capital assets) are included in noncapital financing activities, even though they provide funding for operating activities. Cash

received from state appropriations, excluding capital assets, in fiscal year 2010 was $290.7 million. If this figure is added to the cash flows from operating activities, the result is a negative cash flow of $6.3 million.

CAPITAL ASSET AND LONG-TERM LIABILITIES HIGHLIGHTS

CAPITAL ASSETS

On June 30, 2010, the System had $835.2 million invested in net capital assets, as reflected in the following table, which represents a net increase of $77.6 million or 10 percent during the fiscal year.

Capital Assets
June 30, 2010 and 2009 (in Thousands)

	2010	2009 [1]
Land	$ 16,079	$ 16,079
Land improvements/infrastructure	158,500	152,845
Buildings	911,743	856,574
Furniture, fixtures, and equipment	250,051	234,449
Library materials	101,796	99,562
Construction in progress	63,864	32,721
Capitalized software	21,285	20,118
Other intangibles	516	340
Total	$ 1,523,835	$ 1,412,688
Total accumulated depreciation	(688,614)	(655,089)
Capital assets, net	$ 835,221	$ 757,599

[1] 2009 amounts are adjusted for the effect of the Net Asset Restatements described in footnote 1 of the 2010 Annual Financial Report

Total additions to depreciable capital assets in fiscal year 2010 were $73.2 million. Construction in progress for other projects underway totaled $63.9 million at June 30, 2010. Some of the major projects, and their estimated project costs, include:

- Tech Center renovation at BSC - $3.4 million
- Stickney Hall renovation at DSU - $1.2 million
- Science Library renovation and
  Education Building addition at MaSU - $5.1 million
- Agassiz Hall renovation at MaSU - $3.7 million
- Swain Hall addition at MiSU - $13.3 million
- Wellness Center at MiSU - $12.8 million
- Stadium-football field at MiSU - $2.8 million
- Geothermal conversion at MiSU - $1.2 million

- Horton Hall renovation at NDSCS - $5.7 million
- Bison Sports Arena at NDSU - $25.2 million
- Agriculture Research Greenhouse at NDSU - $23.2 million
- Niskanen Hall at NDSU - $20.0 million
- Minard Hall renovation at NDSU - $18.0 million
- Upper Great Plains Transportation Institute - $8.0 million
- West Dining Center Addition at NDSU - $7.0 million
- Bison Sports Arena at NDSU - $25.2 million
- Equipment fabrications at UND - $1.5 million
- Aerospace Hanger at UND - $1.3 million
- Education Building at UND - $1.2 million
- Snoeyenbos renovation at VCSU - $3.5 million
- Osmon Field House structural repair at VCSU - $1.2 million
- Residence Hall at WSC - $9.9 million
- Career and Technology Center at WSC - $6.0 million
- Science Lab addition - $2.2 million

Outstanding commitments for these and other capital projects as of June 30, 2010 totaled $65.0 million. More detailed information about the System's capital assets is presented in Note 5 and Note 14 to the financial statements.

LONG-TERM LIABILITIES

On June 30, 2010, the System had $328.8 million in bonds and other long-term obligations outstanding, compared to $284.2 million on June 30, 2009.

Long-Term Liabilities
June 30, 2010 and 2009 (in Thousands)

	2010	2009
Bonds Payable	$ 218,648	$ 185,799
Notes Payable	8,316	3,243
Capital Leases	72,279	67,889
Special Assessments	1,355	1,532
Compensated Absences	28,171	25,708
Total Debt	$ 328,769	$ 284,171
Viability Ratio (expendable net assets to L-T debt)	0.8	0.9

Long-term liabilities added in fiscal year 2010 totaled approximately $69.7 million, including: four revenue bonds totaling $41.4 million for new construction and renovation projects, $19.7 million in new capital leases for purchase of capital assets, $6.1 million in new notes payable for energy improvements and $2.5 million in other long-term obligations. Total debt retired in fiscal year 2010 was $25.1 million, consisting primarily of capital lease payments of $15.3 million, bond payments of $8.6 million and other regularly scheduled principal

payments. At June 30, 2010, $95.6 million of auxiliary enterprise revenues (97 percent) are pledged as security for outstanding revenue bonds.

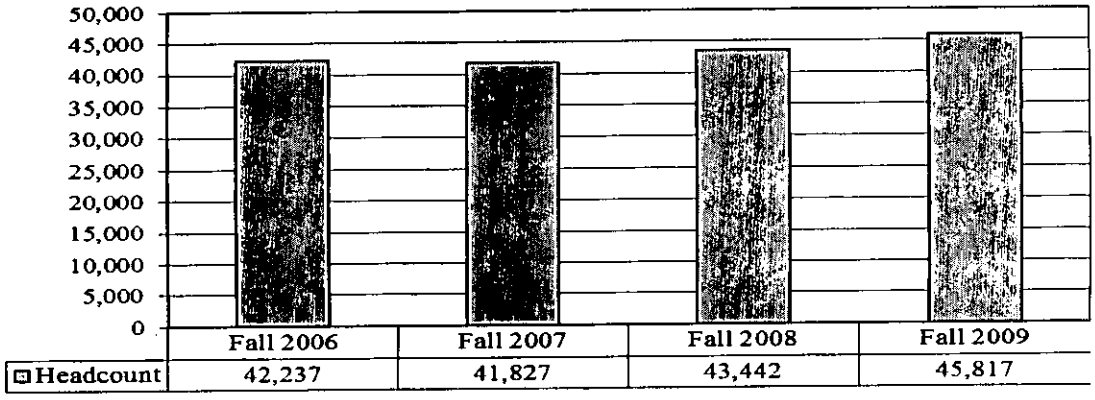
The viability ratio, calculated by dividing expendable net assets by long-term debt, measures the System's ability to retire long-term debt using available current resources. The System's viability ratio at June 30, 2010 of .8 to 1 indicates the System needs to watch its future debt levels closely as a ratio of 1 to 1 or greater is preferred. More detailed information about the System's long-term liabilities is presented in Notes 7 through 11 to the financial statements.

OTHER HIGHLIGHTS

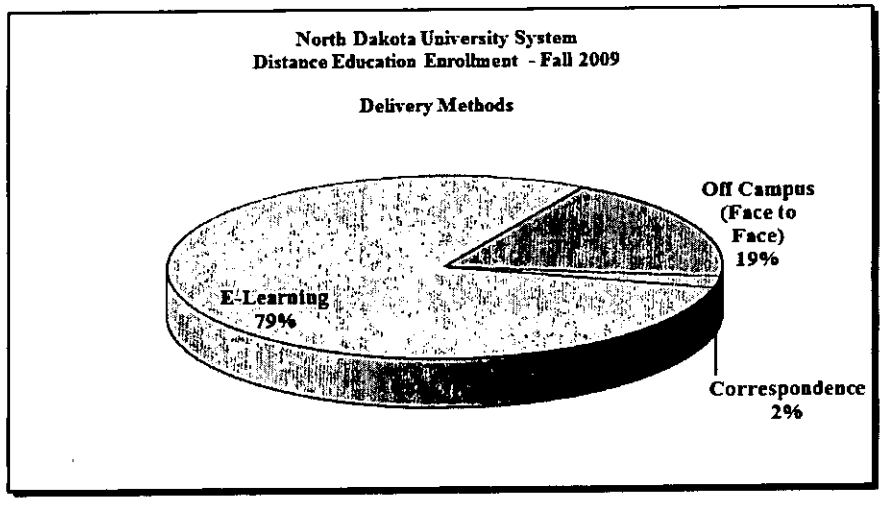
STUDENT ENROLLMENTS

Annual unduplicated degree credit headcount for Fall 2009 was 45,817, an increase of 5 percent the previous fall enrollment. Degree credit headcount for the University System for the last four fall terms is as follows:

North Dakota University System
Degree Credit Headcount for the Fall Term



E Learning (internet, IVN and other) accounts for 79 percent of all distance education offerings, compared to 80 percent in fiscal year 2009.



STATE FUNDING

The 2009 Legislative Assembly approved a state general fund appropriation for all entities of the North Dakota University System (including major capital projects) of $695.2 million for the 2009-11 biennium. This was an increase of $183.2 million or 35.8 percent more than the 2007-09 adjusted appropriation. In total, $104.1 million was included for base funding; $23.1 million for one-time deferred maintenance and other specific projects and the remaining $56.0 million one-time funding was for major capital projects. Excluding major capital projects, the total general fund increase over 2009-11 was $127.2 million or 24.8 percent for all NDUS entities. The System's appropriation (excluding ag extension and research centers) as a percentage of the state's total 2009-11 general fund budget was 18.4 percent, compared to 19.2 percent in 2007-09.

An additional $10.4 million was provided in one-time funding from the permanent oil tax trust fund for the following: $5.0 million for the Virtual Career and Technical Center at WSC and $5.4 million to the UND School of Medicine and Health Sciences for the Bismarck Family Practice Center. In addition, $16.7 million was provided in one-time funding from the Governor's flexible ARRA funds for the following: $500,000 to UND to support a simulation laboratory initiative, $11.2 million to UND for the Education Building capital project and $5.0 million to MiSU for the Swain Hall capital project.

FINANCIAL CONTACT

The System's financial statements are designed to present users with a general overview of the System's finances and to demonstrate accountability. If you have questions about the report or need additional financial information, contact the System's Director of Financial Reporting at 701-328-3401; State Capitol - 10th Floor, 600 E. Boulevard, Bismarck, ND 58505-0230.

NORTH DAKOTA UNIVERSITY SYSTEM
FINANCIAL STATEMENTS
JUNE 30, 2010

STATEMENT OF NET ASSETS

	Primary Institution	Component Units
ASSETS		
Current assets		
Cash and cash equivalents	$ 69,271,091	$ 27,310,643
Investments	76,666,717	6,410,194
Accounts receivable, net	17,712,288	27,374,133
Receivable from component units	7,272,422	-
Receivable from primary institution	-	2,969,474
Due from State General Fund	11,532,067	-
Grants & contracts receivables, net	42,891,209	-
Inventories	7,815,762	543,595
Notes receivable, net	8,929,737	-
Other assets	2,993,264	991,433
Total current assets	245,084,557	65,599,472
Noncurrent assets		
Restricted cash and cash equivalents	12,230,181	7,035,086
Restricted investments	26,292,410	65,728,071
Endowment investments	13,338,782	230,971,487
Noncurrent receivable from primary institution	-	54,102,031
Notes receivable, net	32,110,034	1,659,750
Other long-term investments	65,101,858	25,285,864
Unamortized bond discount & cost of issuance	3,939,147	1,730,151
Other noncurrent assets	-	36,074,459
Capital assets, net	835,220,854	140,823,573
Total noncurrent assets	988,233,266	563,410,472
Total assets	$ 1,233,317,823	$ 629,009,944
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 29,059,218	$ 5,789,623
Payable to component units	722,510	-
Payable to primary institution	-	7,272,422
Accrued payroll	27,792,137	130,145
Deferred revenue	14,511,713	7,645,299
Deposits	6,307,922	3,293,494
Long-term liabilities--current portion		
Due to Component Units	2,246,964	-
Due to Others	16,621,765	5,606,828
Total current liabilities	97,262,229	29,737,811
Noncurrent liabilities		
Liabilities under trust agreements	-	8,938,091
Other noncurrent liabilities	1,231,003	18,094,528
Long-term liabilities		
Due to Component Units	54,102,031	-
Due to Others	255,797,787	95,796,022
Total noncurrent liabilities	311,130,821	122,828,641
Total liabilities	$ 408,393,050	$ 152,566,452
NET ASSETS		
Invested in capital assets, net of related debt	$ 561,021,967	$ 111,818,553
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	13,231,395	-
Other (CU)	-	265,856,792
Expendable:		
Scholarships and fellowships	5,160,342	-
Research	16,308,849	-
Institutional	13,124,697	-
Loans	45,319,180	-
Capital projects	148,864	-
Debt service	13,317,994	-
Other	189,765	72,521,709
Unrestricted	157,101,720	26,246,438
Total net assets	$ 824,924,773	$ 476,443,492

See Notes to Financial Statements

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	Primary Institution	Component Units
OPERATING REVENUES		
Student tuition and fees (net of scholarship allowances of $55,783,009)	$ 253,693,095	$ 29,545,683
Federal grants and contracts	142,865,214	-
State grants and contracts	17,129,203	-
Nongovernmental grants and contracts	26,346,799	-
Gifts & Contributions (CU)	-	27,992,679
Sales and services of educational departments	61,730,681	-
Auxiliary enterprises (net of scholarship allowances of $4,219,648; $95,610,079 of revenues are pledged as security for revenue bonds)	98,486,095	-
Event income (CU)	-	8,328,999
Rental income (CU)	-	3,691,972
Other	1,461,178	13,692,155
Total operating revenues	$ 601,712,265	$ 83,251,488
OPERATING EXPENSES		
Salaries and wages	$ 607,926,781	$ 11,668,050
Operating expenses	201,854,841	39,924,045
Data processing	14,520,838	-
Depreciation expense	48,453,001	10,401,055
Scholarships and fellowships	38,637,684	-
Cost of sales and services	38,271,721	-
Total operating expenses	$ 949,664,866	$ 61,993,150
Operating income (loss)	$ (347,952,601)	$ 21,258,338
NONOPERATING REVENUES (EXPENSES)		
State appropriations	$ 292,859,099	$ -
Federal appropriations	6,166,317	-
Federal grants and contracts	43,071,652	2,875,559
Gifts	24,107,951	177,500
Endowment Investment income (net of investment expense of $82,353)	10,028,784	29,661,269
Interest on capital asset-related debt	(13,641,264)	(2,698,532)
Gain (loss) on disposal of capital assets	(662,060)	30,347
Insurance proceeds	220,739	-
Tax revenues	2,493,287	-
General and special grant expenditures	(671,132)	-
Payments to or for the institution (CU)	-	(41,454,387)
Other nonoperating revenues (expenses)	(1,210,516)	597,936
Net nonoperating revenues (expenses)	$ 362,762,857	$ (10,810,308)
Income before capital grants, gifts, and transfers	$ 14,810,256	$ 10,448,030
State appropriations-capital assets	$ 37,321,763	$ -
Transfers to Building Authority	(5,572,659)	-
Inter-institutional transfers	-	-
Capital grants and gifts	23,454,105	-
Additions to permanent endowments (CU)	-	19,011,618
Increase in net assets	$ 70,013,465	$ 29,459,648
NET ASSETS		
Net assets--beginning of year, as restated (Refer to Note 1)	754,911,308	446,983,844
Net assets--end of year	$ 824,924,773	$ 476,443,492

See Notes to Financial Statements

STATEMENT OF CASH FLOWS

	Primary Institution
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	$ 257,985,956
Grants and contracts	185,442,166
Payments to suppliers	(252,912,227)
Payments to employees	(603,349,603)
Payments for scholarships and fellowships	(38,637,684)
Loans issued to students	(6,754,418)
Collection of loans to students	4,882,039
Auxiliary enterprise charges	98,614,258
Sales and service of educational departments	56,256,059
Cash received on deposits	1,082,550
Other receipts	449,949
Net cash used by operating activities	$ (296,940,955)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State appropriations	$ 290,677,654
Federal appropriations	6,155,352
Grants and gifts received for other than capital purposes	67,152,232
Grants given for other than capital purposes	(871,132)
Agency fund cash decrease	(1,618,025)
Tax revenues	2,493,287
Net cash flows provided by noncapital financing activities	$ 363,989,368
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from issuance of debt	$ 47,408,782
Transfers to Building Authority	(5,425,762)
Capital appropriations	36,021,345
Capital grants and gifts received	19,932,018
Proceeds from sale of capital assets	1,186,199
Purchases of capital assets	(101,940,452)
Insurance proceeds	378,046
Principal paid on capital debt and lease	(25,067,090)
Deposits with capital debt payment trustees	(230,899)
Interest paid on capital debt and lease	(12,968,810)
Net cash used by capital and related financing activities	$ (40,706,623)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	$ 59,688,389
Interest on investments	7,643,332
Purchase of investments	(75,887,780)
Net cash used by investing activities	$ (8,556,059)
Net increase in cash	$ 17,785,731
CASH - BEGINNING OF YEAR	63,715,541
CASH - END OF YEAR	$ 81,501,272
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income	$ (347,952,601)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities	
Depreciation expense	48,453,001
Other nonoperating expenses	(519,553)
Change in assets and liabilities	
Accounts receivable adjusted for interest receivable	(1,879,890)
Grant & contract receivables	(899,049)
Inventories	(605,199)
Notes receivable	(507,366)
Other assets	(1,062,471)
Accounts payable and accrued liabilities adjusted for interest payable	48,247
Accrued payroll	2,114,377
Compensated absences	2,462,801
Deferred revenue	2,324,197
Deposits	1,082,550
Net cash used by operating activities	$ (296,940,955)
SUPPLEMENTAL DISCLOSURE ON NON CASH TRANSACTIONS	
Assets acquired through capital lease	$ 18,813,748
Assets acquired through special assessment	-
Expenses paid by capital lease/special assessments	899,079
Gifts of capital assets	5,023,754
Net increase in value of investments	2,843,332
Total non-cash transactions	$ 27,579,913

STATEMENT OF NET ASSETS - MAJOR COMPONENT UNITS

	BSC Foundation June 30, 2010	DSU Foundation June 30, 2010	NDSU Development Foundation June 30, 2010	NDSU Research & Technology Park June 30, 2010	UND Aerospace Foundation June 30, 2010
ASSETS					
Current assets					
Cash and cash equivalents	$ 82,962	$ 2,192,231	$ 2,063,433	$ 3,220,485	$ 4,421,749
Investments	-	-	25	-	-
Accounts receivable, net	1,053,305	2,229,698	5,134,286	62,659	4,032,480
Receivable from primary institution	45,194	-	547,765	182,563	1,526,716
Inventories	-	-	-	-	127,187
Other assets	61,495	49,414	434,582	60,666	187,206
Total current assets	1,242,956	4,471,343	8,180,091	3,526,373	10,295,338
Noncurrent assets					
Restricted cash and cash equivalents	147,370	260,488	603,356	250,599	-
Restricted investments	4,660,093	2,264,641	15,091,158	-	-
Endowment investments	6,457,167	6,483,664	82,095,916	-	-
Noncurrent receivable from primary institution	1,195,000	-	-	456,536	-
Notes receivable, net	-	-	-	1,659,750	-
Other long-term investments	301,558	300,000	37,984,592	-	6,310
Unamortized bond discount & cost of issuance	38,993	-	-	1,691,158	-
Other noncurrent assets	571,840	3,872,996	5,983,069	43,027	345,340
Capital assets, net	16,845,790	908,575	5,481,842	27,861,083	19,434,130
Total noncurrent assets	30,217,811	14,090,364	147,239,933	31,962,153	19,785,780
Total assets	$ 31,460,767	$ 18,561,707	$ 155,420,024	$ 35,488,526	$ 30,081,118
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	$ 36,752	$ 827,124	$ 1,100,726	$ 219,987	$ 1,094,143
Payable to primary institution	85,120	327,653	-	-	190,334
Accrued payroll	-	68,096	-	62,049	-
Deferred revenue	-	-	-	-	6,256,613
Deposits	-	-	623,238	-	-
Long-term liabilities--current portion					
Due to Others	808,098	277,210	891,062	956,491	1,204,542
Total current liabilities	929,970	1,500,083	2,615,026	1,238,527	8,745,632
Noncurrent liabilities					
Deferred revenue	3,796,534	-	-	-	-
Liabilities under trust agreements	2,036,601	1,270,773	5,630,717	-	-
Other noncurrent liabilities	745,654	-	-	1,003,700	-
Long-term liabilities					
Due to Others	2,622,701	9,221,533	22,638,867	27,492,446	8,356,282
Total noncurrent liabilities	9,201,490	10,492,306	28,269,584	28,496,146	8,356,282
Total liabilities	$ 10,131,460	$ 11,992,389	$ 30,884,610	$ 29,734,673	$ 17,101,914
NET ASSETS					
Invested in capital assets, net of related debt	$ 9,618,457	$ 609,832	$ 5,481,842	$ -	$ 9,873,306
Restricted for:					
Nonexpendable:					
Other (CU)	11,678,178	9,861,357	95,432,725	-	-
Expendable:					
Other	1,372,144	(2,554,608)	19,721,507	327,162	-
Unrestricted	(1,339,472)	(1,347,263)	3,899,340	5,426,691	3,105,898
Total net assets	$ 21,329,307	$ 6,569,318	$ 124,535,414	$ 5,753,853	$ 12,979,204

See Notes to Financial Statements

STATEMENT OF NET ASSETS - MAJOR COMPONENT UNITS - Continued

	UND Alumni Association & UND Foundation June 30, 2010	RE Arena, Inc UND Arena Services, Inc. UND Sports Facilities, Inc. Arena Holdings Charitable LLC & Affiliates May 31, 2010	Elimination (Note 15)	Total Major Component Units	Non-major Component Units	Total Component Units
ASSETS						
Current assets						
Cash and cash equivalents	$ 3,639,197	$ 2,467,564	$ -	$ 18,087,621	$ 9,223,022	$ 27,310,643
Investments	-	-	-	25	6,410,169	6,410,194
Accounts receivable, net	12,489,718	1,237,665	182,563	26,422,374	951,759	27,374,133
Receivable from primary institution	422,332	96,387	142,238	2,963,195	6,279	2,969,474
Inventories	-	405,571	-	532,758	10,837	543,595
Other assets	31,852	131,283	-	956,498	34,935	991,433
Total current assets	16,583,099	4,338,470	324,801	48,962,471	16,637,001	65,599,472
Noncurrent assets						
Restricted cash and cash equivalents	-	3,593,294	-	4,855,107	2,179,979	7,035,086
Restricted investments	37,347,341	-	-	59,363,233	6,364,838	65,728,071
Endowment investments	104,577,147	-	-	199,613,894	31,357,593	230,971,487
Noncurrent receivable from primary institution	9,820,724	-	42,629,771	54,102,031	-	54,102,031
Notes receivable, net	-	-	-	1,659,750	-	1,659,750
Other long-term investments	4,523,676	-	(18,789,932)	24,326,204	959,660	25,285,864
Unamortized bond discount & cost of issuance	-	-	-	1,730,151	-	1,730,151
Other noncurrent assets	22,769,036	-	456,536	34,041,844	2,032,615	36,074,459
Capital assets, net	1,775,200	76,793,605	(29,998,691)	119,101,534	21,722,039	140,823,573
Total noncurrent assets	180,813,124	80,386,899	(5,702,316)	498,793,748	64,616,724	563,410,472
Total assets	$ 197,396,223	$ 84,725,369	$ (5,377,515)	$ 547,756,219	$ 81,253,725	$ 629,009,944
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities	$ 442,986	$ 1,356,497	$ -	$ 5,078,215	$ 711,408	$ 5,789,623
Payable to primary institution	22,601	3,601,083	-	4,226,791	3,045,631	7,272,422
Accrued payroll	-	-	-	130,145	-	130,145
Deferred revenue	4,959	1,383,727	-	7,645,299	-	7,645,299
Deposits	2,670,256	-	-	3,293,494	-	3,293,494
Long-term liabilities--current portion			-			
Due to Others	838,521	351,089	-	5,327,013	279,815	5,606,828
Total current liabilities	3,979,323	6,692,396	-	25,700,957	4,036,854	29,737,811
Noncurrent liabilities						
Deferred revenue	-	-	(3,796,534)	-	-	-
Liabilities under trust agreements	-	-	-	8,938,091	-	8,938,091
Other noncurrent liabilities	15,995,675	-	-	17,745,029	349,499	18,094,528
Long-term liabilities						
Due to Others	12,513,466	3,170,391	-	86,015,686	9,780,336	95,796,022
Total noncurrent liabilities	28,509,141	3,170,391	(3,796,534)	112,698,806	10,129,835	122,828,641
Total liabilities	$ 32,488,464	$ 9,862,787	$ (3,796,534)	$ 138,399,763	$ 14,166,689	$ 152,566,452
NET ASSETS						
Invested in capital assets, net of related debt	$ 1,775,200	$ 73,272,125	$ (1,580,981)	$ 99,049,781	$ 12,768,772	$ 111,818,553
Restricted for:						
Nonexpendable:						
Other (CU)	111,842,424	-	-	228,814,684	37,042,108	265,856,792
Expendable:				-		
Other	39,352,635	3,593,294	-	61,812,134	10,709,575	72,521,709
Unrestricted	11,937,500	(2,002,837)	-	19,679,857	6,566,581	26,246,438
Total net assets	$ 164,907,759	$ 74,862,582	$ (1,580,981)	$ 409,356,456	$ 67,087,036	$ 476,443,492

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - MAJOR COMPONENT UNITS

	BSC Foundation June 30, 2010	DSU Foundation June 30, 2010	NDSU Development Foundation June 30, 2010	NDSU Research & Technology Park June 30, 2010	UND Aerospace Foundation June 30, 2010	UND Alumni Association & UND Foundation June 30, 2010
OPERATING REVENUES						
Student tuition and fees	$ -	$ -	$ -	$ -	$ 29,545,683	$ -
Gifts & Contributions (CU)	977,980	1,662,979	4,806,834	234,990	122,630	14,856,390
Event income (CU)	226,182	-	-	-	962,704	-
Rental income (CU)	54,980	202,705	-	2,477,096	-	-
Other	-	-	-	318,534	-	4,579,353
Total operating revenues	$ 1,259,142	$ 1,865,684	$ 4,806,834	$ 3,030,620	$ 30,631,017	$ 19,435,743
OPERATING EXPENSES						
Salaries and wages	$ 134,657	$ 282,765	$ 1,935,873	$ 451,288	$ 1,630,490	$ 2,820,697
Operating expenses	244,714	511,952	4,635,068	578,546	21,491,520	1,074,315
Depreciation expense	432,252	47,307	391,517	1,016,685	2,077,612	48,098
Total operating expenses	$ 811,623	$ 842,024	$ 6,962,458	$ 2,046,519	$ 25,199,622	$ 3,943,110
Operating income (loss)	$ 447,519	$ 1,023,660	$ (2,155,624)	$ 984,101	$ 5,431,395	$ 15,492,633
NONOPERATING REVENUES (EXPENSES)						
Federal grants and contracts	$ -	$ -	$ -	$ -	$ -	$ -
Gifts	-	-	-	-	177,500	-
Investment income	1,153,891	1,414,831	13,719,154	35,469	29,772	7,718,214
Interest on capital asset-related debt	(183,205)	(248,506)	-	(1,006,607)	(451,700)	-
Gain (loss) on disposal of capital assets	-	-	-	-	10,803	-
Payments to or for the institution (CU)	(1,253,318)	(12,003,462)	(5,238,212)	-	-	(14,460,335)
Other nonoperating revenues (expenses)	(235,990)	84,514	951,783	(91,069)	-	-
Net nonoperating revenues (expenses)	$ (518,622)	$ (10,752,623)	$ 9,432,725	$ (1,062,207)	$ (233,625)	$ (6,742,121)
Income (loss) before capital grants, gifts, and transfers	$ (71,103)	$ (9,728,963)	$ 7,277,101	$ (78,106)	$ 5,197,770	$ 8,750,512
Additions to permanent endowments	$ 430,372	$ 964,078	$ 4,410,652	$ -	$ -	$ 11,595,926
Increase in net assets	$ 359,269	$ (8,764,885)	$ 11,687,753	$ (78,106)	$ 5,197,770	$ 20,346,438
NET ASSETS						
Net assets--beginning of year, as restated (Refer to Note 1)	$ 20,970,038	$ 15,334,203	$ 112,847,661	$ 5,831,959	$ 7,781,434	$ 144,561,321
Net assets--end of year	$ 21,329,307	$ 6,569,318	$ 124,535,414	$ 5,753,853	$ 12,979,204	$ 164,907,759

See Notes to Financial Statements

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - MAJOR COMPONENT UNITS - Continued

	RE Arena, Inc UND Arena Services, Inc. UND Sports Facilities, Inc. Arena Holdings Charitable LLC & Affiliates May 31, 2010	Elimination (Note 15)	Total Major Component Units	Non-major Component Units	Total Component Units
OPERATING REVENUES					
Student tuition and fees	$ -	$ -	$ 29,545,683	$ -	$ 29,545,683
Gifts & Contributions (CU)	-	-	22,661,803	5,330,876	27,992,679
Event income (CU)	6,647,877	-	7,836,763	492,236	8,328,999
Rental income (CU)	161,323	(116,474)	2,779,630	912,342	3,691,972
Other	1,411,736	-	6,309,623	7,382,532	13,692,155
Total operating revenues	$ 8,220,936	$ (116,474)	$ 69,133,502	$ 14,117,986	$ 83,251,488
OPERATING EXPENSES					
Salaries and wages	$ 2,729,317	$ -	$ 9,985,087	$ 1,682,963	$ 11,668,050
Operating expenses	3,277,448	39,001	31,852,564	8,071,481	39,924,045
Depreciation expense	5,725,651	(194,872)	9,544,250	856,805	10,401,055
Total operating expenses	$ 11,732,416	$ (155,871)	$ 51,381,901	$ 10,611,249	$ 61,993,150
Operating Income	$ (3,511,480)	$ 39,397	$ 17,751,601	$ 3,506,737	$ 21,258,338
NONOPERATING REVENUES (EXPENSES)					
Federal grants and contracts	$ -	$ -	$ -	$ 2,875,559	$ 2,875,559
Gifts	-	-	177,500	-	177,500
Investment income	-	-	24,071,331	5,589,938	29,661,269
Interest on capital asset-related debt	(249,686)	-	(2,139,704)	(558,828)	(2,698,532)
Gain (loss) on disposal of capital assets	-	-	10,803	19,544	30,347
Payments to or for the institution (CU)	(661,460)	-	(33,616,787)	(7,837,600)	(41,454,387)
Other nonoperating revenues/expenses	-	-	709,238	(111,302)	597,936
Net nonoperating revenues (expenses)	$ (911,146)	$ -	$ (10,787,619)	$ (22,689)	$ (10,810,308)
Income (loss) before capital grants, gifts, and transfers	$ (4,422,626)	$ 39,397	$ 6,963,982	$ 3,484,048	$ 10,448,030
Additions to permanent endowments	$ -	$ -	$ 17,401,028	$ 1,610,590	$ 19,011,618
			-		
Increase (decrease) in net assets	$ (4,422,626)	$ 39,397	$ 24,365,010	$ 5,094,638	$ 29,459,648
NET ASSETS					
Net assets--beginning of year, as restated (Refer to Note 1)	$ 79,285,208	$ (1,620,378)	$ 384,991,446	$ 61,992,398	$ 446,983,844
Net assets--end of year	$ 74,862,582	$ (1,580,981)	$ 409,356,456	$ 67,087,036	$ 476,443,492

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, as summarized below, and the financial statements for the North Dakota University System are in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) which is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles.

REPORTING ENTITY

The North Dakota State Board of Higher Education (Board) is the governing body for North Dakota's eleven publicly supported colleges and universities. In addition to these eleven institutions, the Board also oversees the Agricultural Research Centers, Agronomy Seed Farm, North Dakota Cooperative Extension Service, Northern Crops Institute, School of Medicine and Health Sciences, the State Forest Service, and the Upper Great Plains Transportation Institute. The Board was established in 1939 when the voters of North Dakota approved an initiated measure to add Article VIII to the State Constitution. The Board consists of eight voting members. The Governor, with the advice and consent of the Senate, appoints seven of the eight voting members. The eighth member is a full-time resident student appointed by the Governor. A ninth member is a faculty member (non-voting) selected by the statewide Council of College Faculties. The Board is an entity of the executive branch of the government of the State of North Dakota. The colleges and universities governed by the Board are collectively known and referred to as the North Dakota University System hereafter referred to as the University System. The Board appoints a Commissioner of Higher Education (Chancellor) to serve as the chief executive officer of the Board and of the University System. The Chancellor and the Chancellor's staff must have their principal office in the State Capitol per the North Dakota Constitution. This office is referred to as the University System Office. The North Dakota Legislature appropriates funds it deems necessary and as required by law for those agencies and institutions authorized to exist by the constitution and statutes. Separate general ledgers are maintained for the University System office and each institution on the PeopleSoft Finance Module. The financial statements presented here are also included in the comprehensive annual financial report of the State of North Dakota.

The University System includes the following entities that were created by the North Dakota Constitution and/or North Dakota Century Code (NDCC). As stated above these entities are under the control and administration of the State Board of Higher Education. Each entity receives a separate appropriation from the North Dakota Legislature as provided by North Dakota Constitutional Article VIII, S 6(6)(e) and state statute.

North Dakota University System Entities (Primary Institution)
North Dakota University System Office (NDUSO)
Bismarck State College (BSC)
Dakota College of Bottineau (DCB)
Dickinson State University (DSU)
Lake Region State College (LRSC)
Mayville State University (MaSU)
Minot State University (MiSU)
North Dakota State College of Science (NDSCS)
North Dakota State University (NDSU)
Agricultural Experiment Stations:
North Dakota State University Main Research Center

Dickinson Research Extension Center
Central Grasslands Research Extension Center
Hettinger Research Extension Center
Langdon Research Extension Center
North Central Research Extension Center
Williston Research Extension Center
Carrington Research Extension Center
Agronomy Seed Farm
Northern Crops Institute
Upper Great Plains Transportation Institute
North Dakota State University Cooperative Extension Service
North Dakota Forest Service
University of North Dakota (UND)
School of Medicine and Health Sciences
Valley City State University (VCSU)
Williston State College (WSC)

On August 1, 2009, Minot State University-Bottineau's name was changed to Dakota College at Bottineau as a result of SB2389 passed by the North Dakota Legislature during the 2009 legislative session.

Component Units

The process of evaluating potential component units involved the application of criteria set forth in Governmental Accounting Standards Board Statement No. 14, The Financial Reporting Entity. In accordance with GASB Statement No. 14, a financial reporting entity consists of the primary institution, organizations for which the primary institution is financially accountable and other organizations for which the nature and significance of their relationship with the primary institution are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The definition of the reporting entity is based primarily on the criteria of financial accountability. The primary institution is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and it is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary institution. Governmental Accounting Standards Board (GASB) Statement No. 39, Determining Whether Certain Organizations Are Component Units, modifies and clarifies previously existing criteria of determining whether an organization should be reported as a component unit and how that component unit should be reported in the financial statements. The nature and significance of the organizations relationship and the extent of financial integration with the primary institution are now considered when determining potential component units.

As required by generally accepted accounting principles, the accompanying financial statements present the University System (the primary institution) and its component units. The component units are included in the University System's reporting entity because of the significance of their operational or financial relationships with the University System.

Blended Component Units

A component unit whose governing body is substantively the same as the governing body of the primary institution, a financial benefit/burden relationship exists and the entity provides services entirely or almost entirely to the primary institution or otherwise exclusively or almost exclusively benefits the primary institution even though it does not provide services directly to it, is included in the primary institutions financial statements using the blending method.

The **Mystic Athletic Club** (BSC) is considered a blended component unit. Although it is a legally separate entity, the Mystic Athletic Club is reported as if it were part of the primary institution because

the board is comprised of BSC employees and its sole purpose is to provide support for the athletic programs at BSC. Complete financial statements may be obtained at the entity's administrative office at Bismarck State College, Athletic Department, 1601 Edwards Avenue, Bismarck, ND 58501.

North Dakota University System Foundation is considered a blended component unit. Although it is a legally separate, non-profit 501(c)(3) organization, NDUS Foundation is reported as if it were part of the primary institution because its sole purpose is to support the NDUS. Some members of the State Board of Higher Education serve on the Board of Trustees for the foundation. Complete financial statements may be obtained at the entity's administrative office at 600 E. Boulevard Ave. Dept 215, Bismarck, ND 58505.

Discretely Presented Component Units

The following component units are legally separate entities; however, a fiscal dependency relationship exists whereby the entity does not have the ability to complete certain essential fiscal events without substantive approval from the primary institution or due to the nature and significance of the relationship to the University System, exclusion would render the financial statements incomplete or misleading. Although the primary institution does not control the timing or amount of receipts from the component units, the majority of resources, or income thereon, that the entities hold and invest are restricted by the donors to the activities of the primary institution or its constituents. Therefore, these entities are discretely presented in the accompanying financial statements using Financial Accounting Standards Board (FASB) standards, including FASB Statement No. 117, Financial Reporting for Not-for-Profit Organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the foundation's financial information in the System's financial report for these differences. Component units that are significant relative to the other component units and to the primary institution are considered "major" component units and are displayed in separate columns in the component unit section of the accompanying financial statements and are included in Note 15 under Major Component Units. Component units that are not significant relative to the other component units and to the primary institution are considered "non-major" component units and are displayed in a combined column in the component unit section of the accompanying financial statements.

Major Component Units

The Bismarck State College Foundation is a legally separate, tax-exempt organization providing support and recognition to BSC through a variety of programs. The foundation acts primarily as a fund-raising organization to supplement the resources that are available to the college. The foundation is managed by a 75-member board of directors comprised of leading citizens, both alumni and friends of the college as well as seven ex-officio members that are officers/employees of BSC. Complete financial statements for Bismarck State College Foundation may be obtained at the entity's administrative offices at 1255 Schafer Street, PO Box 5587, Bismarck, ND 58506-5587.

Dickinson State University Foundation, Inc., was organized in 1952 as a non-profit corporation to provide an avenue through which alumni and friends of the University may contribute financially to the University. Gifts, grants, and bequests to the foundation benefit present and future students by providing scholarship assistance and the funding of special projects. The foundation is managed by a 26-member board of directors comprised of leading citizens, both alumni and friends of DSU as well as

two ex-officio members that are officers/employees of DSU. Complete financial statements for the Foundation may be obtained at Dickinson State University, Dickinson, ND 58601.

North Dakota State University Development Foundation is an incorporated, nonprofit organization developed solely for the benefit of NDSU. The foundation is approved by the IRS as a charitable, tax-exempt organization and designated by the University as the repository for private giving to the University. Its purpose is to raise, manage, and disburse contributions for the benefit of NDSU. The foundation is managed by a board of trustees comprised of 60 elected alumni and friends of the university as well as four ex-officio members – the president of NDSU, the president and vice president of the Alumni Association and the executive director of the Development Foundation and Alumni Foundation. Complete financial statements for North Dakota State University Development Foundation may be obtained at the entity's administrative office at 1241 N. University Drive, Fargo, ND 58102, or PO Box 5144, Fargo, ND 58105.

NDSU Research & Technology Park, Inc., is a nonprofit organization established in 1999 to promote an economic environment dedicated to applied research and technology discovery for the benefit of NDSU, its faculty and staff and students and the citizens of North Dakota. The majority of the Park's board of directors (7 of 10) works in private industry. Vacancies are filled by a majority vote of the board. Officers of NDSU fill the remaining three positions. The President of NDSU serves as president of the board of directors and has control over final building plans for any new building at the Park. Complete financial statements for NDSU Research & Technology Park, Inc. may be obtained at the entity's administrative office at 1854 NDSU Research Circle North, Fargo, ND 58104.

UND Aerospace Foundation is a nonprofit entity organized in 1985 to encourage and develop the University of North Dakota's John D. Odegard School of Aerospace Sciences. The foundation's principal activities consist of developing and conducting training programs, research and development, and consulting services related to the aerospace industry. The foundation is managed by a board of directors consisting of five to seven voting members, including two or more persons who are active in the aerospace industry and/or graduates of UND with an interest in the aerospace industry, elected by the board. Non voting members/representatives on the board include a senior manager of the foundation elected by the board, the dean of the Odegard School of Aerospace Sciences and the president of the University. The foundation benefits the University, financially and otherwise, through its promotion of the Odegard School and its programs and in the sharing of resources. Complete financial statements for the Aerospace Foundation may be obtained at the entity's administrative office at Box 9023, Grand Forks, ND 58202.

The **Alumni Association of the University of North Dakota** was incorporated in 1915 for the purpose of 1) keeping classmates in contact with each other, 2) keeping graduates and former students informed of happenings at UND, and 3) involving the graduates, former students, and special friends in the ongoing growth and development of UND. **UND Foundation** was incorporated in 1978 to replace the Alumni Association Development Fund and is the umbrella organization for alumni and private support for UND. These two legally separate nonprofit corporations have the same board of directors and the same executive vice president, but different board presidents and Vice-Presidents. The board of directors consists of 23 voting members, 21 who are alumni of UND and 3 ex-officio members that are officers of UND. Complete combined financial statements for the Alumni Association of the University of North Dakota and University of North Dakota Foundation, may be obtained at the entity's administrative offices at PO Box 8157, Grand Forks, ND 58202.

RE Arena, Inc., UND Arena Services, Inc., UND Sports Facilities, Inc., Arena Holdings Charitable LLC are related organizations with common board of directors and management organized in 2003 for the benefit of UND. These organizations operate and maintain a multipurpose sports and entertainment

arena in Grand Forks, ND. The arena is used primarily for UND athletics and activities. UND Sports Facilities, Inc. is the sole member of Arena Holdings Charitable LLC. RE Arena, Inc. conducts the day-to-day operations of the arena as an agent for UND Sports Facilities. UND Arena services, Inc. is the legal manager of Arena Holdings. Complete combined financial statements for these organizations may be obtained at Ralph Engelstad Arena, One Ralph Engelstad Arena Drive, Grand Forks ND 58203.

Non-major Component Units

Dakota College of Bottineau Foundation was established to act primarily as a fund-raising organization to supplement the resources that are available to DCB. The Logrollers, a legally separate organization, operates as an entity within the Foundation. The foundation and Logrollers are managed by the same eight-member board of directors comprised of leading citizens, both alumni and friends of the college as well as one ex-officio member that is an officer of DCB. However, each entity has separate committees that direct each organization's activities. Complete combined financial statements for Dakota College at Bottineau Development Foundation and Logrollers may be obtained at the entity's administrative offices at 105 Simrall Boulevard, Bottineau, ND 58318.

Lake Region Community College Foundation was established in 1959 to provide a permanent structure through which support for Lake Region State College could be channeled. The work and the resources of the foundation are managed by a 27-member board of directors elected by the foundation membership to serve three-year terms. Complete financial statements for the Community College Foundation may be obtained at the entity's administrative office at 1801 College Drive North, Devils Lake, ND 58301-1598.

Mayville State University Foundation was established to act primarily as a fund-raising organization to supplement the resources that are available to MaSU. The foundation is managed by a 15-member board of directors comprised of leading citizens, both alumni and friends of the university as well as one ex-officio members that is an officer/employee of MaSU. The Comet Athletic Club, a legally separate non-profit organization, operates as an entity within the foundation. The Club's purpose is to promote, support, and encourage interest and participation in MaSU sports. Their financial activity is reflected in the foundation's financial statements. Complete financial statements for Mayville State University Foundation may be obtained at the entity's administrative office at 330 3rd Street Northeast, Mayville, ND 58257.

Minot State University Development Foundation was incorporated in 1978 exclusively for the benefit of MiSU. Its purpose is to establish, promote and stimulate voluntary financial support for the benefit of the university, especially in the building of endowment and in addressing the long-term priorities of the university. A board of directors comprising 13 voting members manages the foundation. Two are ex-officio appointments from the Board of Regents and the Alumni Association, and three are ex-officio members who are employees of MiSU. Complete financial statements for Minot State University Development Foundation may be obtained at the entity's administrative office at 500 University Avenue West, Minot, ND 58707.

North Dakota State College of Science Foundation was established to act primarily as a fund-raising organization to supplement the resources that are available to NDSCS. The foundation is managed by a 13-member board of directors comprised of leading citizens, both alumni and friends of the college as well as three ex-officio members that are officers/employees of NDSCS. Complete financial statements for North Dakota State College of Science Foundation may be obtained at the entity's administrative office at 800 Sixth Street North, Wahpeton, ND 58076-0002.

North Dakota 4-H Foundation is a legally separate, non-profit 501(c)(3) organization committed to supporting 4-H programs with private funds for furthering leadership development, education, research and scholarships and creating opportunities for the youth of North Dakota. The foundation is managed

by board of directors comprised of 15 voting members, of which 2 are employees of NDSU. Complete financial statements for the North Dakota 4-H Foundation may be obtained at the entity's administrative office at FLC 219 Dept 7280, PO Box 6050, Fargo ND 58108-6050.

North Dakota State University Research Foundation is a legally separate, non-profit 501(c)(3) organization created to provide support to NDSU in its mission by enabling NDSU faculty to enhance their involvement in research, technology transfer, and business endeavors. Through linkages with public and private businesses and industries, the foundation facilitates the commercialization of research technologies developed by NDSU faculty and staff. The foundation is managed by an 11-member board of directors, comprised of five NDSU employees and six individuals who are not employed by NDSU. Complete financial statements for the Research Foundation may be obtained at the entity's administrative office at 1735 NDSU Research Park Drive, Fargo, ND 58108-6050.

North Dakota State University Team Makers Club was established in 1950 by a group of local business leaders who recognized the need for a community-based support group to benefit NDSU Bison Athletics. Team Makers is a legally separate, non-profit 501(c)(3) organization to provide financial support, promotion and spirit for NDSU student-athletes and the NDSU Athletics Department in order to achieve excellence. The foundation is managed by board of directors comprised of 11 voting members, of which one is an employee of NDSU. Complete financial statements for the NDSU Team Makers may be obtained at the entity's administrative office at NDSU Dept 1200, PO Box 6050, Fargo ND 58108-6050.

University of North Dakota Center for Innovation Foundation was incorporated in 1991. The Foundation supports the Center for Innovation at the University of North Dakota to fulfill their mission of helping entrepreneurs, innovators, researchers and students launch new technologies, products and ventures, develop business and marketing plans, access talent and secure sources of venture financing. This fiscal year the foundation supported the College of Business and Public Administration in the amount of $200,831 plus $50,000 for the support of an international marketing specialist at UND. The foundation is managed by a board of directors comprised of 9 members as well as four ex-officio non-voting members who are officers of UND. Complete financial statements for the Center for Innovation may be obtained at the entity's administrative office at 4200 James Ray Drive, Grand Forks ND 58203..

The University of North Dakota Research Foundation is the newest foundation and was formed in 2006 to assist the University of North Dakota to advance its research agenda, to commercialize its university innovations and discoveries, and to create economic opportunities for Grand Forks and the State of North Dakota. The foundation works with UND to build successful and strategic partnerships between the university and private companies, resulting in mutual gains for each. Complete financial statements for the UND Research Foundation may be obtained at the entity's administrative office at 4201 James Ray Drive, Grand Forks ND 58202.

The Fellows of the University of North Dakota was organized in 1970 as a nonprofit corporation for the purpose of supporting and promoting the University of North Dakota. The Fellows provides scholarships, promotion and special project fund-raising for UND. In FY10, The Fellows is managed by a board of directors comprised of five member, including two officers of UND. The Fellows transferred $346,467 to UND for scholarships and special project funding. Complete financial statements may be obtained at UND 264 Centennial Drive, Twamley Hall, Grand Forks, ND 58202.

Valley City State University Foundation was established to support Valley City Sate University by involving alumni and friends of the university in activities and private giving that meet the university's needs and advance its welfare. The foundation is managed by an 22 member Board of Directors comprised of leading citizens, both alumni and friends of the university, as well as two ex-officio nonvoting members that are officers of VCSU. Complete financial statements for Valley City State University Foundation may be obtained at the entity's administrative office at 101 College Street SW, Valley City, ND 58072.

Williston State College Foundation was established to act primarily as a fund-raising organization to supplement the resources that are available to WSC. The foundation is managed by an 11-member board of directors comprised of leading citizens, both alumni and friends of the college. Complete financial statements for Williston State College Foundation may be obtained at the entity's administrative office at PO Box 1286, 501 18th Street East, Williston, ND 58802-1286.

JOINT VENTURES

Tri-College University

Tri-College University (TCU) is a legally separate organization that is organized exclusively for educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code. TCU's purpose is to assist in the establishment and maintenance of coordinated programs between Concordia College, Minnesota State University Moorhead and NDSU, as a means of maximizing higher educational services for the people of the region. The organization serves as an agency through which resources are received and dispensed to supplement the educational endeavors of the three universities. The corporation also serves as a means for promoting and strengthening existing and potential educational programs and courses. An eight-member board of directors, including the presidents of the three universities, handles the affairs of the corporation. All property, funds and income of this corporation are held for the exclusive use and benefit of Concordia College, Minnesota State University Moorhead and NDSU. Administration of funds and other resources received by TCU for use in connection with specific programs at NDSU are the responsibility of the university. As of June 30, 2010, Tri-College University had net assets of approximately $240,395 and is not considered a financial burden to NDSU. The financial activity of this organization is not reflected in the accompanying financial statements. Complete audited financial statements for Tri-College University may be obtained at the entity's administrative office at North Dakota State University, Renaissance Hall, 650 NP Avenue 100, Fargo, ND 58102.

INSIGNIFICANT COMPONENT UNITS

The following organizations are component units of the University System but have been deemed insignificant due to small total assets and revenues balances. Entities in this category had less than $1 million dollars each in total assets and less than $750,000 each in total revenues. Separate boards of directors control these entities. In addition, the college or university does not exercise financial or administrative control over these entities and/or the entities' relationship with the primary institution are not significant enough to warrant inclusion in the reporting entity's financial statements. The related organizations at June 30, 2010 were:

BSC:	National Alumni Association
DSU:	The Blue Hawk Booster Club
MaSU:	Mutual Aid Corporation

MiSU:	Alumni Association Inc. Beaver Boosters, Inc.
NDSU:	Alliance for Arts & Humanities RSVP Enterprise
UND:	EERC Foundation Law School Foundation
WSC	Teton Booster Club

BASIS OF PRESENTATION

The financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, and Statement No. 35, Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities, issued in June and November, 1999, as amended by GASB Statement Nos. 36, 37 and 38. The System follows the "business-type activities" (BTA) reporting requirements of GASB Statement No. 34 that provides a comprehensive one-line look at the System's activities.

BASIS OF ACCOUNTING

The financial statements of the University System have been prepared using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

The University System follows the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard setting body for establishing generally accepted accounting principles for governmental entities. The University System follows all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those pronouncements conflict with GASB pronouncements.

UNRESTRICTED NET ASSETS

Unrestricted net assets include resources derived from student tuition and fees, sales and services, unrestricted gifts, royalties, and interest income.

Restricted and unrestricted resources are tracked using a fund accounting system and are spent in accordance with established fund authorities. Fund authorities provide rules for the fund activity and are separately established for restricted and unrestricted activities. When both restricted and unrestricted funds are available for expenditure, the decision for funding is transactional based within the departmental management system in place at each institution.

RESTRICTED ASSETS

The University System, based on certain bond covenants, is required to establish and maintain prescribed amounts of resources that can be used only to service outstanding debt. Also, included are unspent bond proceeds that will be expended for construction of capital assets.

REVENUE AND EXPENSE RECOGNITION

The University System presents its revenues and expenses as operating or nonoperating based on recognition definitions from GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting. Operating activities are those activities that are necessary and essential to the mission of the University System.

Operating revenues include all charges to customers, grants received for student financial assistance, research contracts and grants, and interest earned on loans. Grants received for student financial assistance are considered operating revenues because they provide resources for student charges and such programs are necessary and essential to the mission of the University System. Revenues from nonexchange transactions and state appropriations that represent subsidies or gifts to the University System, as well as investment income, are considered nonoperating since these are either investing, capital or noncapital financing activities. Operating expenses are all expense transactions incurred other than those related to investing, capital or noncapital financing activities. Revenues received for capital financing activities, as well as related expenses, are considered neither operating nor nonoperating activities and are presented after nonoperating activities.

BUDGETARY PROCESS

The State of North Dakota operates through a biennial appropriation. Legislation requires the Board to present a single unified budget request covering the needs of all the institutions under its control to the Governor through the Director of the Office of Management and Budget. The Governor is required by legislation to present his budget to the General Assembly at the beginning of each session. The General Assembly enacts the budget of the various institutions through the passage of specific appropriation acts. Before signing the appropriation acts, the Governor may veto or reduce any specific appropriation, subject to legislative override. Once passed and signed, the budget becomes the state's financial plan for the next two years.

The Board allocates contingency and capital emergency funding within guidelines provided by the General Assembly. Any funds received by the Board and entities of the University System pursuant to federal acts, private grants, and other sources not deposited in the operating funds in the state treasury are appropriated for the biennial period. The Board has the authority to transfer funds between line items by notifying the Office of Management and Budget in writing, with the exception that the Board may not approve transfers from any capital assets line item.

The North Dakota Constitution prohibits any transfers between institutions, even by the legislature. Institutions within the University System do not use encumbrance accounting. The legal level of budgetary control is at the institutional line item level, with administrative controls established at lower levels of detail in certain instances.

Board policy requires each college or university to submit a biennial budget for Board approval and annual budgets to be approved by the Chancellor. These budgets are prepared on an accrual basis and include activity relative to current funds and unexpended plant funds. These annual budgets are prepared within the framework of the legislative-approved appropriations and become each institution's financial plan for the coming year. The Board allows each institution discretion in transferring funds between departments.

paid or refunded directly to the student are generally reflected as expenses.

NET ASSETS

Net assets are classified according to external donor restrictions or availability of assets for satisfaction of University System obligations. Restricted Net Assets represent funds that have been restricted for specific purposes by donors or granting agencies for scholarships and fellowships, instructional department uses, loan funds, debt service and other. Unrestricted Net Assets are all other funds available at the discretion of the University System. Invested in Capital Assets represents the cost or gifted value of buildings, equipment, land improvements and infrastructure, less accumulated depreciation and related outstanding debt.

RESTATEMENT OF BEGINNING NET ASSETS

	Primary Institution	Component Units
Net assets, beginning of the year, as previously reported	$ 750,617,068	$ 430,284,158
Prior period adjustments:		-
Change in Accounting Method	2,242,774	18,445,291
Correction of errors	2,051,466	(1,745,605)
Net assets, beginning of the year, as restated	$ 754,911,308	$ 446,983,844

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying financial statements include estimates such items as allowances for uncollectible accounts, scholarship allowances, accrued expenses and other liability accounts.

New Accounting Pronouncements

In fiscal year 2010, the University System adopted GASB Statement No. 51, "*Accounting and Financial Reporting for Intangible Assets.* GASB Statement No. 51 requires the capitalization and amortization of certain intangible assets. Additionally, certain intangibles are required to be retroactively capitalized. Prior to fiscal year 2010, capital assets and intangibles included $16,044,688 of intangible assets and accumulated amortization of $4,276,984 related to intangible computer software. As a result of the adoption of GASB Statement No. 51, additional intangible assets of $4,413,334 were retroactively capitalized and accumulated amortization increased by $2,178,845.

In June 2008, the GASB issued Statement No. 53, "*Accounting and Financial Reporting for Derivative Instruments.*" This statement requires, that derivative instruments to be reported at fair market value. The statement is effective for fiscal years beginning after June 15, 2009. The University System does not invest in derivative instruments and the statement had no impact on the fiscal year 2010 financial statements.

In February, 2009, the GASB issued Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions."* The statement is effective beginning in fiscal year 2011. The effect GASB Statement No. 54 will have on the fiscal year 2011 financial statements has not yet been determined.

In December, 2009, the GASB issued Statement No. 57, *"OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans."* The statement is effective beginning in fiscal year 2011. The effect GASB Statement No. 57 will have on the fiscal year 2011 financial statements has not yet been determined.

In June 2010, the GASB issued Statement No. 59, *"Financial Instruments Omnibus."* The statement applies to certain financial instruments and is effective beginning in fiscal year 2011. The effect GASB Statement No. 59 will have on the fiscal year 2011 financial statements has not yet been determined.

NOTE 2 – DEPOSITS AND INVESTMENTS

LIMITATIONS

Primary Institution

North Dakota Century Code (NDCC) governs the deposit and investment policies of the System. NDCC Section 6-09-07 states, "All state funds...must be deposited in the Bank of North Dakota (BND) ...or must be deposited in accordance with constitutional and statutory provisions."

In addition, NDCC Section 21-04-02 provides that public funds belonging to or in the custody of the state shall be deposited in the Bank of North Dakota. NDCC Section 15-10-12 requires that all moneys not deposited in the special revenue fund within the State Treasury (unless restricted by the terms of a grant, donation or bequest), received by the institutions from federal, state, and local grants and contracts, indirect cost recoveries, tuition, special student fees, room and board and other auxiliary enterprise fees, student activity fees, continuing education program fees, internal service fund revenues, and all other revenues must be deposited in the BND.

NDCC Sections 15-55-05 and 15-55-06 govern the investment of proceeds of revenue bonds and revenues pledged to bondholders. Such proceeds must be invested in the BND, in a separate fund in the State Treasury or in a duly authorized depository for the state funds that is a member of the federal deposit insurance corporation. The Board may invest such funds in direct obligations of, or in obligations where the United States of America guarantees the principal and interest, or obligations of the State of North Dakota or any municipality as defined in NDCC Section 21-03-01.

Major Component Units

Subject to any limitations in gift instruments, funds may be invested in any real or personal property deemed advisable by the governing board in accordance with the component unit's investment policies.

DEPOSITS

Cash and Cash Equivalents are reported on the Statement of Net Assets for the System and its major component units as follows:

Primary Institution

	June 30, 2010	
	Carrying Amount	Bank Balance
Cash Deposits	$ 81,263,023	$ 97,522,589
Certificates of Deposit	140,923,030	140,923,030
Total Bank Deposits	$ 222,186,053	$ 238,445,619
Add: Cash on Hand/Petty Cash	238,249	
Less: Amts. credit risked as deposits but reported as investments	(140,923,030)	
Cash & Cash Equivalents per Statement of Net Assets	$ 81,501,272	

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the System's deposits may not be returned to it. The System does not specifically address polices concerning custodial credit risk and while the deposits in the Bank of North Dakota are backed by the State of North Dakota, they are deemed to be uninsured and uncollateralized by GASB definition. As of June 30, 2010, $236.2 million of the System's bank balance of $238.4 million was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$231,440,836
Uninsured and collateral held by pledging bank not in system's name	$ 4,712,111

Major Component Units

	June 30, 2010	
	Carrying Amount	Bank Balance
Cash Deposits	$ 22,941,617	$ 25,422,361
Certificates of Deposit	308,000	308,000
Total Bank Deposits	$ 23,249,617	$ 25,730,361
Add: Cash on Hand/Petty Cash	1,111	
Less: Amts. credit risked as deposits but reported as investments	(308,000)	
Cash & Cash Equivalents per Statement of Net Assets	$ 22,942,728	

Custodial Credit Risk

As of June 30, 2010, $14.7 million of the component units' bank balance of $25.7 million was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 11,721,151
Uninsured and collateral held by pledging bank not in system's name	$ 335,247
Uninsured and collateral held by pledging bank's trust department not in system's name	$ 2,595,974

Investments

Investments are reported for the System and its major component units at fair value (market) and reported on the Statement of Net Assets as follows:

As of June 30, 2010, the System had investments as shown below:

Primary Institution

		Maturities			
Investment Type	Market Value	Less than 1 year	1 year to 5 years	6 years to 10 years	More than 10 years
US Treasuries	$ 6,548,274	$ 3,140,835	$ 2,904,135	$ 503,304	$ -
US Agencies	350,838	50,649	-	-	300,189
US Strips	128,197	-	69,747	58,450	-
Corporate Bonds	227,822	25,295	202,527	-	-
Mutual Bond Funds	395,584	395,584	-	-	-
Guaranteed Investment Contracts	237,375	-	-	-	237,375
Money Market Mutual Funds	17,856,759	17,856,759	-	-	-
Other	128,879	128,879	-	-	-
Subtotal	$ 25,873,728	$ 21,598,001	$ 3,176,409	$ 561,754	$ 537,564
Stocks	13,299,418				
Certificates of Deposit - BND	140,720,486				
Certificates of Deposit - non-BND	202,544				
Equity Mutual Funds	658,071				
Other	645,520				
Total Investments per the Statement of Net assets	$ 181,399,767				

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Per NDCC the system is limited to investing funds with the Bank of North Dakota, with the exception of gifts governed by an endowment agreement. Accordingly, the system does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Campuses choose terms based on maximizing their return within the limits of their cash flow needs. Campuses rely on brokers to provide year-end market values for the investments held with those brokers.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill their obligation. As of June 30, 2010, the system's debt portfolio (excluding US Treasuries and US Agencies) included Standard & Poor's quality ratings as follows:

	Credit Quality Rating			
Investment Type	**AAA**	**AA**	**A**	**Not Rated**
US Agencies	$ 350,838	$ -	$ -	$ -
Corporate Bonds	-	26,809	201,013	-
Mutual Bond Funds	-	237,375	-	-
GICs	-	-	-	395,584
Money market mutual funds	17,820,825	-	-	35,935
Other	-	-	-	128,879
Total	$ 18,171,663	$ 264,184	$ 201,013	$ 560,398

Major Component Units

As of June 30, 2010, the major component units had investments as shown below:

		Maturities			
Investment Type	**Market Value**	**Less than 1 year**	**1 year to 5 years**	**6 years to 10 years**	**More than 10 years**
US Treasuries	$ 67,260	$ 25	$ 46,123	$ 21,112	$ -
US Agencies	191,281	-	-	190,241	1,040
Corporate Bonds	2,685,273	189,594	1,035,291	1,345,326	115,062
Mutual Bond Funds	36,838,385	-	18,394,280	45,312	18,398,793
Money Market Mutual Funds	589,782	589,782	-	-	-
Other	4,768,979	-	3,920,196	192,911	655,872
Subtotal	$ 45,140,960	$ 779,401	$ 23,395,890	$ 1,794,902	$ 19,170,767
Equity Mutual Funds	146,718,166				
Trust Funds	32,740,521				
Investment in Real Estate	25,951,533				
Limited Partnerships	7,744,521				
Stocks	7,495,463				
Certificate of Deposits	6,358,385				
Life income and annuity funds	4,606,820				
Other	6,546,987				
Total Investments per the Statement of Net assets	$ 283,303,356				

Interest Rate Risk

Minot State University Development Foundation's investment policy addresses interest rate risk as it relates to duration and maturity of investments concurrent with interest rates, without specifically limiting maturities. North Dakota State University Development Foundation's investment policy addresses interest rate risk by requiring allocation of fixed income securities among maturities of different lengths according to interest rate prospects. Bismarck State College Foundation's investment policy limits the average maturity of the portfolio to between four and seven years with a maximum maturity for any one fixed income security of ten years. University of North Dakota Foundation's investment policy requires at least yearly liquidity on its alternative investment strategies and quarterly diagnostic risk analysis of all mutual funds.

Custodial Credit Risk

As of June 30, 2010, the major component units had no investments that were uninsured and not registered in the name of the component unit. Thereby, the exposure of these investments to custodial credit risk has been heightened. These investments include stocks and bonds and were held by the counterparty's trust department or agent, but not in the component units' name.

Credit Risk

As of June 30, 2010, the component units' debt portfolio (excluding US Treasuries and US Agencies) included Standard & Poor's credit quality ratings as follows:

	Credit Quality Rating							
Investment Type	AAA	AA	A	BBB	BB	B	C	Unrated
Corporate Bonds	$ 185,728	$ 522,565	$ 1,039,892	$ 113,897	$ 104,906	$ 170,588	$ 24,820	$ 522,878
Treasury Obligation Funds	54,425	-	-	-	-	-	-	136,856
Mutual Bond Funds	215,171	-	125,184	841,062	-	-	-	35,656,968
Other	44,549	-	594,864	-	-	-	-	4,719,348
Total	$ 499,873	$ 522,565	$ 1,759,940	$ 954,959	$ 104,906	$ 170,588	$ 24,820	$ 41,036,050

NOTE 3 – RECEIVABLES

Receivables at June 30, 2010, for the primary institution consist of the following amounts:

	Current	NonCurrent	Total
Student and general	$ 20,920,747		$ 20,920,747
Interest - BND	218,253		218,253
Other accounts receivable	24,046		24,046
Allowance for doubtful accounts	(3,450,758)		(3,450,758)
Accounts Receivable, net	$ 17,712,288		$ 17,712,288
Grants & contracts receivable	$ 38,529,926		$ 38,529,926
Due from other state agencies	4,361,283		4,361,283
Grants & contracts receivable, net	$ 42,891,209		$ 42,891,209
Student Loans	$ 10,405,012	$ 37,525,144	$ 47,930,155
Allowance for doubtful notes	(1,475,275)	(5,415,110)	(6,890,385)
Notes receivable, net	$ 8,929,737	$ 32,110,034	$ 41,039,770

NOTE 4 – ENDOWMENT FUNDS

The endowment funds reported herein are donor-restricted funds in the custody of the University System. NDCC Section 59-21 applies to the investment of endowments governed by a gift instrument. Subject to any limitations in the gift instrument such funds may be invested in any real or personal property deemed advisable by the governing board. NDCC Section 59-21-02.5a(7) applies to standard of conduct in the administration of powers to make and retain investments. It states that in managing and investing an institutional fund, the needs of the institution and the fund to make distributions and to preserve capital must be considered. Given the flexibility in NDCC 59-21-02, campuses have differing policies with respect to spending investment income and net appreciation on endowment funds. UND's policy allows up to 4.5% of the average of the last five years of assets in the Alerus endowment pool to be expended. NDSU allows expenditure of 80 percent of appreciation. MiSU allows for 4.5 percent of earnings to be used for scholarships and .5 percent for administrative expenses. MaSU, VCSU and

WSC give departments authority to spend all investment income earned on the endowment funds. Net appreciation on investments are available for expenditure and consists of the following at June 30, 2010:

		Reflected in net assets as:
Mayville State University	$ 453	Expendable scholarships & fellowships
Minot State University	54,568	Expendable scholarships & fellowships
University of North Dakota	458,000	Non-expendable scholarships & fellowships
Williston State College	3,685	Cash in bank
Total NDUS	$ 516,706	

Endowment funds reported herein do not include the Federal Land Grant Fund held by the State Land Department. The annual proceeds from assets held by the State Land Commissioner are deposited into each college/university's operating fund at the State Treasury and are used for current operating purposes. Bismarck State College, Lake Region State College and Williston State College do not participate in the proceeds allocated by the State Land Department. Total assets held by the State Land Department and proceeds for the fiscal year ended June 30, 2010 are approximately $51.7 million and $1.67 million, respectively.

NOTE 5 – CAPITAL AND INTANGIBLE ASSETS

PRIMARY INSTITUTION

Capital asset activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	$ 16,079,095	$ -	$ -	$ -	$ 16,079,095
Construction in progress	31,597,793	58,448,990	1,550,449	(24,632,721)	63,863,613
Total non-depreciable capital assets	$ 47,676,888	$ 58,448,990	$ 1,550,449	$ (24,632,721)	$ 79,942,708
Land improvements/infrastructure	$ 152,784,476	$ 3,256,259	$ 6,104	2,465,395	$ 158,500,026
Buildings	856,505,841	33,441,516	371,529	22,167,326	911,743,154
Furniture, fixtures, and equipment	233,678,196	30,106,722	13,733,440	-	250,051,478
Intangibles:					
Computer Software	20,118,516	1,172,607	6,000	-	21,285,123
Other	339,506	176,785	-	-	516,291
Library materials	99,562,322	5,022,989	2,789,495	-	101,795,816
Total depreciable capital assets	$ 1,362,988,857	$ 73,176,878	$ 16,906,568	$ 24,632,721	$ 1,443,891,888
Less accumulated depreciation and amortization					
Land improvements/infrastructure	$ 65,147,586	$ 3,941,059	$ -	$ -	$ 69,088,645
Buildings	375,058,607	21,018,794	304,075	-	395,773,326
Furniture, fixtures, and equipment	135,022,165	16,898,884	11,835,072	-	140,085,977
Intangibles					
Computer Software	6,444,261	1,946,081	-	-	8,390,342
Other	11,568	38,755	-	-	50,323
Library materials	73,405,197	4,609,428	2,789,496	-	75,225,129
Total accumulated depreciation and amortization	$ 655,089,384	$ 48,453,001	$ 14,928,643	$ -	$ 688,613,742
Total depreciable capital assets, net	$ 707,899,473	$ 24,723,877	$ 1,977,925	$ 24,632,721	$ 755,278,146
Capital assets, net	$ 755,576,361	$ 83,172,867	$ 3,528,374	$ -	$ 835,220,854

Construction in progress for the year ended June 30, 2010 was as follows:

	Amount Authorized	Expended (CIP/Asset)	Authorized Balance
Bismarck State College	$ 3,974,000	$ 439,970	$ 3,534,030
Dakota College of Bottineau	980,000	194,768	785,232
Dickinson State University	1,233,000	65,375	1,167,625
Lake Region State College	-	-	-
Mayville State University	9,930,073	2,558,831	7,371,242
Minot State University	30,876,452	13,717,903	17,158,549
North Dakota State College of Science	5,728,000	4,528,432	1,199,568
North Dakota State University	101,707,007	35,340,748	66,366,259
University of North Dakota	10,208,858	3,930,601	6,278,257
Valley City State University	4,961,000	821,367	4,139,633
Williston State College	18,159,013	2,265,618	15,893,395
North Dakota University System Office	-	-	-
Total NDUS	$ 187,757,402	$ 63,863,613	$ 123,893,790

Major Component Units

Capital asset activity for the major component units for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	$ 3,236,695	$ 21,098	$ -	$ -	$ 3,257,793
Construction in progress	550	-	550	-	-
Total non-depreciable capital assets	$ 3,237,245	$ 21,098	$ 550	$ -	$ 3,257,793
Land improvements/infrastructure	$ 1,247,796	$ -	$ -	$ -	$ 1,247,796
Buildings	131,876,935	332,932	-	-	132,209,867
Furniture, fixtures, and equipment	30,130,648	5,438,837	2,210,174	-	33,359,313
Total depreciable capital assets	$ 163,255,379	$ 5,771,769	$ 2,210,174	$ -	$166,816,974
Less accumulated depreciation					
Land improvements/infrastructure	$ 391,374	$ 53,698	$ -	$ -	$ 445,072
Buildings	33,639,430	6,578,588	-	-	40,218,018
Furniture, fixtures, and equipment	7,811,346	2,911,964	413,167	-	10,310,143
Total accumulated depreciation	$ 41,842,150	$ 9,544,250	$ 413,167	$ -	$ 50,973,233
Total depreciable capital assets, net	$ 121,413,229	$ (3,772,481)	$ 1,797,007	$ -	$115,843,741
Capital assets, net	$ 124,650,474	$ (3,751,383)	$ 1,797,557	$ -	$119,101,534

There was no construction in process for the major component units as of June 30, 2010.

NOTE 6 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2010:

Accounts Payable and Accrued Liabilities	
Accounts payable	$ 23,584,179
Due to other state agencies	275,754
Sales tax payable	36,923
Accrued interest - BND	2,691,310
Other	140,249
Contractor retainage	2,330,802
	$ 29,059,218

NOTE 7 – LONG-TERM LIABILITIES

PRIMARY INSTITUTION

The changes in long-term liabilities during fiscal year 2010 for the primary institution are as shown below:

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion	Noncurrent Portion
Bonds Payable	$ 185,798,896	$ 41,410,000	$ 8,560,408	$ 218,648,488	$ 9,575,762	$ 209,072,726
Notes Payable	3,243,178	6,108,318	1,035,888	8,315,608	1,005,844	7,309,764
Capital Leases	67,889,313	19,731,900	15,342,355	72,278,859	6,650,610	65,628,249
Special Assessments	1,531,968	400	177,484	1,354,884	147,597	1,207,287
Compensated Absences	25,707,911	2,462,797	-	28,170,708	1,488,916	26,681,792
Total	$ 284,171,266	$ 69,713,416	$ 25,116,134	$ 328,768,547	$ 18,868,729	$ 309,899,818

MAJOR COMPONENT UNITS

The changes in long-term liabilities during fiscal year 2010 for the major component units are as shown below:

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion	Noncurrent Portion
Bonds Payable	$ 80,784,138	$ -	$ 5,998,429	$ 74,785,709	$ 3,720,683	$ 71,065,026
Notes Payable	11,533,758	2,605,057	3,521,889	10,616,926	1,535,034	9,081,892
Capital Leases	1,866,548	-	82,422	1,784,126	42,805	1,741,321
Special Assessments	491,822	-	25,884	465,938	28,491	437,447
Other	3,440,000	250,000	-	3,690,000	-	3,690,000
Total	$ 98,116,266	$ 2,855,057	$ 9,628,624	$ 91,342,699	$ 5,327,013	$ 86,015,686

Construction in progress for the year ended June 30, 2010 was as follows:

	Amount Authorized	Expended (CIP Asset)	Authorized Balance
Bismarck State College	$ 3,974,000	$ 439,970	$ 3,534,030
Dakota College of Bottineau	980,000	194,768	785,232
Dickinson State University	1,233,000	65,375	1,167,625
Lake Region State College	-	-	-
Mayville State University	9,930,073	2,558,831	7,371,242
Minot State University	30,876,452	13,717,903	17,158,549
North Dakota State College of Science	5,728,000	4,528,432	1,199,568
North Dakota State University	101,707,007	35,340,748	66,366,259
University of North Dakota	10,208,858	3,930,601	6,278,257
Valley City State University	4,961,000	821,367	4,139,633
Williston State College	18,159,013	2,265,618	15,893,395
North Dakota University System Office	-	-	-
Total NDUS	$187,757,402	$ 63,863,613	$123,893,790

Major Component Units

Capital asset activity for the major component units for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	$ 3,236,695	$ 21,098	$ -	$ -	$ 3,257,793
Construction in progress	550	-	550	-	-
Total non-depreciable capital assets	$ 3,237,245	$ 21,098	$ 550	$ -	$ 3,257,793
Land improvements/infrastructure	$ 1,247,796	$ -	$ -	$ -	$ 1,247,796
Buildings	131,876,935	332,932	-	-	132,209,867
Furniture, fixtures, and equipment	30,130,648	5,438,837	2,210,174	-	33,359,313
Total depreciable capital assets	$ 163,255,379	$ 5,771,769	$ 2,210,174	$ -	$166,816,974
Less accumulated depreciation					
Land improvements/infrastructure	$ 391,374	$ 53,698	$ -	$ -	$ 445,072
Buildings	33,639,430	6,578,588	-	-	40,218,018
Furniture, fixtures, and equipment	7,811,346	2,911,964	413,167	-	10,310,143
Total accumulated depreciation	$ 41,842,150	$ 9,544,250	$ 413,167	$ -	$ 50,973,233
Total depreciable capital assets, net	$ 121,413,229	$ (3,772,481)	$ 1,797,007	$ -	$115,843,741
Capital assets, net	$ 124,650,474	$ (3,751,383)	$ 1,797,557	$ -	$119,101,534

There was no construction in process for the major component units as of June 30, 2010.

Other long-term liabilities consisted of $3,440,000 in non-voting preferred membership units issued by NDSU Research Park Ventures, LLC on July 16, 2008. These membership units are mandatorily redeemable on or after December 31, 2018 (10 years from the investment date) at a redemption price equal to the stated value of each unit. The amount the NDSU Research Park Ventures, LLC would be required to pay to redeem the units at June 30, 2010 is $3,690,000.

NOTE 8 – BONDS PAYABLE

PRIMARY INSTITUTION

Revenue bonds are limited obligations of the University System. The principal and interest on the bonds are payable generally from the net income of specific auxiliary activities, designated student fees, interest subsidies and debt service reserve funds. These revenues are generally pledged to the payment of bonds in accordance with the specific terms of the specific indenture. Amounts held by the trustee specifically for payment on bonds are reflected in Net Assets, Restricted for Debt Service.

The summary of outstanding obligations of the campuses, as of June 30, 2010 is presented below and the detail is presented in the Supplementary Information section following these notes.

	Original Balances	Interest Rates	Balances Outstanding
Bismarck State College	$ 4,400,000	3.4 - 5.35%	$ 3,915,000
Dakota College of Bottineau	390,000.00	6.25 - 6.90%	56,000
Dickinson State University	775,000	3.75 - 5.0%	575,000
Lake Region State College	1,050,000	3.0-5.125%	675,000
Mayville State University	6,465,000	1.55 - 6.63%	5,859,113
Minot State University	17,299,000	0 - 6.60%	15,240,875
North Dakota State College of Science	2,785,000	4.0 - 5.5%	780,000
North Dakota State University	146,505,000	1.5 - 5.6%	111,110,000
University of North Dakota	77,655,000	1 - 5.0%	70,138,500
Valley City State University	4,050,000	5.678 - 7.25%	3,085,000
Williston State College	2,046,000	0 - 3.0%	256,000
North Dakota University System	14,200,000	4.28%	6,958,000
Total Bonds Payable	$ 277,620,000		$ 218,648,488

Industrial Commission Bonds

For the 2009-2011 biennium, the North Dakota University System Office received an appropriation of $12.01 million to act as the fiscal agent for the campuses on bond payments to the Industrial Commission. Of this total, $717 thousand is special funds, which is the amount the campuses pay as local match. During fiscal year 2010, the North Dakota University System Office paid $5.43 million in general funds to the Industrial Commission of North Dakota.

Refunding and Defeased Bonds

The purpose of a refunding bond is to refund in advance of maturity another bond issue. Under an advanced refunding arrangement, refunding bonds are issued, and the net proceeds plus additional resources that may be required, are used to purchase securities issued or guaranteed by the United States Government. These securities are then deposited in an irrevocable trust under an escrow agreement which provides that all proceeds from the trust will be used to fund the principal and interest

payments of the previously issued bonded debt being refunded. The trust deposits have been computed so that the securities in the trust, along with future cash flow generated by the securities, will be sufficient to service the previously issued bonds. As a result, trust account assets and liabilities for the defeased bonds are not included in the University System's financial statements. The following is a description of the University System's defeased bonds and the balance of the bonds outstanding in the trust.

North Dakota State College of Science

On June 20, 2001, North Dakota State College of Science issued $2,785,000 of Housing and Auxiliary Facilities Improvement and Refunding Revenue Bonds (Series 2001). These bonds were used to i) refund, defease and discharge outstanding North Dakota State School of Science Married Student Housing Revenue Bonds 1970, Dormitory Revenue Bonds of 1970, and Dormitory Revenue Bonds of 1972; ii) finance the cost of the construction of the parking lot and related improvements at the College; and iii) to pay certain costs associated with the issuance of the Series 2001 bonds. The principal amount outstanding as of June 30, 2010, of the original 1970 bonds refunded, is $275,000.

North Dakota State University

On December 30, 1985, the University issued $4,833,813 of Housing and Auxiliary Facilities Revenue Refunding Bonds (Series 1985). The purpose of issuing Series 1985 bonds was to refund in advance of maturity the outstanding advanced refunded bonds, which consisted of all bonds outstanding as of December 30, 1985, totaling $7,675,000. The principal amounts outstanding as of June 30, 2010 of the original bonds refunded, total $285,000.

Scheduled Maturities of Bonds Payable – Primary Institution

Fiscal Year	Principal	Interest	Total
2011	$ 9,575,762	$ 9,909,119	$ 19,484,881
2012	9,699,989	9,605,898	19,305,887
2013	9,098,554	9,235,683	18,334,237
2014	8,912,052	8,879,754	17,791,806
2015	6,122,703	8,549,220	14,671,923
2016 - 2020	34,935,928	38,467,979	73,403,907
2021 - 2025	37,967,500	30,058,808	68,026,308
2026 - 2030	46,966,000	20,274,077	67,240,077
2031 - 2035	43,600,000	8,901,464	52,501,464
2036 - 2040	11,770,000	1,511,571	13,281,571
	$ 218,648,488	$ 145,393,573	$ 364,042,061

MAJOR COMPONENT UNITS

Issue	June 30, 2010 Interest Rate	Balance Outstanding
BSC Foundation		
2006 MIDA revenue bonds, annual principal payments and semi-annual interest payments interest rate fixed, maturity October, 2021.	4.5-5.25%	$ 1,195,000
2007 Series A MIDA revenue bonds., quarterly principal and interest payments, interest rate fixed, maturity April, 2012.	4.5-5.25%	$ 1,259,622
2007 Series B MIDA revenue bonds, quarterly principal and interest payments, interest rate fixed, maturity April, 2032.	5.01%	$ 976,177
Dickinson State University Foundation		
2009 Series B MIDA revenue bonds., Semi-annual payments. Interest only payment in 2010, Principal and interest payments starting in 2011, interest rate fixed, maturity June 2024.	5.89%	$ 5,000,000
2009 Series A MIDA revenue bonds, variable interest rate, maturity June 2024.	Variable	$ 4,200,000
NDSU Development Foundation		
First Mortgage Revenue Bonds, semi-annual principal and interest installments of $80,645, maturity December 2018, interest rate fixed.	5.19%	$ 1,097,254
University Facilities Revenue Bonds,series 2003, semi -annual fixed interest payments, annual principal intstallments, maturity November 2024.	3.10%	$ 3,415,000
University Facilities Revenue Bonds,series 2005, semi-annual principal and interest installments of $165,998, maturity December 2020, interest rate fixed.	4.89%	$ 2,701,216
University Facilities Revenue Bonds,series 2007A, semi-annual principal and interest installments,variable semi-annual interest based on the six-moth MIG-1 yield plus .30% not to exceed 10% per annum, maturity November 2027,	1.50%	$ 1,840,000
University Facilities Revenue Bonds,series 2007B, semi-annual principal and interest installments, maturity November 2027, interest rate fixed.	5.11%	$ 7,138,488
University Facilities Revenue Bonds,series 2007C, semi-annual principal and interest installments,variable semi-annual interest based on the six-moth MIG-1 yield plus .30% not to exceed 10% per annum, maturity maturity November 2027.	1.50%	$ 920,800
University Facilities Revenue Bonds,series 2007A, semi-annual principal and interest installments, maturity November 2027, interest rate fixed.	5.11%	$ 3,752,035
University Facilities Revenue Bonds,series 2008, semi-annual principal and interest installments, maturity September 2038, interest rate fixed.	4.20%	$ 871,651
NDSU Research & Technology Park, Inc.		
2000 Series A and B Tax Exempt Lease Revenue bonds, maturity June 30, 2022, semi-annual principal and interest payment, interest rate fixed.	4.95%-5.4%	$ 240,000
2002 Series A Tax Exempt Lease Revenue bonds, maturity June 30, 2032, semi-annual principal and interest payment, interest rate fixed.	3.0%-5.0%	$ 960,000
2007 Series B Tax Exempt Lease Revenue bonds, maturity June 30, 2032, semi-annual principal and interest payment, interest rate fixed.	3.5%-4.25%	$ 17,815,000
2007 Series A Tax Exempt Lease Revenue bonds, maturity June 30, 2022, semi-annual principal and interest payment, interest rate fixed.	3.5%-4.75%	$ 4,630,000
Arena Holdings Charitable LLC		
Series 2007 revenue bonds, semi-annual principal and interest installments, interest rate to adjust every 10 years, based on LIBOR plus 1.75%, divided by 1.50, maturity December 2029.	4.60%	$ 3,521,480
UND Foundation		
2008 lease revenue bonds, variable semi-annual principal and interest installments, maturity December 2018, interest rate fixed.	4.15%	$ 2,039,159
2002 tax-exempt lease revenue bonds, variable semi-annual principal and interest installments, maturity June 2027, interest rate fixed.	2.5% - 5.0%	$ 6,880,000
2003 tax-exempt lease revenue bonds, semi-annual interest installments, optional semi-annual principal installments of $100,000, maturity June 2018, interest rate adjusts semi-annually to 121 basis points over the 6-month LIBOR rate.	4.15%	$ 3,356,606
University Facilities Bonds, Series 2008, semi-annual interest installment, annual principal installments, maturity November 2013, interest rate fixed	3.50%	$ 976,221
Total Component Unit Bonds Payable		$ 74,785,709

Scheduled Maturities of Bonds Payable – Major Component Units

Fiscal Year	Principal	Interest	Total
2011	$ 3,720,683	$ 2,981,357	$ 6,702,040
2012	3,629,678	2,842,667	6,472,345
2013	3,202,684	2,698,564	5,901,248
2014	3,340,572	2,561,134	5,901,706
2015	3,231,536	2,414,458	5,645,994
2016 - 2020	19,316,750	9,662,922	28,979,672
2021 - 2025	17,766,331	6,000,779	23,767,110
2026 - 2030	17,102,197	2,559,221	19,661,418
2031 - 2035	3,053,949	322,307	3,376,256
2036 - 2040	421,329	39,316	460,645
	$ 74,785,709	$ 32,082,725	$ 106,868,434

Nonrecourse Lease Revenue Bonds

In July 2000, the UND Aerospace Foundation issued $13,770,000 of nonrecourse lease revenue bonds, which bear interest at 4.375 to 5 percent with various maturities beginning September 1, 2000 and continuing through September 2010. The proceeds of the bonds were principally used to refinance UND leases for its facilities and equipment. In conjunction with the issuance of these bonds, the UND Foundation entered into a lease agreement as lessor with UND for the facilities and equipment. Payments under the lease agreement match the principal and interest payments due on the bonds and will be paid by UND directly to the bond trustee as a result of the UND Foundation assigning all of its rights and interest as lessor to the bond trustee. The UND Aerospace Foundation, as issuer, does not have any obligation to pay the bonds beyond the rents paid by UND to the bond trustee under the lease agreement and has also granted the trustee a security interest in the related leased equipment. In the event of UND's default under the lease agreement (as defined), the bondholders do not have any rights to collect from the UND Foundation other than the proceeds from the sale or release of the leased equipment. The outstanding balance of the bonds on June 30, 2010 is $745,000. The lease, lease assignment, and bond agreements provide for the legal right of offset, permitting the related assets and debt to be netted for financial reporting purposes.

NOTE 9 – NOTES PAYABLE

PRIMARY INSTITUTION

Energy Performance Contracts

Several campuses have individual notes payable to GE Capital Public Finance, Inc., for energy improvements through a performance contract. Details of the notes are as follows:

Institution	Original Balance	Maturity Date	Interest Rate	Outstanding Balance June 30, 2010
Bismarck State College	$ 1,492,000	July 2012	5.01%	$ 581,845
Dakota College of Bottineau	378,067	August 2013	4.27%	140,657
Dickinson State University	21,765	July 2016	9.90%	*19,400*
Lake Region State College	932,726	February 2015	4.41%	473,994
Mayville State University	7,280,185	August 2012	5.25%	6,341,240
Minot State University	1,158,054	December 2012	4.22%	339,404
North Dakota State College of Science	1,915,887	November 2009	5.52%	95,590
Valley City State University	1,065,688	November 2011	4.87%	323,478
Total Notes Payable	$ 14,244,372			$ 8,315,608

Scheduled Maturities of Notes Payable – Primary Institution

Fiscal Year	Principal	Interest	Total
2011	$ 1,005,844	$ 413,823	$ 1,419,667
2012	982,117	366,867	1,348,984
2013	747,509	322,667	1,070,176
2014	383,638	298,377	682,015
2015	354,381	281,101	635,482
2016 - 2020	2,004,451	1,159,216	3,163,667
2021 - 2025	2,837,668	538,984	3,376,652
	$ 8,315,608	$ 3,381,035	$ 11,696,643

MAJOR COMPONENT UNITS

Detail of notes payable for the component units is as follows:

	June 30, 2010	
	Interest Rate	Balance Outstanding
DSU Foundation		
Wells Fargo Bank mortgage payable, monthly principal and interest installments, maturity April 2025, interest rate fixed	5.625%	$ 298,743
NDSU Development Foundation		
Note payable, semi-annual principal and interest installments, maturity January 2013, interest rate fixed	2.77%	$ 10,293
Note payable, semi-annual principal and interest installments, maturity January 2013, interest rate fixed	6.86%	$ 1,783,192
NDSU Research & Tech Park, Inc.		
Growth Iniative Fund non-interest bearing note, due in annual installments with a maturity of August 2009.	-	$ 48,000
North Dakota Development Fund note payable, lump sum due December 2016.	4.0%	$ 250,000
North Dakota Development Fund note payable, lump sum due January 2017.	3.0%	$ 350,000
UND Aerospace Foundation		
Fransen Bank & Trust king air note payable - monthly principal and interest payments of $18,235, with remaining balance due October 10, 2018, fixed interest rate at 4.25%	4.25%	$ 1,476,652
Alerus cessna note payable, monthly principal and interest payments, maturity October 2013, variable interest rate.	5.58%	$ 3,423,592
Alerus commuter regional jet simulator down payment note payable A, monthly principal and interest payments, maturity August 2012, variable interest rate.	4.50%	$ 580,059
Bremer frasca simulatora promissary note, monthly principal and interest payments, balance due July 25, 2018, interest based on 1.9% over the 30-day London Interbank Offered Rate (LIBOR).	2.50%	$ 396,962
Bremer adacel upgrade promissary note - monthly principal and interest payments, balance due July 25, 2013, interest based on 1.9% over the 30-day (LIBOR).	2.50%	$ 255,088
Alerus revolving line of credit, due in monthly principal and interest payments of 1.2% of outstanding principal plus interest, balance due October 1, 2010, interest rate-2.75% above 30-day LIBOR	6.00%	$ 1,644,345
UND Foundation		
Wells Fargo Brokerage Services note payable, monthly interest, principal due June 2010, variable interest rate	5.00%	$ 100,000
Total Component Unit Notes Payable		$ 10,616,926

Scheduled Maturities of Notes Payable – Major Component Units

Fiscal Year	Principal	Interest	Total
2011	$ 1,535,034	$ 499,220	$ 2,034,254
2012	1,377,905	426,770	1,804,675
2013	2,200,217	331,400	2,531,617
2014	952,432	263,608	1,216,040
2015	2,506,974	151,168	2,658,142
2016 - 2020	1,927,301	150,140	2,077,441
2021 - 2025	117,063	12,072	129,135
	$10,616,926	$ 1,834,378	$12,451,304

NOTE 10 – CAPITAL LEASES

PRIMARY INSTITUTION

The institutions lease various types of capital assets under capital lease agreements. Capital leases give rise to property rights and lease obligations and therefore, the assets under lease are recorded as assets of the institution and the lease obligation is recognized as a liability. The leases have varying interest rates with maturities to 2045.

Carrying Value of Assets Held Under Capital Leases	Carrying Value	Accumulated Depreciation
Land improvements/infrastructure	$ 1,660,015	$ 1,574,001
Buildings	63,918,140	17,108,792
Furniture, fixtures, and equipment	33,127,108	14,416,229
Total	$ 98,705,263	$ 33,099,022

Scheduled Maturities of Capital Leases –

Primary Institution

Fiscal Year	Principal	Interest	Total
2011	$ 6,650,610	$ 3,864,783	$ 10,515,393
2012	5,084,368	3,069,095	8,153,463
2013	4,760,952	2,960,189	7,721,141
2014	4,536,614	2,709,897	7,246,511
2015	4,371,708	2,472,722	6,844,430
2016 - 2020	19,400,519	9,226,915	28,627,434
2021 - 2025	10,566,718	5,677,209	16,243,927
2026 - 2030	11,401,904	2,796,452	14,198,356
2031 - 2035	3,656,453	915,093	4,571,546
2036 - 2040	1,502,073	319,367	1,821,440
2041 - 2045	346,940	17,347	364,287
	$ 72,278,859	$ 34,029,069	$ 106,307,928

Scheduled Maturities of Capital Leases – Major Component Units

Fiscal Year	Principal	Interest	Total
2011	$ 42,805	$ 88,044	$ 130,849
2012	44,845	81,494	126,339
2013	46,982	79,357	126,339
2014	49,221	77,118	126,339
2015	51,567	74,773	126,340
2016 - 2020	297,122	334,575	631,697
2021 - 2025	374,995	256,702	631,697
2026 - 2030	473,278	158,420	631,698
2031 - 2035	403,311	38,877	442,188
	$ 1,784,126	$ 1,189,360	$ 2,973,486

NOTE 11 – OTHER LONG-TERM LIABILITIES

SPECIAL ASSESSMENTS

The institutions and major component units receive special assessments from the city or county for improvements made to roads and infrastructure owned by the city or county that are adjacent to or on campus property.

Scheduled Maturities of Special Assessments

	PRIMARY INSTITUTION		
Fiscal Year	Principal	Interest	Total
2011	$ 147,597	$ 75,040	$ 222,637
2012	140,619	66,509	207,128
2013	138,712	58,390	197,102
2014	122,899	50,514	173,413
2015	118,943	43,618	162,561
2016 - 2020	452,168	137,052	589,220
2021 - 2025	142,790	42,754	185,544
2026 - 2030	77,473	15,935	93,408
2031 - 2035	13,683	815	14,498
	$ 1,354,884	$ 490,627	$ 1,845,511

Scheduled Maturities of Special Assessments – Major Component Units

	COMPONENT UNITS		
Fiscal Year	Principal	Interest	Total
2011	$ 28,491	$ 28,000	$ 56,491
2012	28,369	27,000	55,369
2013	27,688	26,000	53,688
2014	27,688	25,000	52,688
2015	27,688	24,000	51,688
2016 - 2020	326,014	45,000	371,014
	$ 465,938	$ 175,000	$ 640,938

Compensated Absences

The compensated absences liability of the institutions at June 30, 2010 consists of accumulated unpaid annual leave, compensatory time, payable portion of accumulated sick leave, personal holiday hours, and Saturday/legal holiday hours earned and vested. Compensated absences for employees at June 30, 2010 and 2009 totaled $28,170,708 and $25,707,911, respectively. Leave policies restrict the accumulation of unused vacation and thus limit the actual payments made to employees upon termination or retirement.

NOTE 12 – RETIREMENT BENEFITS

The North Dakota University System participates in two major retirement systems: North Dakota Public Employees' Retirement System administered by the State of North Dakota and a privately administered retirement system: Teachers' Insurance Annuity Association and College Retirement Equity Fund. The following is a brief description of each plan:

NORTH DAKOTA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (NDPERS)

Description of Plan

NDPERS is a cost-sharing, multiple-employer, defined benefit pension plan covering substantially all broadband employees of the University System. The plan provides retirement, disability and death benefits. If an active employee dies with less than three years of credited service, a death benefit equal to the value of the employee's accumulated contributions, plus interest, is paid to the employee's beneficiary. If the employee has earned more than three years of credited service, the surviving spouse will be entitled to a single payment refund, lifetime monthly payments in an amount equal to 50 percent of the employee's accrued normal retirement benefit, monthly payments in an amount equal to the employee's accrued 100 percent joint and survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the employee's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

Eligible employees, who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits that are equal to 25 percent of their final average salary with a minimum benefit of $100. To qualify under this section, the employee must meet the criteria established by the Retirement Board for being considered totally disabled. Employees are entitled to unreduced monthly

pension benefits beginning when the sum of age and years of credited service equal or exceed 85, or at normal retirement age (65), equal to 2 percent of their final average salary for each year of service. The plan permits early retirement at ages 55-64, with three or more years of service. A financial report that includes financial statements and the required supplementary information for NDPERS can be obtained by writing to NDPERS; 400 East Broadway, Suite 505; P.O. Box 1657; Bismarck, ND 58502.

Funding Policy

NDPERS is funded by employee contributions (set by statute) of 4 percent of regular compensation. During the 1983-1985 biennium the State implemented the employer pickup provision of the IRS code whereby the employer makes all or a portion of the required employee contributions. The State is paying the full employee contribution. Employer contributions of 4.12 percent of covered compensation are set by statute. The required contributions are determined using an entry age normal actuarial funding method.

The North Dakota Retirement Board was created by the State Legislature and is the governing authority of NDPERS. Benefit and contribution provisions are administered in accordance with chapter 54-52 of the North Dakota Century Code, changes to the plan documents must be approved by the legislature and Governor. The University System's required and actual contributions to NDPERS for the fiscal years ending June 30, 2010, 2009 and 2008 were $6,929,921, $6,420,467 and $5,976,542,respectively.

TIAA-CREF RETIREMENT PLAN

Description of Plan

This is a privately administered defined contribution retirement plan which provides individual retirement fund contracts for eligible employees as defined by the Board of Higher Education in its approved TIAA-CREF retirement resolution. All benefits vest immediately to the participant. The State Board of Higher Education has the authority for establishing or amending plan provision and establishing or amending contribution requirements. Further information can be obtained by writing to TIAA-CREF; Denver Regional Office; 1700 Broadway, Suite 770; Denver, Colorado 80290 or by calling 800-842-2009.

Funding Policy

The plan requires employee and employer contributions be based on a classification system and years of service based on the following schedule:

Employment Class	Years of Service	Contributions by the Participant	Contributions by the Institution
I and III	0 thru 10	1.5%	9.5%
	over 10	2.0%	10.0%
II	0 thru 2	0.5%	4.5%
	3 thru 10	1.5%	9.5%
	over 10	2.0%	10.0%
IV	0	1.0%	9.0%
President/Chancellor (additional employer contribution)	0 thru 12	0.0%	8.33%*
	or		
	less than 3	0.0%	0.0%
	3 to less than 6	0.0%	4.0%
	6 yrs and over	0.0%	8.0%

*A final contribution is made in the year the president terminates employment equal to the difference between total contributions made and the president's final annual salary in year of termination of employment.

Plan contributions are made on a tax-deferred basis in accordance with Section 414(h)(2) of the Internal Revenue Code. All contributions are applied as premiums to retirement annuity contracts owned by the participant. The North Dakota University System has no further liability once annual contributions are made. The University System contributed $26,512,291 and $24,566,108 to TIAA-CREF during the fiscal years ending June 30, 2010 and 2009, respectively.

NOTE 13 – POST-EMPLOYMENT BENEFITS

STATE GROUP HEALTH PLAN

Members who receive retirement benefits from the Public Employees Retirement System may receive a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. The benefits are set by statute and the plan is a cost-sharing multiple-employer defined benefit plan. The employer contribution for the Public Employees Retirement System is set by statute on an actuarially determined basis (projected unit actuarial cost method) at 1.14 percent of covered compensation.

There are approximately 661 retired University System employees receiving these benefits and 2,745 active employees with retiree health credit. The actuarially determined required employer contribution of $972,876 for the year ended June 30, 2010 is 1.14 percent of the covered payroll. The University System's actual and required contributions for the fiscal years ending June 30, 2010, 2009 and 2008 were $972,873, $790,756 and $736,173, respectively.

As of June 30, 2010 there was $48.7 million in net assets available for benefits under the state retiree health insurance credit plan. The actuarially accrued liability was $102.8 million and the underfunded actuarially accrued liability was $54.1 million at June 30, 2010.

TERMINATION BENEFITS

Early Retirement Agreements

When early retirement is deemed to be in the mutual benefit of an employee and the University System, the Board has adopted Policy 703.1 on Early Retirement. This policy applies to tenured faculty, the chancellor, vice chancellors, other system office professional staff, presidents, executive deans, vice president, provosts, deans, and other officers responsible for a major unit of an institution who report directly to a president, vice president, provost, or executive dean who are members of TIAA-CREF, TFFR, or TIRF. During the fiscal year ended June 30, 2010, 19 employees elected early retirement.

Under the Tenured (Contract) Purchase Option, the employee is eligible for payment of up to 100 percent of the employee's final contract salary if the sum of the employee's age and total years of employment equals 70 or greater. Payments will be pursuant to the approved agreement, but cannot be made until at least 90 days after the date of Early Retirement Agreement. During the fiscal year ended June 30, 2010, 37 University System employees elected to participate in this option. Policy 703.1 also allows the early retirement agreements to retain the retiree on the applicable group health and life insurance plan. Payment by the institution of premiums is negotiable. Total cost to the institutions for these termination benefits will be $427,684 over the term of the new contracts. Amounts payable to employees at June 30, 2010 for outstanding contract buyouts and future health and life premiums, adjusted for projected health insurance premium increases and discounted to the present were $407,369, assuming health insurance premium increases of 5-10 percent and a discount rate of 0.3 percent.

Under the Phased Retirement Option, retirement is over a period of time. The percentage of workload

each year is negotiated. The campus may pay all or any part of the retirement contributions on the current salary or any part of the individual's salary until the individual terminates all employment. During the fiscal year ended June 30, 2010, seven University System employees elected to participate in this option. In fiscal year 2010, total cost to the institutions for these termination benefits was $341,367.

Severance Agreements
In fiscal year 2010, institutions paid $238,572 to 21 employees under separate employment separation agreements.

NOTE 14 – CONSTRUCTION COMMITMENTS AND FINANCING

The campuses have contracted for various construction projects as of June 30, 2010. Estimated costs To complete the various projects and the sources of anticipated funding are presented below:

		Expended		Funding for Remaining Costs			
	Contracts	Through	Total Cost	Federal	State	Institutional	Other
Campus	Awarded	June 30, 2010	To Complete	Sources	Sources	Funds	Sources
BSC	$ 2,450,309	$ 367,749	$ 2,082,560	$ -	$ 1,930,876	$ 151,684	$ -
DCB	978,652	112,982	865,670	-	865,670	-	-
DSU	15,199,371	14,280,655	918,716	-	907,231	-	11,485
LRSC	-	-	-	-	-	-	-
MaSU	8,806,828	2,284,380	6,522,448	-	4,488,092	-	2,034,356
MiSU	11,870,140	9,327,366	2,542,774	-	1,455,006	1,087,768	-
NDSCS	5,641,523	4,791,239	850,284	-	850,284	-	-
NDSU	63,542,295	33,290,788	30,251,507	-	25,192,335	435,572	4,623,600
UND	16,993,749	6,683,146	10,310,603	8,839,762	847,588	572,537	50,716
VCSU	1,191,142	673,021	518,121	-	344,122	-	173,999
WSC	12,230,849	2,059,791	10,171,058	-	-	-	10,171,058
Total	$ 138,904,858	$ 73,871,117	$ 65,033,741	$ 8,839,762	$ 36,881,204	$ 2,247,561	$ 17,065,214

NOTE 15 –COMPONENT UNIT TRANSACTIONS

MAJOR COMPONENT UNITS

Bismarck State College and Bismarck State College Foundation

On January 25, 2007, BSC and BSC Foundation entered into a 15-year lease agreement to facilitate the construction of a Mechanical Maintenance building. Under the agreement, BSC is responsible for payment of all rent, maintenance, and repair of the facility, maintenance of all insurance required under the lease, and restrictions of use of the facility as set forth in the lease. The amount of the rent is tied to the $1.4 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for $100.

On October 19, 2007, BSC and BSC Foundation entered into a 25-year lease agreement to facilitate the construction of the National Energy Center of Excellence building. Under the agreement, BSC is responsible for payment of all rent, maintenance, and repair of the facility, maintenance of all insurance required under the lease, and restrictions of use of the facility as set forth in the lease. The amount of the rent is tied to the $5.0 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for $100. The audited financial statements of BSC Foundation for

fiscal year 2010 report this transaction as an operating lease and report the related capital assets and related debt as assets and debt of the foundation. Since the foundation is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for the National Energy Center of Excellence, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

Dickinson State University and Dickinson State University Foundation
DSU provides personnel and other services to the foundation at no charge, as in-kind reimbursement for services provided by the foundation, including one-half salary and fringe benefits of foundation employees, payroll preparation services, postage, utilities and buildings and ground services. For the year ended June 30, 20109, DSU has valued these services at approximately $157,000.

The Dickinson State University Foundation issued two series of revenue bonds of $9,200,000 on June 4, 2009 to finance the Badlands Activities Center project. The bonds will be paid off with private donations raised by the Foundation and are summarized as follows:

$5,000,000 million bond at a fixed rate of 5.89%. The bond is amortized over 15 years with semi-annual payments due each January and July 20th. The payments in 2010 will be interest only, with the first principal payment due in January of 2011.

$4,200,000 million bond with a variable rate of interest, currently 1.65%. The bond is re-priced every six months and has payments each January and July. The 2010 payments will be interest only, with the first principal payment due in January, 2011. There are neither time limits nor prepayment penalties on this issue.

North Dakota State University and NDSU Research and Technology Park, Inc.
On December 30, 1999, NDSU through the State of North Dakota and the North Dakota State Board of Higher Education entered into a ground lease, whereby the NDSU Research & Technology Park, Inc. (component unit) leases 40 acres of land for $1 per year for the next seventy-five years.

On November 1, 2000, NDSU Research and Technology Park, Inc. (RTP) entered into a $6.5 million lease agreement with the City of Fargo to finance the construction of laboratory and research facilities and all equipment and furnishings located on property owned by the city. The agreement assigned to NDSU all of RTP's obligations under the lease, including but not limited to the payment of all rent, maintenance, and repair of the facility, maintenance of all insurance required under the lease, and restrictions of use of the facility as set forth in the lease. Upon payment of all the bonds, title to the facility will revert to RTP. On August 1, 2002, essentially the same legal and financial structure used to construct Research Building #1 was used to construct a second Research Building. The second lease agreement was for $20,450,000.

The audited financial statements of RTP for fiscal year 2010 report these transactions as an operating lease and report the related capital assets and related debt as assets and debt of RTP. Since RTP is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for Research Buildings 1 and 2, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

NDSU and RTP have entered into an operating agreement, whereby NDSU leases Research Building #1 for an annual rent of $628,943 and Research Building #2 for $1,525,963 through July 2013, plus utilities and insurance. Total payments under these agreements in fiscal year 2010 were approximately

$2.3 million. These agreements are subject to funding and legislative appropriations. On July 1, 2002, NDSU and RTP entered into an agreement for cooperation and assistance between entities. The agreement automatically extends for one-year periods unless cancelled by either party to the agreement.

North Dakota State University and NDSU Development Foundation

NDSU Equine Center

Effective January 1, 2003, NDSU and the NDSU Development Foundation entered into a ten-year lease agreement with an option for an additional ten year term to facilitate the construction of an Equine Science Center. Under the agreement, NDSU will pay rent to the NDSU Development Foundation for use of the premises. The amount of the rent is tied to the $4.355 million debt service retirement plus necessary insurance and taxes incurred by the Development Foundation. NDSU paid the Development Foundation $331,935 in fiscal year 2010 under this agreement.

The facility is included in long-term investments and the debt is included in long-term liabilities on the financial reports of the NDSU Development Foundation. NDSU has also recorded a capital asset and a capital lease payable of $3,415,000 as of June 30, 2010. Since the Development Foundation is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for the Equine Center, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

Fargodome Lease and Improvements

In fiscal year 2006, the NDSU Development Foundation financed the construction and equipping of office space, locker rooms, meetings rooms, and related facilities in the Fargodome for use by NDSU through the sale of revenue bonds issued by Cass County. The Foundation has leased the space in the Fargodome from the City of Fargo and subleased the space, furniture, fixtures and equipment to NDSU. Under the agreement, NDSU will pay rent to the NDSU Development Foundation for use of the premises. The amount of the rent is tied to the $3.5 million debt service retirement plus the Fargodome annual space rent and all costs incurred by the Development Foundation incident to the lease, less any contributions received by the Foundation for the project. Under this agreement in fiscal year 2010, the Development Foundation paid the debt service and other fees on behalf of NDSU in the amount of $338,240.

The facility is included in long-term investments and the debt is included in long-term liabilities on the financial reports of the NDSU Development Foundation. NDSU has also recorded a capital asset and a capital lease payable of $2,701,216 as of June 30, 2010. Since the Development Foundation is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for the Fargodome improvements, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

Renaissance Hall

The former Northern School Supply building was donated to the NDSU Development Foundation by NDSU alum in December of 2001. During fiscal year 2003 and 2004, the NDSU Development Foundation renovated the building with the intent to lease the facility to NDSU beginning fall 2004. NDSU entered into an agreement with 650 NP Avenue, LLC and Kilbourne Design Group, LLC to lease the property for $49,583 per month, through August 12, 2011, with an option to renew for two five-year periods. During fiscal year 2005, the foundation transferred nearly the entire ownership in 650 NP Avenue, LLC and Kilbourne Design Group, LLC; therefore, they are no longer consolidated in the

financial statements of the foundation. When the sublease with NDSU expires, the intent is to transfer the property back to the foundation and a new lease between the foundation and NDSU will be negotiated.

In fiscal year 2003 and 2004, the facility was reported on the financial statements of the NDSU Development Foundation as construction in progress and a short-term liability (for the construction loan). No asset or liability was reported in fiscal years 2005 through 2010 due to the transfer of ownership. The tax credits along with the deduction for donations bring the net cost to $5.6 million, which is shown as a capital asset and capital lease liability on the books and financial statements of NDSU. The lease payments are recorded as interest only by NDSU until fiscal 2011, when the property is planned to be transferred back to the Development Foundation and lease revenue bonds will be issued to finance the acquisition.

Aircraft

Effective June 28, 2007, NDSU and the NDSU Development Foundation entered into a $2,348,000, ten-year, lease agreement for the purchase of an aircraft. Under the agreement, NDSU will pay rent to the NDSU Development Foundation for use of the aircraft. The amount of the rent is equal to the amount of the principal and interest payments on the loan, for the life of the loan. During fiscal year 2010, NDSU made $322,919 of debt service to the NDSU Development Foundation on the Aircraft lease. The University is responsible for all costs incurred in operation and maintenance of the aircraft. Upon completion of the loan payments, ownership of the aircraft will be transferred to NDSU. Since the Development Foundation is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for the leased aircraft, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

Barry Hall Business Building and Klai Hall Architecture Building

Effective November 28, 2007, NDSU and the NDSU Development Foundation entered into lease agreements for two buildings in downtown Fargo, formerly known as the "Pioneer Mutual Building" and "Lincoln Mutual building". The Foundation financed the construction of the Barry Hall business building and Klai Hall architecture building projects through the sale of $18.52 million of 20-year University Facilities Revenue Bonds issue by the City of Fargo, North Dakota. The City has loaned the bond proceeds to the Foundation for payments equal to the sum of the semi-annual interest payments and installments of varying principal amounts on the variable rate bonds and the semi-annual principal and interest payments on the fixed-rate bonds. The principal payments on the variable rate bonds will be funded from payments on donor pledges restricted for the project. Under the terms of the loan, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to ownership of the property. The property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to NDSU when the bonds are repaid in full. The bonds are guaranteed by the Foundation. This property is leased to NDSU for rental equal to the sum of the semi-annual interest only payments on the variable term bonds plus the semi-annual principal and interest payments on the fixed-rate bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property. During fiscal 2010, NDSU paid $853,379 to the NDSU Development Foundation for under the leases for debt service, property taxes and insurance on Barry Hall & Klai Hall. NDSU has an option to acquire the property upon full payment of the bonds. The bonds payable have a balance of $13,651,323 at June 30, 2010.

NDSU President's House

On September 15, 2008, the NDSU Development Foundation financed the construction of a new residence for the NDSU President through the sale of $900,000 of 30 year University Facilities Bonds.

The interest rate is a fixed rate of 4.20% with semi-annual principal and interest payments. The repayment source is private donations and pledges. The bonds payable have a balance of $871,651 at June 30, 2010.

The NDSU Development Foundation incurred a total $1,498,998 of costs related to the construction of the President's House during fiscal years 2009 & 2010. NDSU incurred a total of $703,837 during fiscal 2009 & 2010. In addition, donated services of $403,147 were contributed to the construction of the President's residence through June 30, 2010. The President's House was capitalized on NDSU's books for the sum of the Foundation & NDSU costs, plus the donated services ($2,605,983). In addition, during the construction period there were transition costs (i.e., rent, utilities) for the NDSU President paid by the NDSU Development Foundation ($32,694) and NDSU ($67,157). These costs were considered operating expenses, along with some minor completion costs of $2,090 incurred in June 2010.

Other Transactions

NDSU also has agreements in place with the Foundation for maintenance of the University's alumni records, for use and insurance on certain land and buildings and for lease of a vehicle. Amounts paid under these agreements in fiscal year 2010 totaled $695,657. In addition, the Development Foundation may contract with NDSU for materials and personnel in the service and utility areas and will reimburse NDSU based on separate agreements.

University of North Dakota and UND Aerospace Foundation

The Aerospace Foundation reimbursed UND for salaries, building rent, aircraft rental, and goods and services under an operating agreement aggregating approximately $15.0 million in fiscal 2010. This operating agreement has no specific term and is intended to memorialize various operating agreements, rate structures, duties, and obligations each party has to the other. UND reimbursed the foundation for air service and hangar, CRJ, 360-degree tower and aircraft rental of $1.2 million. These expense reimbursements represent actual costs incurred. In addition, the Aerospace Foundation may contract with UND for materials and personnel in the service and utility areas and will reimburse UND based on separate arrangements. As of June 30, 2010, the foundation has recorded accounts payable to UND of $190,334 for reimbursable costs and services under these arrangements.

The Aerospace Foundation entered into a sublease with UND to lease the aircraft storage hangar/ground support equipment facility. The lease term is for 20 years, commencing on July 7, 2003 until July 6, 2023. For the first 15 years of the sublease, UND will pay the foundation monthly minimum payments of $12,672 beginning on October 1, 2003, subject to actual cost adjustments. At the end of the 15 years, rent will be adjusted based upon an interest rate adjustment or a refinancing of the debt incurred by the foundation in the construction of the hangar. The audited financial statements of the foundation report the capital assets and related debt for this lease. Since the foundation is a discretely presented component unit of the University System and the component unit and the University System are reporting the same assets and debt for this transaction, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

University of North Dakota and RE Arena, Inc.

RE Arena, Inc. manages, operates and maintains an arena known as the Ralph Englestad Arena, which was constructed in 2001 for the benefit of UND athletics. UND and RE Arena, Inc enter into an annual operating agreement from July 1 to June 30. The operating agreement sets forth the facility usage, fees and services, ticket administration and revenue allocation, sponsorship sales administration and revenue allocation, and net income disposition. In accordance with this agreement: (i) RE Arena Inc. collects all ticket revenue from ticketed UND athletic events (men's and women's

hockey, football, men's and women's basketball, and volleyball), RE Arena, Inc. retains 52% of such ticket revenue and remits 48% to UND, and (ii) RE Arena Inc. collects all sponsorship sales revenue from UND athletic events, RE Arena, Inc. retains 64% of such sponsorship revenue, net of direct costs, and remits 36% to UND. In addition, UND and RE Arena, Inc. jointly utilize UND and RE Arena Inc. marketing staff to market and promote UND athletic events.

Revenue and expense arrangements for all other UND events held at the arena will be negotiated on an event-by-event basis. Per this agreement, RE Arena, Inc. received approximately $1,887,365 in ticket revenue and $621,798 in sponsorship revenue from UND athletic events in fiscal year 2010. Additionally, under the agreement, to the extent funds are available, RE Arena, Inc. and UND determine an amount to fund a reserve for extraordinary repairs, maintenance and building improvements. The amount reserved in fiscal year 2010 was $500,000. On an annual basis, RE Arena, Inc. will remit to UND its net income after adding back depreciation and amortization, and deducting the funded reserve, capital expenditure, additional principal reduction on Betty Engelstad Sioux Center debt and amount mutually agreed to be retained by RE Arena Inc. for the fiscal year. RE Arena, Inc. paid UND $350,000 under this agreement in fiscal year 2010.

In addition, RE Arena, Inc. may contract with UND for materials and personnel in the service and utility areas and will reimburse UND based on separate agreements. As of June 30, 2010, RE Arena, Inc. has a payable to UND of $ 147,825 for these expenditures.

University of North Dakota and University of North Dakota Foundation

The University of North Dakota Foundation issued through Wells Fargo Brokerage Services, LLC, tax-exempt lease revenue bonds on October 24, 2003 of $4,400,000 to finance the land purchase and construction of the Minot Family Practice Center. The center is a component of the School of Medicine & Health Sciences at UND. Interest only is due on a semi-annual basis at a variable rate of interest with a maturity date of December 15, 2018. The interest rate is 4.15 percent at June 30, 2010. The foundation may pay down principal in increments of $100,000 on interest payment dates without penalty. Principal balance outstanding at June 30, 2010 is $3,356,606. A receivable from UND and the bond payable is included on the financial reports of the foundation and UND has recorded a capital asset and a capital lease payable as of June 30, 2010.

On July 24, 2002, UND Foundation issued lease revenue bonds of $8,595,000 on behalf of UND to, i) finance the construction of an office building for EERC, ii) renovate the current EERC building, iii) finance capitalized interest, and iv) pay cost of issuance of the bonds. UND and UND Foundation also entered into a lease agreement on July 1, 2002, whereby the foundation leases certain property to UND and UND will pay the foundation basic rents which will be sufficient to cover principal and interest on the lease revenue bonds when due. The bonds bear an interest rate of 2.5 to 5.0 percent and mature in 2027. The lease revenue bond has a balance of $6,880,000 at June 30, 2010. The foundation's financial statements include this transaction as a receivable from UND and a long-term liability. UND's financial statements include the capitalized asset and a long-term liability due to UND Foundation.

On April 16, 2008, the UND Foundation issued bonds of $2,200,000 to build a University Presidents Home and an addition to the Jodsaas Center Engineering building. Series B for the President's residence was $900,000 and Series A for the Jodsaas Center Engineering Building was $1,300,000. Semi-annual payments are required on Series A. Series B requires semi-annual payments with principal paid annually. The interest rate is fixed at 4.15%. Payments on both series are due through 2038. The bonds have a balance of $2,039,159 at June 30, 2010. The UND Foundation incurred $919,571 in costs related to the President's residence and also incurred $424,080 in costs related to infrastructure and land improvements related to the President's residence.

On December 22, 2008, the UND Foundation issued bonds of $1,200,000 to fund construction of the North Dakota Center for Human Safety. Annual payments of principal along with semi-annual payments of interest are required at a fixed interest rate of 3.5%. Payments are due through 2013. The bonds have a balance of $976,221 at June 30, 2010.

UND leases office space to the UND Foundation at a cost of $1 per year and provides some administrative services, computer services, utilities and maintenance at no cost as a partial in-kind reimbursement for services rendered by the Foundation. Lease on the office, dated November 1, 1979, has a remaining term of one year. At June 30, 2010, due to timing of receipts and payments, the UND Foundation recorded a payable of $22,601 to UND.

NON-MAJOR COMPONENT UNITS

North Dakota State University and North Dakota State University Research Foundation
The foundation disburses 30 percent of net research fees and royalties from patents and other intellectual property or know-how to the inventor as required by state law; the remaining 70 percent is shared by NDSU and the foundation based on negotiated arrangements. Based on these agreements, $537,824 in research fees and royalties were paid to NDSU from the foundation during the year ended June 30, 2010. Additionally, the foundation reimbursed NDSU $217,801 for salaries for services provided by NDSU employees and $5,564 for rent of office space.

Valley City State University and Valley City State University Foundation
The foundation has a memorandum of Agreement with VCSU for administrative services. Under this agreement, the foundation paid VCSU approximately $100,039 during fiscal year 2010.

NOTE 16 – ON-BEHALF PAYMENTS

On-behalf payments for fringe benefits and salaries are direct payments made by one entity to a third party recipient for the employees of another legally separate entity. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends. The amount of on-behalf payments for fringe benefits and salaries for fiscal year ended June 30, 2010 is $581,609. There were no on-behalf payments made as contributions to a pension plan for which the System is not legally responsible.

NOTE 17 – FUNCTIONAL EXPENSE CLASSIFICATION

The System reports operating expenses using the "natural classification" on the Statement of Revenues, Expenses and Changes in Net Assets. Operating expenses for the year ending June 30, 2010, using the "functional classification" are presented below:

Operating Expenses	
Instruction	$ 301,803,932
Academic Support	60,779,379
Student Services	42,988,343
Institutional Support	101,616,539
Physical Plant	62,280,178
Scholarships and Fellowships	30,548,006
Auxiliary Enterprises	115,446,088
Public Service	50,770,729
Research	134,978,671
Depreciation	48,453,001
Total	$ 949,664,866

NOTE 18 – OPERATING LEASES

The campuses are obligated under certain leases for equipment, vehicles and facility rental, which are accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the resulting expenditures are recognized as incurred. Lease expenditures for the year ended June 30, 2010, amounted to $5.6 million.

Fiscal Year	Future Minimum Lease Payments
2011	$ 3,688,633
2012	2,477,534
2013	1,864,895
2014	1,478,664
2015	1,161,617
2016 - 2020	3,914,774
2021 - 2025	10,953
	$ 14,597,070

NOTE 19 – CONTINGENCIES

Amounts received and expended by the University System under various federal and state programs are subject to audit by governmental agencies. In the opinion of management, audit adjustments, if any, will not have a significant effect on the financial position of the University System.

In the normal course of its activities, the institutions of the University System are party to various legal actions. Because, in the opinion of management and counsel, the risk of material loss in excess of insurance coverage for these items is remote, the outcome of the legal proceedings and claims is not expected to have a material effect on the financial position of the University System. Therefore, an estimated liability has not been recorded.

NOTE 20 – RAIN EVENT AND FLOOD DAMAGES

UNIVERSITY OF NORTH DAKOTA

Beginning with a sleet storm on April 6, 1997, and followed by the Flood of 1997, the University of North Dakota suffered extensive damage to infrastructure, buildings, equipment, and furnishings. On August 4, 1997, the Emergency Commission under the provisions of NDCC 54-16-13, approved the University's request to obtain a $12,000,000 line of credit from the Bank of North Dakota for purposes of expediting the repair of buildings and infrastructure, as well as the replacement of equipment and furnishings lost in the disaster. The Emergency Commission has extended borrowing authority each biennium since. On March 9, 1998, the Bank of North Dakota, acting on direction from the Emergency Commission, approved two additional categories of draw availability on the $12 million Letter of Credit.

As of June 30, 2010, UND has expended approximately $61.0 million in flood recovery costs, $2.7 million of which was covered by UND. In addition, UND recovered $6.3 million from insurance, received $38.2 million from FEMA, and received $13.8 million in deficiency appropriations. The campus anticipates recovering no additional costs from FEMA or a deficiency appropriation at a future date.

BANK OF NORTH DAKOTA LINE OF CREDIT ACTIVITY

At June 30, 2010 and 2009, UND had no outstanding balance on the rain event and flood lines of credit.

VALLEY CITY STATE UNIVERSITY

In the spring of 2009, flood preparation and mitigation measures caused damage to parking lots and athletic fields at VCSU. As of June 30, 2010, VCSU incurred $431,000 in flood recovery costs. Total recovery costs are estimated to be approximately $436,000. In fiscal year 2010, VCSU received $335,000 from FEMA and expects to receive additional FEMA funds of approximately $37,000. VCSU anticipates recovering the remaining costs from a deficiency appropriation request made in 2010.

NOTE 21 – RISK MANAGEMENT

The University System is exposed to various risks of loss related to torts; theft, damage, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The following are funds/pools established by the state for risk management issues.

RISK MANAGEMENT FUND

The 1995 Legislative Session established the Risk Management Fund (RMF), an internal service fund, to provide a self-insurance vehicle for funding the liability exposures of state agencies resulting from the elimination of the state's sovereign immunity. The RMF manages the tort liability of the state, its agencies, employees and the University System. All state agencies participate in the RMF and each fund's contribution was determined using a projected cost allocation approach. The system obtains most of its insurance through the RMF.

NORTH DAKOTA FIRE AND TORNADO AND STATE BONDING FUND

The University System also participates in the North Dakota Fire and Tornado Fund and State Bonding Fund. The University System pays an annual premium to the Fire and Tornado Fund to cover property damage to personal property. Replacement cost coverage is determined in consultation with the Fire and Tornado Fund. The State Bonding Fund currently provides the University System with blanket fidelity bond coverage in the amount of $750,000 to $2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

NORTH DAKOTA WORKFORCE SAFETY AND INSURANCE

The University System participates in the North Dakota Workforce Safety and Insurance, an Enterprise Fund of the State of North Dakota. The Bureau is a state insurance fund and is a no fault insurance system. It covers the state's employers and employees financed by premiums assessed to employers. The premiums are available for the payment of claims to employees injured in the course of employment.

There have been no significant reductions in insurance coverage from the prior year and settled claims from these risks have not exceeded insurance coverage in any of the past three fiscal years except for rain event and flood damages at VCSU and UND as discussed in Note 20.

NOTE 22 – ASBESTOS SETTLEMENT

During fiscal year 1999, the University System settled an asbestos lawsuit against W.R. Grace & Co. The Chancellor has designated the dollars for asbestos related projects at the campuses. The designated amount for NDSU and UND at June 30, 2010 is $292,282 and $786,173, respectively.

NOTE 23– DEFICIT NET ASSET BALANCES > $100,000

As of June 30, 2010 the Universities listed below had the following reportable net asset balance deficits greater than $100,000.

Institution	Fund	Description	Deficit Balance
Bismarck State College	28010	Jack Science Center	$ 147,185
		Total BSC	$ 147,185
Dickinson State University	22526	Business Challenge Fund	$ 127,780
		Total DSU	$ 127,780
North Dakota State College of Science	21216	Worforce Training	$ 146,589
		Total NDSCS	$ 146,589
North Dakota State University	28100	Minard Hall Collapse	$ 907,154
	28100	Barry Hall Finishing Costs (estimated)	2,700,000
	18541	Interfund Borrowing	422,217
		Total NDSU	$ 4,029,371
University of North Dakota	21220	Bismarck Family Med Center	$ 885,246
	22422	Line Services	143,106
	22364	EERC Cost of Litigation	1,551,701
		Total UND	$ 2,580,053
Williston State College	28001	Capital Improvements	$ 576,402
			576,402
Total University System			$ 7,030,978

Bismarck State College

Fund 28010 - On September 3, 2008, the ground floor of the Jack Science Center was flooded as a result of construction work taking place on campus. Estimated total cost of restoration and replacement of damaged infrastructure is $163,400. BSC's claim to ND Fire & Tornado was declined due to policy exclusions. A forensic study was completed by Mercer Engineering that suggests the City of Bismarck's Engineer and Public Works Department is responsible for opening the valve to the water service line that resulted in the flooding. BSC has initiated legal proceedings with the city of Bismarck on this matter.

BSC submitted a claim to the North Dakota Insurance Reserve Fund on April 28, 2009. The city has acknowledged receipt of documentation of damages at BSC and is in discussion with the contractor's insurer to determine if the city was insured through the contractor's general liability policy. We feel that there is a strong case for recovery with the claim that has been filed with NDIRF. BSC will request a deficiency appropriation from the Legislative Assembly for any cost not covered by insurance proceeds.

Dickinson State University

The Business Challenge fund balance as of June 30, 2010 was ($127,780). A $50,000 grant has been awarded to Business Challenge by the ND Department of Commerce that will be received during FY11. The grant may be an annual grant and will be applied for again in FY12. Additionally, one of the two full-time staff positions has been eliminated estimated to save approximately $40,000 annually. These two changes should bring the program deficit to under $40,000 by June 30, 2011 and fully eliminated by June 30, 2012.

The deficit at June 30, 2010 is larger than the projected deficit of $43,000 submitted in the January 2010 deficit plan. Factors contributing to the variance are: 1) the $50,000 grant was expected to be received in FY10; 2) the number of attendees and the amount of additional gifts was less than projected. However, if DSU receives the ND Department of Commerce grant in FY12 and along with the elimination of the full-time staff position in FY10, DSU is confident the deficit will be eliminated by June 30, 2012, as reported in the January 2010 deficit plan.

North Dakota State School of Science
The Workforce Training fund has a deficit balance of $146,589. This deficit balance is related to costs of a workforce training effort. Revenue was not sufficient to cover the costs of a mobile welding training lab. This form of training has been discontinued and NDSCS is actively trying to sell the equipment in order to recover the initial investment and it is expected that the deficit will be eliminated when the equipment is sold.

North Dakota State University
Fund 28100 - Minard Hall Collapse – The deficit represents costs from the building collapse in December 2009. Research is on-going to determine responsibility in order for the costs in this fund/project to be reimbursed. No time estimate is available at this time for resolution of the deficit. At this time, there are no plans to request a deficiency appropriation to recover the collapse costs. NDSU is trying to identify a responsible party and seek reimbursement.

Fund 28100 – Barry Hall Finishing Costs (estimated) - The deficit is the result of paying furniture, IT equipment and landscaping costs on the Barry Hall project in FY10. Original NDSU plans were to pay for these costs through a lease agreement with the NDSU Development Foundation. During a performance audit in FY10, the State Auditor's Office questioned the legality of lease agreements on Barry Hall; as a result, the lease agreement on the Barry Hall finishing costs was put on hold. Based on advice from the ND University System Office, NDSU did not enter into the planned lease agreement; but instead accumulated the costs in a university fund/project, reporting the deficit, and is currently developing a plan to repay the deficit over 5 years. Paying for the costs using inter-fund borrowing in this manner, results in interest savings and keeps the university's long-term debt down. NDSU will present a detailed plan for retirement of the deficit to the BAFC at a future date.

Fund 18541 – The deficit is the result of a planned early payment of NDSU special assessment projects in FY10. This deficit will be repaid from revenues from 19th Ave development (McDonalds and University Mall) over approximately the next 3 years. The early payment of specials resulted in interest expense savings of $30,000 per year. The amount of specials retired in April 2008 was $801,000. Paying for the costs using inter-fund borrowing in this manner results in interest savings and keeps the university's long-term debt down.

University of North Dakota
Fund 21220 – The Bismarck Center for Family Medicine net equity deficit as of June 30, 2008 was $52,850 before an audit adjustment to increase the accounts receivable allowance by $1,108,030 was made to the June 30, 2008 financial statements in December 2008. The adjustment relates to a $1,775,973 accounts receivable balance due to UND from Bismarck MedCenter One Hospital. The audit adjustment was made after Medicare made a provider audit adjustment to Bismarck MedCenter One Hospital financial statements. This Medicare provider audit adjustment may result in decreased graduate medical education reimbursements due to UND. UND disputes the Medicare provider adjustment, but the end result is a 2010 fiscal year net equity deficit of $885,246. An analysis of Bismarck MedCenter One Hospital and Bismarck St. Alexius Hospital receivables for June 30, 2009 was performed jointly by both hospital and SMHS officials. The result of this analysis led to a reduction of $364,377 from the June 30, 2008 prior period adjustment. The Bismarck hospitals are in the midst of a legal dispute with Medicare, which at this date is awaiting decision at the US Federal District Court in Bismarck, ND.

Fund 22364 - EERC Costs of Litigation had a deficit balance of $1,846,000 as of June 30, 2008. This balance represents the aggregate of costs incurred relative to ongoing litigation. As each case is brought to closure, balances will be brought to zero using funds resulting from the settlement.

Additionally, monthly payments are made by EERC to reduce the deficit. The maximum time needed to cover the deficit is just over nine years. The intent is to bring the deficit to zero as quickly as possible. The deficit balance at June 30, 2010 is $1,551,701.

Fund 22422 - Line services provides fuel to the airplanes in the Aerospace program. The deficit in this fund is $143,106 and will be recovered through adjustment of the rates over a three year period, in anticipation of recovering half of the deficit in FY11. The variability of North Dakota weather can cause fluctuations in this fund and make it difficult to project.

Williston State College
Fund 28001-The residence hall capital project accumulated architecture expenditures in the anticipation of receiving bond revenue in September 2010 for this project.

NOTE 24 – Subsequent Events

On July 8, 2010, VCSU issued $3.4 million in revenue bonds for the renovation of the Snoeyenbos Residence Hall. Revenues from rentals, charges and other income from the operation of Snoeyenbos Hall are pledged to the bond issue. The bonds mature on July 1, 2040 with principal and interest payments due beginning July 1, 2012. The Recovery Zone Economic Development Bonds carry a 45% federal subsidy to offset the interest expense.

On September 2, 2010, WSC issued $9.375 million in revenue bonds for the construction of a new residence hall. Revenues from the residence hall are pledged to the bond issue. The bonds mature on June 30, 2041 with interest due January 1, 2011 and principal and interest payments due beginning June 30, 2011.

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

COMBINING STATEMENT OF NET ASSETS

	North Dakota University System Office	Bismarck State College	Dakota College of Bottineau	Dickinson State University	Lake Region State College	Mayville State University	Minot State University
ASSETS							
Current assets							
Cash and cash equivalents	$ 7,753,912	$ 5,187,561	$ 1,012,895	$ 2,726,382	$ 3,688,811	$ 1,659,496	$ 14,668,363
Investments	-	1,861,000	-	9,655,000	-	488,000	10,953,347
Accounts receivable, net	95,128	688,990	137,573	522,821	606,672	390,857	736,402
Receivable from component units	-	85,120	-	327,653	-	28,069	468,691
Due from State General Fund	1,393,321	36,053	62,607	33,638	-	481,091	-
Grants & contracts receivables, net	2,967	1,311,550	280,005	254,792	509,844	300,236	1,690,318
Inventories	-	696,952	161,035	473,245	316,097	201,000	-
Notes receivable, net	-	117,274	63,112	238,728	86,232	159,677	671,144
Other assets	1,120	694,154	14,102	175,429	22,121	96,483	170,847
Total current assets	9,246,448	10,678,654	1,731,329	14,407,688	5,229,777	3,804,909	29,359,112
Noncurrent assets							
Restricted cash and cash equivalents	-	51,640	-	77,500	43,558	162,382	8,694,492
Restricted investments	-	405,000	69,591	-	105,000	2,146,316	1,129,535
Endowment investments	-	-	-	-	-	4,000	1,187,245
Notes receivable, net	-	423,159	227,728	860,679	311,151	484,283	2,421,683
Other long-term investments	-	-	-	-	-	-	-
Unamortized bond discount & cost of issuance	48,837	82,640	-	17,567	-	119,214	311,213
Capital assets, net	11,620,983	31,383,270	4,688,050	34,619,652	3,774,625	19,899,721	55,564,744
Total noncurrent assets	11,669,820	32,345,709	4,985,369	35,575,398	4,234,334	22,815,916	69,308,912
Total assets	$ 20,916,268	$ 43,024,363	$ 6,716,698	$ 49,983,086	$ 9,464,111	$ 26,620,825	$ 98,668,024
LIABILITIES							
Current liabilities							
Accounts payable and accrued liabilities	$ 1,959,171	$ 1,217,472	$ 140,040	$ 678,232	$ 281,756	$ 793,998	$ 4,017,206
Payable to component units	-	45,194	-	-	-	-	-
Accrued payroll	186,516	1,228,146	171,450	894,615	365,096	534,262	1,797,117
Deferred revenue	-	642,349	11,096	-	443,603	148,991	981,975
Deposits	1,209,467	267,371	63,878	191,342	258,668	149,900	571,402
Long-term liabilities--current portion							
Due to Component Units	-	100,039	-	-	-	-	-
Due to Others	1,643,910	428,752	83,721	88,664	184,992	939,469	697,665
Total current liabilities	4,999,064	3,929,323	470,185	1,852,853	1,534,115	2,566,620	8,065,365
Noncurrent liabilities							
Other noncurrent liabilities	118,306	44,670	956	-	-	1,356	-
Long-term liabilities							
Due to Component Units	-	2,071,137	-	-	-	-	-
Due to Others	5,612,232	5,194,030	298,390	1,187,894	1,334,009	12,559,673	15,926,279
Total noncurrent liabilities	5,730,538	7,309,837	299,346	1,187,894	1,334,009	12,561,029	15,926,279
Total liabilities	$ 10,729,602	$ 11,239,160	$ 769,531	$ 3,040,747	$ 2,868,124	$ 15,127,649	$ 23,991,644
NET ASSETS							
Invested in capital assets, net of related debt	$ 4,662,983	$ 24,436,775	$ 4,463,558	$ 34,025,253	$ 2,625,632	$ 8,862,206	$ 48,773,714
Restricted for:							
Nonexpendable:							
Scholarships and fellowships	-	-	-	-	-	17,524	1,128,178
Expendable:							
Scholarships and fellowships	-	58,835	5,314	12,314	-	1,522	747,276
Research	-	-	-	-	218,918	-	4,204
Institutional	-	26,182	446,645	520,768	(50,604)	25,225	640,896
Loans	-	572,274	272,948	1,247,125	426,376	664,841	3,340,019
Capital projects	-	-	-	-	-	-	-
Debt service	-	456,640	68,501	88,733	63,427	99,837	900,264
Other	37,583	-	-	-	-	-	-
Restricted	5,486,100	6,234,497	690,201	11,048,146	3,312,238	1,822,021	19,141,829
Total net assets	$ 10,186,666	$ 31,785,203	$ 5,947,167	$ 46,942,339	$ 6,595,987	$ 11,493,176	$ 74,676,380

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

COMBINING STATEMENT OF NET ASSETS - Continued

	North Dakota State College of Science	North Dakota State University	University of North Dakota	Valley City State University	Williston State College	Eliminations	Total
ASSETS							
Current assets							
Cash and cash equivalents	$ 10,756,905	$ 10,161,030	$ 8,643,356	$ 2,525,876	$ 486,504	$ -	$ 69,271,091
Investments	370,198	21,669,856	30,125,735	1,543,581	-	-	76,666,717
Accounts receivable, net	1,473,031	5,133,865	9,088,171	187,905	334,617	(1,683,744)	17,712,288
Receivable from component units	-	1,785,957	4,328,283	25,252	223,397	-	7,272,422
Due from State General Fund	210,508	8,494,995	345,467	70,910	403,477	-	11,532,067
Grants & contracts receivables, net	882,251	20,632,242	16,242,359	266,673	517,972	-	42,891,209
Inventories	23,294	2,353,744	3,288,979	166,057	135,359	-	7,815,762
Notes receivable, net	518,344	1,455,839	5,405,788	152,482	61,117	-	8,929,737
Other assets	-	339,197	1,373,494	69,150	37,167	-	2,993,264
Total current assets	14,234,531	72,026,725	78,841,632	5,007,886	2,199,610	(1,683,744)	245,084,557
Noncurrent assets							
Restricted cash and cash equivalents	-	1,958,079	1,055,337	179,477	7,716	-	12,230,181
Restricted investments	537,530	17,992,728	3,556,254	350,456	-	-	26,292,410
Endowment investments	-	366,189	11,167,141	562,007	52,200	-	13,338,782
Notes receivable, net	1,870,340	5,220,912	19,519,373	550,197	220,529	-	32,110,034
Other long-term investments	-	27,915,503	37,186,355	-	-	-	65,101,858
Unamortized bond discount & cost of issuance	-	2,961,887	326,199	71,590	-	-	3,939,147
Capital assets, net	18,576,017	280,797,332	349,642,971	9,268,230	15,385,259	-	835,220,854
Total noncurrent assets	20,983,887	337,212,630	422,453,630	10,981,957	15,665,704	-	988,233,266
Total assets	$ 35,218,418	$ 409,239,355	$ 501,295,262	$ 15,989,843	$ 17,865,314	$ (1,683,744)	$ 1,233,317,823
LIABILITIES							
Current liabilities							
Accounts payable and accrued liabilities	$ 356,294	$ 14,562,961	$ 4,662,457	$ 413,008	$ 450,900	$ (474,277)	$ 29,059,218
Payable to component units	-	547,765	129,551	-	-	-	722,510
Accrued payroll	1,439,456	9,402,163	10,675,627	747,932	349,757	-	27,792,137
Deferred revenue	140,161	3,685,503	7,818,608	320,806	318,621	-	14,511,713
Deposits	190,932	1,250,531	3,133,115	47,553	183,230	(1,209,467)	6,307,922
Long-term liabilities--current portion							
Due to Component Units	-	1,645,707	501,218	-	-	-	2,246,964
Due to Others	481,251	4,295,596	7,294,341	269,580	213,824	-	16,621,765
Total current liabilities	2,608,094	35,390,226	34,214,917	1,798,879	1,516,332	(1,683,744)	97,262,229
Noncurrent liabilities							
Other noncurrent liabilities	17,620	52,865	1,015,189	-	(19,959)	-	1,231,003
Long-term liabilities							
Due to Component Units	-	40,789,225	11,241,669	-	-	-	54,102,031
Due to Others	1,566,271	105,103,273	102,913,375	3,598,098	504,263	-	255,797,787
Total noncurrent liabilities	1,583,891	145,945,363	115,170,233	3,598,098	484,304	-	311,130,821
Total liabilities	$ 4,191,985	$ 181,335,589	$ 149,385,150	$ 5,396,977	$ 2,000,636	$ (1,683,744)	$ 408,393,050
NET ASSETS							
Invested in capital assets, net of related debt	$ 17,440,249	$ 157,467,135	$ 237,503,322	$ 5,904,473	$ 14,856,667	$ -	$ 561,021,967
Restricted for:							
Nonexpendable:							
Scholarships and fellowships	-	368,262	11,215,998	443,214	58,219	-	13,231,395
Expendable:							
Scholarships and fellowships	-	66,841	4,131,821	113,698	22,721	-	5,160,342
Research	-	9,773,128	6,312,599	-	-	-	16,308,849
Institutional	1,248,084	1,274,249	8,583,765	490,601	(81,114)	-	13,124,697
Loans	3,443,993	7,134,912	27,204,316	705,401	306,975	-	45,319,180
Capital projects	-	161,866	-	(13,002)	-	-	148,864
Debt service	512,574	6,396,401	4,215,374	406,650	109,593	-	13,317,994
Other	-	-	-	152,182	-	-	189,765
Unrestricted	8,381,533	45,260,972	52,742,917	2,389,649	591,617	-	157,101,720
Total net assets	$ 31,026,433	$ 227,903,766	$ 351,910,112	$ 10,592,866	$ 15,864,678	$ -	$ 824,924,773

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	North Dakota University System Office	Bismarck State College	Dakota College of Bottineau	Dickinson State University	Lake Region State College	Mayville State University	Minot State University
OPERATING REVENUES							
Student tuition and fees (net of scholarship allowances of $55,783,009)	$ 7,245,710	$ 12,140,055	$ 1,357,682	$ 9,758,798	$ 3,400,828	$ 3,013,921	$ 14,010,695
Federal grants and contracts	673,774	2,289,310	333,306	1,129,278	600,757	2,129,420	6,924,802
State grants and contracts	11,400	1,455,503	229,479	88,662	1,128,649	72,289	1,612,607
Nongovernmental grants and contracts	-	1,000	336,000	229,711	2,433	-	53,271
Sales and services of educational departments	906,276	2,877,951	148,095	1,099,777	512,947	629,420	998,886
Auxiliary enterprises (net of scholarship allowances of $4,219,648; $95,610,079 of revenues are pledged as security for revenue bonds)	-	3,913,981	1,165,643	3,904,462	1,410,979	1,952,234	3,147,506
Other	-	8,286	5,511	112,605	8,221	10,445	61,967
Total operating revenues	$ 8,837,160	$ 22,686,086	$ 3,575,716	$ 16,323,293	$ 7,064,814	$ 7,807,729	$ 26,809,734
OPERATING EXPENSES							
Salaries and wages	$ 4,404,907	$ 22,433,002	$ 4,208,046	$ 18,013,372	$ 7,848,496	$ 9,101,278	$ 31,469,145
Operating expenses	4,909,105	9,398,314	1,992,741	8,497,908	2,490,024	2,967,189	11,603,927
Data processing	218,543	567,552	113,344	591,353	226,318	102,404	324,286
Depreciation expense	1,634,602	1,610,983	242,801	1,368,182	473,452	1,047,687	2,365,152
Scholarships and fellowships	12,507,208	2,884,799	503,134	1,701,191	605,140	506,573	3,112,051
Cost of sales and services	-	2,068,255	271,728	767,799	552,558	732,898	-
Total operating expenses	$ 23,674,365	$ 38,962,905	$ 7,331,794	$ 30,939,805	$ 12,195,988	$ 14,458,029	$ 48,874,561
Operating income (loss)	$ (14,837,205)	$ (16,276,819)	$ (3,756,078)	$ (14,616,512)	$ (5,131,174)	$ (6,650,300)	$ (22,064,827)
NONOPERATING REVENUES (EXPENSES)							
State appropriations	$ 25,360,789	$ 11,593,768	$ 2,910,051	$ 10,412,028	$ 3,886,650	$ 5,748,760	$ 17,087,612
Federal appropriations	-	-	-	-	-	-	-
Federal grants and contracts	-	4,551,326	1,081,407	2,680,205	1,433,502	1,270,873	4,198,273
Gifts	-	997,997	201,959	491,915	431,734	473,215	1,694,827
Endowment Investment income (net of	-	49,283	19,035	299,496	16,940	156,960	360,105
Interest on capital asset-related debt	(308,406)	(372,660)	(14,115)	(30,842)	(57,285)	(486,807)	(502,266)
Gain (loss) on disposal of capital assets	-	(25,206)	-	(34,614)	(5,304)	(200,158)	(17,382)
Insurance proceeds	-	4,371	-	44,013	-	-	46,394
Tax revenues	-	-	-	-	-	184,811	-
General and special grant expenditures	(4,946,132)	-	-	-	-	-	-
Other nonoperating revenues (expenses)	580,529	-	-	86,172	11,782	(571,223)	124
Net nonoperating reveneus	$ 20,686,780	$ 16,798,879	$ 4,198,337	$ 13,948,373	$ 5,718,019	$ 6,576,431	$ 22,867,687
Income (loss) before capital grants,	$ 5,849,575	$ 522,060	$ 442,259	$ (668,139)	$ 586,845	$ (73,869)	$ 802,860
State appropriations-capital assets	$ -	$ 567,399	$ 291,911	$ 572,156	$ 73,051	$ 2,372,043	$ 4,593,362
Transfers to Building Authority	(5,425,762)	-	-	-	-	-	-
Inter-institutional transfers	2,418,789	-	-	-	-	-	-
Capital grants and gifts	350,000	836,736	-	11,169,269	-	(21,888)	5,232,003
Increase (decrease) in net assets	$ 3,192,602	$ 1,926,195	$ 734,170	$ 11,073,286	$ 659,896	$ 2,276,286	$ 10,628,225
NET ASSETS							
Net assets--beginning of year	6,994,064	29,859,008	5,212,997	35,869,053	5,936,091	9,216,890	64,048,155
Net assets--end of year	$ 10,186,666	$ 31,785,203	$ 5,947,167	$ 46,942,339	$ 6,595,987	$ 11,493,176	$ 74,676,380

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - Continued

	North Dakota State College of Science	North Dakota State University	University of North Dakota	Valley City State University	Williston State College	Eliminations	Total
OPERATING REVENUES							
Student tuition and fees (net of scholarship allowances of $55,783,009)	$ 7,785,834	$ 86,530,951	$ 102,959,970	$ 3,933,233	$ 1,555,418	$ -	$ 253,693,095
Federal grants and contracts	1,491,239	59,654,535	70,366,079	651,659	199,602	(3,578,547)	142,865,214
State grants and contracts	749,512	8,875,502	7,139,892	33,068	418,413	(4,685,773)	17,129,203
Nongovernmental grants and contracts	67,241	5,941,320	19,353,458	354,762	7,603	-	26,346,799
Sales and services of educational departments	2,294,233	16,801,691	34,677,962	294,701	1,374,393	(885,651)	61,730,681
Auxiliary enterprises (net of scholarship allowances of $4,219,648; $95,610,079 of revenues are pledged as security for revenue bonds)	6,232,634	38,862,245	34,059,953	2,351,259	1,485,199	-	98,486,095
Other	165,031	488,664	581,767	13,232	5,449	-	1,461,178
Total operating revenues	$ 18,785,724	$ 217,154,908	$ 269,139,081	$ 7,631,914	$ 5,046,077	$ (9,149,971)	$ 601,712,265
OPERATING EXPENSES							
Salaries and wages	$ 22,523,279	$ 223,362,634	$ 247,250,388	$ 11,056,854	$ 6,255,380	$ -	$ 607,926,781
Operating expenses	9,836,683	78,764,285	68,144,126	5,107,669	2,610,713	(4,467,843)	201,854,841
Data processing	567,968	6,758,820	4,474,097	414,471	161,682	-	14,520,838
Depreciation expense	1,834,995	16,758,943	19,593,281	891,962	630,961	-	48,453,001
Scholarships and fellowships	1,275,180	6,916,093	8,304,499	553,575	593,609	(825,368)	38,637,684
Cost of sales and services	2,443,803	10,418,281	19,917,351	398,536	700,512	-	38,271,721
Total operating expenses	$ 38,481,908	$ 342,979,056	$ 367,683,742	$ 18,423,067	$ 10,952,857	$ (5,293,211)	$ 949,664,866
Operating income (loss)	$ (19,696,184)	$ (125,824,148)	$ (98,544,661)	$ (10,791,153)	$ (5,906,780)	$ (3,856,760)	$ (347,952,601)
NONOPERATING REVENUES (EXPENSES)							
State appropriations	$ 15,769,000	$ 104,702,614	$ 83,593,586	$ 8,225,309	$ 3,768,932	$ (200,000)	$ 292,859,099
Federal appropriations	-	6,166,317	-	-	-	-	6,166,317
Federal grants and contracts	3,055,039	11,305,624	10,847,844	1,323,692	1,323,867	-	43,071,652
Gifts	512,340	7,600,730	9,984,840	929,511	789,983	(1,100)	24,107,951
Endowment Investment income (net of	340,196	2,437,339	4,670,599	201,411	1,477,420	-	10,028,784
Interest on capital asset-related debt	(85,908)	(6,908,596)	(4,674,438)	(196,845)	(3,096)	-	(13,641,264)
Gain (loss) on disposal of capital assets	(169,154)	(292,344)	186,364	(70,578)	(33,684)	-	(662,060)
Insurance proceeds	-	2,061	120,124	3,776	-	-	220,739
Tax revenues	-	190,378	2,118,098	-	-	-	2,493,287
General and special grant expenditures	-	-	-	-	-	4,275,000	(671,132)
Other nonoperating revenues (expenses)	15,450	6,304	(1,121,617)	20	(917)	(217,140)	(1,210,516)
Net nonoperating reveneus	$ 19,436,963	$ 125,210,427	$ 105,725,400	$ 10,416,296	$ 7,322,505	$ 3,856,760	$ 362,762,857
Income (loss) before capital grants,	$ (259,221)	$ (613,721)	$ 7,180,739	$ (374,857)	$ 1,415,725	$ -	$ 14,810,256
State appropriations-capital assets	$ 5,097,080	$ 18,104,824	$ 3,600,927	$ 1,383,680	$ 665,330	$ -	$ 37,321,763
Transfers to Building Authority	-	(146,897)	-	-	-	-	(5,572,659)
Inter-institutional transfers	-	-	(2,418,789)	-	-	-	-
Capital grants and gifts	444,994	1,811,803	3,305,808	325,170	210	-	23,454,105
Increase (decrease) in net assets	$ 5,282,853	$ 19,156,009	$ 11,668,685	$ 1,333,993	$ 2,081,265	$ -	$ 70,013,465
NET ASSETS							
Net assets--beginning of year	25,743,580	208,747,757	340,241,427	9,258,873	13,783,413	-	754,911,308
Net assets--end of year	$ 31,026,433	$ 227,903,766	$ 351,910,112	$ 10,592,866	$ 15,864,678	$ -	$ 824,924,773

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

COMBINING STATEMENT OF CASH FLOWS

	North Dakota University System Office	Bismarck State College	Dakota College of Bottineau	Dickinson State University	Lake Region State College	Mayville State University	Minot State University
CASH FLOWS FROM OPERATING ACTIVITIES							
Student tuition and fees	$ 9,251,999	$ 12,158,376	$ 1,304,656	$ 9,673,700	$ 3,579,764	$ 3,042,422	$ 14,236,909
Grants and contracts	733,484	4,006,324	864,904	1,506,263	1,630,321	2,076,546	8,307,751
Payments to suppliers	(4,652,849)	(12,520,049)	(2,439,875)	(11,183,897)	(3,242,030)	(3,849,065)	(12,479,875)
Payments to employees	(4,275,718)	(22,224,219)	(4,176,219)	(17,821,122)	(7,763,505)	(9,020,707)	(31,107,455)
Payments for scholarships and fellowships	(12,507,208)	(2,884,799)	(503,134)	(1,701,191)	(605,140)	(506,573)	(3,112,051)
Loans issued to students	-	(128,724)	(79,866)	(205,659)	(50,608)	(32,075)	(679,163)
Collection of loans to students	-	93,998	52,807	154,512	55,143	-	393,479
Auxiliary enterprise charges	-	3,932,227	1,161,905	3,849,845	1,405,033	1,944,449	3,164,797
Sales and service of educational departments	906,276	2,930,332	173,693	1,175,231	490,412	548,151	541,421
Cash received on deposits	3,420,287	(41,798)	(5,998)	28,647	(6,512)	3,942	3,700
Other receipts	2,998,198	(273,989)	10,217	216,495	13,346	32,250	(27,230)
Net cash provided (used) by operating activities	$ (4,125,531)	$ (14,952,321)	$ (3,636,910)	$ (14,307,176)	$ (4,493,776)	$ (5,760,660)	$ (20,757,717)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
State appropriations	$ 24,852,159	$ 11,593,768	$ 2,910,052	$ 10,412,028	$ 3,906,650	$ 5,748,760	$ 17,087,612
Federal appropriations	-	-	-	-	-	-	-
Grants and gifts received for other than capital purposes	-	5,578,210	1,283,366	3,172,120	1,865,236	1,744,088	5,892,419
Grants given for other than capital purposes	(4,946,132)	-	-	-	-	-	-
Agency fund cash decrease	-	160,999	18,938	(96,927)	(77,958)	57,960	53,678
Tax revenues	-	-	-	-	-	184,811	-
Net cash flows provided (used) by noncapital financing activities	$ 19,906,027	$ 17,332,977	$ 4,212,356	$ 13,487,221	$ 5,693,928	$ 7,735,619	$ 23,033,709
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from issuance of debt	$ -	$ -	$ -	$ 21,765	$ -	$ 9,751,553	$ 10,000,000
Transfers to Building Authority	(5,425,762)	-	-	-	-	-	-
Capital appropriations	-	531,346	254,097	568,053	73,051	1,890,952	4,744,382
Capital grants and gifts received	350,000	778,506	-	11,897,371	(83)	(21,888)	5,232,123
Proceeds from sale of capital assets	-	-	-	-	11,000	-	-
Purchases of capital assets	(366,040)	(1,803,746)	(291,305)	(10,995,933)	(529,526)	(3,963,904)	(9,215,980)
Insurance proceeds	-	4,370	-	44,013	-	-	46,394
Principal paid on capital debt and lease	(1,562,000)	(528,443)	(70,379)	(64,337)	(161,310)	(6,965,158)	(509,565)
Deposits with capital debt payment trustees	-	-	(7,093)	-	-	-	-
Interest paid on capital debt and lease	(353,700)	(370,342)	(14,115)	(31,989)	(57,285)	(564,390)	(178,729)
Net cash provided (used) by capital and related financing activities	$ (7,357,502)	$ (1,388,309)	$ (128,795)	$ 1,438,943	$ (664,153)	$ 127,165	$ 10,118,625
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sales and maturities of investments	$ -	$ 3,920,000	$ -	$ -	$ -	$ 2,666,247	$ 2,908,012
Interest on investments	-	50,850	19,081	300,953	16,940	156,938	256,344
Purchase of investments	-	(2,770,000)	-	-	-	(4,812,563)	(1,882,626)
Net cash provided (used) by investing activities	$ -	$ 1,200,850	$ 19,081	$ 300,953	$ 16,940	$ (1,989,378)	$ 1,281,730
Net increase (decrease) in cash	$ 8,422,994	$ 2,193,197	$ 465,732	$ 919,941	$ 552,939	$ 112,746	$ 13,676,347
CASH - BEGINNING OF YEAR	(669,082)	3,046,004	547,163	1,883,941	3,179,430	1,709,132	9,686,508
CASH - END OF YEAR	$ 7,753,912	$ 5,239,201	$ 1,012,895	$ 2,803,882	$ 3,732,369	$ 1,821,878	$ 23,362,855
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income	$ (14,837,205)	$ (16,276,819)	$ (3,756,078)	$ (14,616,512)	$ (5,131,174)	$ (6,650,300)	$ (22,064,827)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities							
Depreciation expense	1,634,602	1,610,983	242,801	1,368,182	473,452	1,047,687	2,365,152
Other nonoperating expenses	2,999,320	2,905	(428)	86,168	11,784	16,925	(14,334)
Change in assets and liabilities							
Accounts receivable adjusted for interest receivable	2,006,289	39,903	(46,313)	(7,842)	(56,801)	(70,653)	(578,869)
Grant & contract receivables	48,310	260,511	(33,881)	58,612	(101,518)	(125,163)	(282,929)
Inventories	-	(74,305)	(23,188)	(23,721)	(64,919)	(11,158)	-
Notes receivable	-	(19,116)	(6,489)	(18,305)	33,011	12,442	(138,116)
Other assets	15,158	(284,040)	5,133	19,674	(6,659)	(54,792)	(378,288)
Accounts payable and accrued liabilities adjusted for interest payable	458,519	(418,820)	(47,348)	(1,394,329)	51,947	(41,487)	(361,611)
Accrued payroll	93,710	113,620	13,349	111,882	50,728	61,499	276,398
Compensated absences	35,479	95,163	18,478	80,368	34,263	19,072	85,292
Deferred revenue	-	39,492	3,052	-	218,622	31,326	330,715
Deposits	3,420,287	(41,798)	(5,998)	28,647	(6,512)	3,942	3,700
Net cash used by operating activities	$ (4,125,531)	$ (14,952,321)	$ (3,636,910)	$ (14,307,176)	$ (4,493,776)	$ (5,760,660)	$ (20,757,717)
SUPPLEMENTAL DISCLOSURE ON NON CASH TRANSACTIONS							
Assets acquired through capital lease	$ -	$ -	$ 6,850	$ -	$ -	$ 3,997,589	$ -
Assets acquired through special assessment	-	-	-	-	-	-	-
Expenses paid by capital lease/special assessments	-	-	-	-	-	586,792	-
Gifts of capital assets	-	5,000	-	343,853	-	-	-
Net increases (decrease) in value of investments	-	-	-	-	-	-	82,590
Total non-cash transactions	$ -	$ 5,000	$ 6,850	$ 343,853	$ -	$ 4,584,381	$ 82,590

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

COMBINING STATEMENT OF CASH FLOWS - Continued

	North Dakota State College of Science	North Dakota State University	University of North Dakota	Valley City State University	Williston State College	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Student tuition and fees	$ 7,692,661	$ 86,952,384	$ 104,468,896	$ 3,956,450	$ 1,667,739	$ -	$ 257,985,956
Grants and contracts	2,812,492	71,493,030	98,342,515	1,087,525	845,331	(8,264,320)	185,442,166
Payments to suppliers	(12,653,442)	(95,194,026)	(89,590,684)	(6,187,666)	(3,452,901)	4,534,132	(252,912,227)
Payments to employees	(22,527,335)	(220,946,023)	(246,295,412)	(11,020,465)	(6,171,423)	-	(603,349,603)
Payments for scholarships and fellowships	(1,275,180)	(6,916,093)	(8,304,499)	(553,575)	(593,609)	825,368	(38,637,684)
Loans issued to students	(382,170)	(1,047,099)	(3,977,304)	(108,695)	(63,055)	-	(6,754,418)
Collection of loans to students	362,191	964,206	2,665,447	99,718	40,538	-	4,882,039
Auxiliary enterprise charges	6,188,178	38,937,459	34,220,381	2,336,814	1,473,170	-	98,614,258
Sales and service of educational departments	1,936,824	15,927,265	31,210,296	293,316	1,291,922	(1,169,080)	56,256,059
Cash received on deposits	10,004	42,863	(2,418,879)	3,936	42,358	-	1,082,550
Other receipts	210,618	842,343	(3,474,530)	(109,522)	11,753	-	449,949
Net cash provided (used) by operating activities	$ (17,625,159)	$ (108,943,691)	$ (83,153,773)	$ (10,202,164)	$ (4,908,177)	$ (4,073,900)	$ (296,940,955)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
State appropriations	$ 16,065,364	$ 102,261,787	$ 83,593,586	$ 8,542,309	$ 3,703,579	$ -	$ 290,677,654
Federal appropriations	-	6,155,352	-	-	-	-	6,155,352
Grants and gifts received for other than capital purposes	3,567,379	18,906,353	20,832,684	2,197,627	2,113,850	(1,100)	67,152,232
Grants given for other than capital purposes	-	-	-	-	-	4,075,000	(871,132)
Agency fund cash decrease	(271,099)	(1,216,099)	(138,468)	(99,658)	(9,391)	-	(1,618,025)
Tax revenues	-	190,378	2,118,098	-	-	-	2,493,287
Net cash flows provided (used) by noncapital financing activities	$ 19,361,644	$ 126,297,771	$ 106,405,900	$ 10,640,278	$ 5,808,038	$ 4,073,900	$ 363,989,368
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from issuance of debt	$ -	$ 26,135,464	$ 1,500,000	$ -	$ -	$ -	$ 47,408,782
Transfers to Building Authority	-	-	-	-	-	-	(5,425,762)
Capital appropriations	4,886,572	16,862,747	4,489,015	1,327,963	393,167	-	36,021,345
Capital grants and gifts received	437,994	894,270	(27,660)	301,175	90,210	-	19,932,018
Proceeds from sale of capital assets	10,500	12,637	1,150,130	1,932	-	-	1,186,199
Purchases of capital assets	(5,022,985)	(44,368,109)	(20,930,393)	(1,527,292)	(2,925,238)	-	(101,940,452)
Insurance proceeds	-	2,061	277,432	3,776	-	-	378,046
Principal paid on capital debt and lease	(619,481)	(4,862,158)	(9,241,220)	(235,269)	(247,770)	-	(25,067,090)
Deposits with capital debt payment trustees	-	(223,806)	-	-	-	-	(230,899)
Interest paid on capital debt and lease	(85,908)	(6,534,147)	(4,664,295)	(110,130)	(3,780)	-	(12,968,810)
Net cash provided (used) by capital and related financing activities	$ (393,308)	$ (12,081,041)	$ (27,446,991)	$ (237,845)	$ (2,693,411)	$ -	$ (40,706,623)
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sales and maturities of investments	$ 99,085	$ 4,250,034	$ 45,473,536	$ 371,475	$ -	$ -	$ 59,688,389
Interest on investments	340,196	2,040,740	2,782,447	201,380	1,477,463	-	7,643,332
Purchase of investments	-	(16,458,434)	(47,972,404)	(1,991,753)	-	-	(75,887,780)
Net cash provided (used) by investing activities	$ 439,281	$ (10,167,660)	$ 283,579	$ (1,418,898)	$ 1,477,463	$ -	$ (8,556,059)
Net increase (decrease) in cash	$ 1,782,458	$ (4,894,621)	$ (3,911,285)	$ (1,218,629)	$ (316,087)	$ -	$ 17,785,731
CASH - BEGINNING OF YEAR	8,974,447	17,013,730	13,609,978	3,923,983	810,307	-	63,715,541
CASH - END OF YEAR	$ 10,756,905	$ 12,119,109	$ 9,698,693	$ 2,705,353	$ 494,220	$ -	$ 81,501,272
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income	$ (19,696,184)	$ (125,824,148)	$ (98,544,661)	$ (10,791,153)	$ (5,906,780)	$ (3,856,760)	$ (347,952,601)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities							
Depreciation expense	1,834,995	16,758,943	19,593,281	891,962	630,961	-	48,453,001
Other nonoperating expenses	(6,754)	(25,764)	(3,264,195)	(104,051)	(3,989)	(217,140)	(519,553)
Change in assets and liabilities							
Accounts receivable adjusted for interest receivable	(490,564)	(1,175,653)	(2,566,897)	(27,718)	(252,865)	1,348,093	(1,879,890)
Grant & contract receivables	504,500	(2,978,327)	1,483,086	48,037	219,713	-	(899,049)
Inventories	393,254	(312,898)	(459,901)	(16,150)	(12,214)	-	(605,199)
Notes receivable	78,683	29,870	(468,538)	9,781	(20,589)	-	(507,366)
Other assets	52,341	379,445	(792,101)	(28,636)	10,294	-	(1,062,471)
Accounts payable and accrued liabilities adjusted for interest payable	(279,569)	1,025,358	2,610,879	(280,800)	73,601	(1,348,093)	48,247
Accrued payroll	(90,849)	1,081,530	376,678	(3,350)	29,182	-	2,114,377
Compensated absences	86,793	1,335,081	578,298	39,739	54,775	-	2,462,801
Deferred revenue	(21,809)	720,011	719,177	56,236	227,376	-	2,324,197
Deposits	10,004	42,863	(2,418,879)	3,936	42,358	-	1,082,550
Net cash used by operating activities	$ (17,625,159)	$ (108,943,689)	$ (83,153,773)	$ (10,202,166)	$ (4,908,177)	$ (4,073,900)	$ (296,940,955)
SUPPLEMENTAL DISCLOSURE ON NON CASH TRANSACTIONS							
Assets acquired through capital lease	$ -	$ 1,567,371	$ 13,168,243	$ -	$ 73,695	$ -	$ 18,813,748
Assets acquired through special assessment	-	-	-	-	-	-	-
Expenses paid by capital lease/special assessments	-	139,795	172,492	-	-	-	899,079
Gifts of capital assets	7,000	1,350,563	3,293,344	23,994	-	-	5,023,754
	-	581,609	2,179,133	-	-	-	2,843,332
Total non-cash transactions	$ 7,000	$ 3,639,338	$ 18,813,212	$ 23,994	$ 73,695	$ -	$ 27,579,913

Statement of Net Assets – Non-major Component Units

	Dakota College of Bottineau Foundation	Lake Region Community College Foundation	MaSU Alumni Foundation	MiSU Development Foundation	NDSCS Foundation	NDSU 4-H Foundation	NDSU Research Foundation
ASSETS							
Current assets							
Cash and cash equivalents	$ 81,013	$ -	$ -	$ 400,658	$ 2,811,899	$ 1,059,420	$ 254,201
Investments	1,744,814	-	-	-	-	-	-
Accounts receivable, net	-	253,932	22,176	27,910	-	-	-
Receivable from primary institution	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Other assets	-	-	758	3,971	-	-	9,565
Total current assets	1,825,827	253,932	22,934	432,539	2,811,899	1,059,420	263,766
Noncurrent assets							
Restricted cash and cash equivalents	-	-	198,476	-	-	-	1,981,503
Restricted investments	-	-	-	-	-	-	-
Endowment investments	-	3,886,133	2,588,143	9,840,009	6,033,589	-	2,530,922
Other long-term investments	37,013	-	-	922,647	-	-	-
Other noncurrent assets	-	-	17,549	356,801	-	-	-
Capital assets, net	-	-	67,127	-	198,550	228	4,519
Total noncurrent assets	37,013	3,886,133	2,871,295	11,119,457	6,232,139	228	4,516,944
Total assets	$ 1,862,840	$ 4,140,065	$ 2,894,229	$ 11,551,996	$ 9,044,038	$ 1,059,648	$ 4,780,710
LIABILITIES							
Current liabilities							
Accounts payable and accrued liabilities	$ -	$ -	$ 2,763	$ 22,559	$ 12,198	$ 306,239	$ 2,434
Payable to primary institution	-	-	28,069	468,691	-	-	1,785,957
Long-term liabilities--current portion							
Due to Others	-	-	30,705	-	4,000	-	40,000
Total current liabilities	-	-	61,537	491,250	16,198	306,239	1,828,391
Noncurrent liabilities							
Other noncurrent liabilities	-	-	-	178,140	-	-	-
Long-term liabilities							
Due to Others	-	-	-	-	4,000	-	-
Total noncurrent liabilities	-	-	-	178,140	4,000	-	-
Total liabilities	$ -	$ -	$ 61,537	$ 669,390	$ 20,198	$ 306,239	$ 1,828,391
NET ASSETS							
Invested in capital assets, net of related debt	$ -	$ -	$ 36,422.00	$ 922,647	$ 190,550	$ 228	$ 4,519
Restricted for:							
Nonexpendable:							
Other (CU)	1,696,838	2,740,665	1,890,962	8,640,069	7,855,970	328,870	-
Other	44,140	760,649	1,317,528	3,192	398,138	335,297	1,785,957
Unrestricted	121,862	638,751	(412,220)	1,316,698	579,182	89,014	1,161,843
Total net assets	$ 1,862,840	$ 4,140,065	$ 2,832,692	$ 10,882,606	$ 9,023,840	$ 753,409	$ 2,952,319

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

Statement of Net Assets -- Non-major Component Units

	NDSU Team Makers Club	UND Center for Innovation	UND Research Foundation	UND The Fellows	VCSU Foundation	WSC Foundation	Eliminations	Total Non-major Component Units
ASSETS								
Current assets								
Cash and cash equivalents	$ 647,052	$ 478,212	$ 464,812	$ 96,719	$ 854,880	$ 2,464,596	$ (390,440)	$ 9,223,022
Investments	-	2,824,463	-	1,840,892	-	-	-	6,410,169
Accounts receivable, net	56,796	43,909	288,395	-	172,575	86,066	-	951,759
Receivable from primary institution	-	6,279	-	-	-	-	-	6,279
Inventories	10,837	-	-	-	-	-	-	10,837
Other assets	1,892	10,037	2,534	-	4,023	2,155	-	34,935
Total current assets	716,577	3,362,900	755,741	1,937,611	1,031,478	2,552,817	(390,440)	16,637,001
Noncurrent assets								
Restricted cash and cash equivalents	-	-	-	-	-	-		2,179,979
Restricted investments	1,823,157	56,897	-	323,022	-	5,984,919	(1,823,157)	6,364,838
Endowment investments	-	-	-	695,000	3,838,713	1,945,084	-	31,357,593
Other long-term investments	-	-	-	-	-	-	-	959,660
Other noncurrent assets	-	413,603	60,747	850,618	149,647	183,650	-	2,032,615
Capital assets, net	3,896	3,635,344	17,439,398	-	414	372,563	-	21,722,039
Total noncurrent assets	1,827,053	4,105,844	17,500,145	1,868,640	3,988,774	8,486,216	(1,823,157)	64,616,724
Total assets	$ 2,543,630	$ 7,468,744	$ 18,255,886	$ 3,806,251	$ 5,020,252	$ 11,039,033	$ (2,213,597)	$ 81,253,725
LIABILITIES								
Current liabilities								
Accounts payable and accrued liabilities	$ 31,292	$ 50,833	$ 246,835	$ -	$ 2,045	$ 34,210	$ -	$ 711,408
Payable to primary institution	2,213,597	30,000	161,243	323,022	25,252	223,397	(2,213,597)	3,045,631
Long-term liabilities--current portion								
Due to Others	25,000	-	180,110	-	-	-	-	279,815
Total current liabilities	2,269,889	80,833	588,188	323,022	27,297	257,607	(2,213,597)	4,036,854
Noncurrent liabilities								
Other noncurrent liabilities	-	75,000	-	41,224	41,756	13,379	-	349,499
Long-term liabilities								
Due to Others	119,237	-	9,657,099	-	-	-	-	9,780,336
Total noncurrent liabilities	119,237	75,000	9,657,099	41,224	41,756	13,379	-	10,129,835
Total liabilities	$ 2,389,126	$ 155,833	$ 10,245,287	$ 364,246	$ 69,053	$ 270,986	$ (2,213,597)	$ 14,166,689
NET ASSETS								
Invested in capital assets, net of related debt	$ 3,896	$ 3,635,344	$ 7,602,189	$ -	$ 414	$ 372,563	$ -	$ 12,768,772
Restricted for:								
Nonexpendable:								
Other (CU)	-	3,311,755	-	695,000	3,897,060	5,984,919	-	37,042,108
Other	-	670,262	-	1,167,326	1,075,519	3,151,567	-	10,709,575
Unrestricted	150,608	(304,450)	408,410	1,579,679	(21,794)	1,258,998	-	6,566,581
Total net assets	$ 154,504	$ 7,312,911	$ 8,010,599	$ 3,442,005	$ 4,951,199	$ 10,768,047	$ -	$ 67,087,036

Statement of Revenues, Expenses and Changes in Net Assets -- Non-major Component Units

	Dakota College of Bottineau Foundation	Lake Region Community College Foundation	MaSU Alumni Foundation	MiSU Development Foundation	NDSCS Foundation	NDSU 4-H Foundation	NDSU Research Foundation
OPERATING REVENUES							
Gifts & Contributions (CU)	$ 34,139	$ 523,491	$ 317,913	$ 60,503	$ 235,977	$ 47,992	$ 2,729
Event income (CU)	-	-	294,343	-	-	-	-
Rental income (CU)	-	-	-	-	34,476	-	-
Other	118,096	88,165	14,007	50,254	116,631	103,664	1,884,488
Total operating revenues	$ 152,235	$ 611,656	$ 626,263	$ 110,757	387,084	$ 151,656	$1,887,217
OPERATING EXPENSES							
Salaries and wages	$ 30,090	$ -	$ 88,312	$ -	$ 195,274	$ 18,970	$ 228,269
Operating expenses	24,672	159,792	14,680	171,678	181,666	188,939	462,379
Depreciation expense	-	-	11,569	33,554	120	-	2,357
Total operating expenses	$ 54,762	$ 159,792	$ 114,561	$ 205,232	377,060	$ 207,909	$ 693,005
Operating income (loss)	$ 97,473	$ 451,864	$ 511,702	$ (94,475)	$ 10,024.0	$ (56,253)	$1,194,212
NONOPERATING REVENUES (EXPENSES)							
Federal grants and contracts	$ -	$ -	$ -		$ -	$ -	$ -
Gifts	-	-	-		-	-	-
Investment income	48,766	301,072	248,186	943,590	763,271	(54,153)	339,619
Interest on capital asset-related debt	-	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-	-	-
Payments to or for the institution (CU)	(122,833)	(288,986)	(693,667)	(701,661)	(523,496)	(4,650)	(1,278,770)
Other nonoperating revenues (expenses)	(7,797)	-	-	-	-	-	-
Net nonoperating revenues (expenses)	$ (81,864)	$ 12,086	$ (445,481)	$ 241,929	$ 239,775	$ (58,803)	$ (939,151)
Income (loss) before capital grants, gifts, and transfers	$ 15,609	$ 463,950	$ 66,221	$ 147,454	$ 249,799	$ (115,056)	$ 255,061
Additions to permanent endowments	$ 33,894	$ 273,990	$ 50,336	$ 617,195	$ 172,634	$ -	$ -
Increase in net assets	$ 49,503	$ 737,940	$ 116,557	$ 764,649	$ 422,433	$ (115,056)	$ 255,061
NET ASSETS							
Net assets--beginning of year	1,813,337	3,402,125	2,716,135	10,117,957	8,601,407	868,465	2,697,258
Net assets--end of year	$ 1,862,840	$ 4,140,065	$ 2,832,692	$ 10,882,606	$ 9,023,840	$ 753,409	$2,952,319

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

Statement of Revenues, Expenses and Changes in Net Assets -- Non-major Component Units

	NDSU Team Makers Club	UND Center for Innovation	UND Research Foundation	UND The Fellows	VCSU Foundation	WSC Foundation	Total Non-major Component Units
OPERATING REVENUES							
Gifts & Contributions (CU)	$ 2,178,187	$ 443,575	$ -	$ 665,000	$ 574,970	$ 246,400	$ 5,330,876
Event income (CU)	37,064	-		-	142,942	17,887	492,236
Rental income (CU)	-	216,719	593,347	-	-	67,800	912,342
Other	184,263	83,956	207,045	-	22,007	4,509,956	7,382,532
Total operating revenues	$ 2,399,514	744,250	$ 800,392	$ 665,000	$ 739,919	$ 4,842,043	$ 14,117,986
OPERATING EXPENSES							
Salaries and wages	$ -	$ -	$ 674,390	$ -	$ 78,733	$ 368,925	$ 1,682,963
Operating expenses	332,234	319,522	1,807,913	30,744	368,798	4,008,464	8,071,481
Depreciation expense	-	119,359	634,037	-	209	55,600	856,805
Total operating expenses	$ 332,234	$ 438,881	$ 3,116,340	$ 30,744	$ 447,740	$ 4,432,989	$ 10,611,249
Operating income (loss)	$ 2,067,280	$ 305,369	$ (2,315,948)	$ 634,256	$ 292,179	$ 409,054	$ 3,506,737
NONOPERATING REVENUES (EXPENSES)							
Federal grants and contracts	$ -	$ -	$ 2,875,559	$ -	$ -	$ -	$ 2,875,559
Gifts	-	-	-	-	-	-	-
Investment income	192,526	429,243	15,391	354,629	510,802	1,496,996	5,589,938
Interest on capital asset-related debt	-	(2,250)	(555,942)	-	-	(636)	(558,828)
Gain (loss) on disposal of capital assets	-	-	-	-	-	19,544	19,544
Payments to or for the institution (CU)	(2,055,000)	(250,831)	-	(408,486)	(608,445)	(900,775)	(7,837,600)
Other nonoperating revenues (expenses)	-	-	-	-	-	(103,505)	(111,302)
Net nonoperating revenues (expenses)	$ (1,862,474)	$ 176,162	$ 2,335,008	$ (53,857)	$ (97,643)	$ 511,624	$ (22,689)
Income (loss) before capital grants, gifts, and transfers	$ 204,806	$ 481,531	$ 19,060	$ 580,399	$ 194,536	$ 920,678	$ 3,484,048
Additions to permanent endowments	$ -	$ 57,397	$ -	$ -	$ 130,151	$ 274,993	$ 1,610,590
Increase in net assets	$ 204,806	$ 538,928	$ 19,060	$ 580,399	$ 324,687	$ 1,195,671	$ 5,094,638
NET ASSETS							
Net assets--beginning of year	(50,302)	6,773,983	7,991,539	2,861,606	4,626,512	9,572,376	61,992,398
Net assets--end of year	$ 154,504	$ 7,312,911	$ 8,010,599	$ 3,442,005	$4,951,199	$ 10,768,047	$ 67,087,036

SCHEDULE OF BONDS PAYABLE - Primary Institution

Issue	Original Balance	Interest Rate	Installments	Balance Outstanding
Bismarck State College				
2005 Housing & Auxiliary Facilities, due through 2030, collateralized by net revenues and income of housing services, interest rate fixed.	$ 4,400,000	3.4-5.35%	$90,000 to $710,000	$ 3,915,000
Total BSC				$ 3,915,000
Dakota College of Bottineau				
1971 Milligan Hall Revenue Bonds, due through 2012, collateralized by net revenues and income of Milligan Hall, fixed rate.	$ 390,000	6.25-6.90%	$15,000 to $29,000	$ 56,000
Total DCB				$ 56,000
Dickinson State University				
2006 Student Union Improvement Revenue Refunding Bonds, due through 2020, collateralized by student union fee revenue and bookstore net revenue, interest rate fixed.	$ 775,000	3.75%-5.0%	$50,000 to $310,000	$ 575,000
Total DSU				$ 575,000
Lake Region State College				
2004 Housing & Auxiliary Facilities Improvement Revenue Bonds due through the year 2017, collateralized by auxiliary services net revenues, facility usage fees and HUD interest subsidy, interest rate fixed.	$ 1,050,000	3.0-5.125%	$55,000 to $100,000	$ 675,000
Total LRSC				$ 675,000
Mayville State University				
2003 Facilities Revenue Bonds, due through the year 2018, collateralized by the student fees, sales tax and earnings, interest rate fixed.	$ 2,800,000	5.38%	$115,358	$ 2,194,113
2010 Facilities Revenue Bonds, due through the year 2030, collateralized by the Housing and Facilities revenue, student fees, federal interest subsidy related to the bond interest payments and earnings on funds created under the indenture.	$ 3,665,000	1.55-6.63%	$173,923 to $265,602	3,665,000
Total MaSU				$ 5,859,113
Minot State University				
2001 Building Authority, consisting of revenue bonds due through the year 2013, interest rate fixed.	$ 2,299,000	None	$208,625 to $315,000	$ 625,875
2006 Student Services Facilities Revenue Bonds due through 2030, collateralized by net revenues from auxiliary housing, interest rate fixed.	$ 5,000,000	4.0-5.25%	$125,000 to $290,000	4,615,000
2010 Wellness Fund, due August 1, 2040, collateralized by student fees and net revenues from the Wellness Center, housing and the student union.	$ 10,000,000	2.0-6.6%	$135,000 to $1,415,000	10,000,000
Total MiSU				$ 15,240,875
North Dakota State College of Science				
2001 Housing Facilities Revenue Bonds, due through 2016, fixed rate collateralized by net housing and auxiliary facilities pledged revenues.	$ 2,785,000	4.0-5.5%	$95,000 to $270,000	$ 780,000
Total NDSCS				$ 780,000

SCHEDULE OF BONDS PAYABLE - Primary Institution (continued)

Issue	Original Balance	Interest Rate	Installments	Balance Outstanding
North Dakota State University				
2000 Research & Tech Park (MIDA Bonds), consisting of revenue bonds due the year 2022, interest rate fixed.	$ 6,500,000	4.95-5.4%	$195,000 to $515,000	$ 285,000
2002 Research & Tech Park (MIDA Bonds), consisting of revenue bonds due the year 2032, interest rate fixed.	$ 20,450,000	3.0-5.0%	$145,000 to $1,310,000	1,010,000
2002 Residence Hall Revenue Bonds due through 2029, collateralized by net revenues and income of housing and auxiliary system revenues and repair and replacement reserve accounts, interest rate fixed.	$ 7,600,000	5.0-5.6%	$135,000 to $480,000	6,550,000
2002 Minard Hall Revenue Bonds through 2032, collateralized by net revenues of housing and auxiliary services, fixed rate.	$ 3,000,000	2.1-5.0%	$50,000 to $180,000	2,515,000
2003 Refunding Revenue Bonds due through 2012, collateralized by net revenues of housing and auxiliary services, fixed rate.	$ 5,990,000	1.7-3.95%	$600,000 to $750,000	1,475,000
2004 Housing & Auxiliary Facilities Revenue Bonds through 2034, collateralized by net revenues of housing and auxiliary services, interest rate fixed.	$ 10,350,000	3.0-5.0%	$125,000 to $630,000	9,200,000
2005 Housing & Auxiliary Facilities Revenue Bonds, due through 2035, collateralized by net revenues of housing and auxiliary system, interest rate fixed.	$ 18,700,000	4.25-5.0%	$1,200,000	17,910,000
2006A Housing & Auxiliary Facilities Revenue Bonds, due through 2036, collateralized by net revenues of housing and auxiliary system, interest rate fixed.	$ 9,990,000	4.25-5.0%	$630,000	9,295,000
2006B Housing & Auxiliary Facilities Revenue Bonds, due through 2029, collateralized by net revenues of housing and auxiliary system, interest rate fixed.	$ 2,845,000	4.25-5.0%	$225,000	2,710,000
2007B Research & Tech Park Refunding callable Revenue Bonds Maturity June 30 2023, collateralized by lease revenue, fixed rate.	$ 18,100,000	4.0-6.5%	$805,000 to $1,330,000	17,765,000
2007A Research & Tech Park Refunding callable Revenue Bonds Maturity June 30 2022, collateralized by lease revenue, fixed rate	$ 4,735,000	4.0-4.125%	$220,000 to $510,000	4,585,000
2007 Housing & Auxiliaries Facilities Revenue Bonds, fixed rate Maturity 2037, collateralized by Auxiliary revenue.	$ 12,000,000	4.5-5.0%	$735,237 to $791,897	11,565,000
2009 Housing & Auxiliaries Facilities Revenue Bonds, Maturity July 29, 2039, collateralized by Auxiliary revenue.	$ 26,245,000	1.5-4.8%	$1,715,000	$ 26,245,000
Total NDSU				$ 111,110,000
University of North Dakota				
2002 Memorial Union Refunding Revenue Bonds due through 2021, collateralized by net housing and auxiliary facilities system, debt service grants, & bond indenture earnings, fixed rate.	$ 6,710,000	3-5%	$235,000 to $550,000	3,460,000
2004 Housing & Auxiliary Facilities Revenue Bonds due through 2034, collateralized by net housing and auxiliary facilities system, debt service grants, & bond indenture earnings, fixed rate..	$ 19,645,000	1-5%	$30,000 to $1,180,000	17,570,000
2006 Housing & Auxiliary Facilities Revenue Bonds due through 2036, collateralized by net housing and auxiliary facilities system, debt service grants, & bond indenture earnings, fixed rate.	$ 40,050,000	3.5-5%	$85,000 to $2,875,000	39,760,000
2009 Aerospace Hanger Revenue Bonds due through 2029, collateralized by revenue from flight operations and proceeds from any casualty insurance payments.	$ 1,500,000	4.25%	$73,016 to $133,054	1,428,500
2009 Refinance of 1998A Housing and Refunding Revenue Bonds due through 2021, collateralized by net housing & auxiliary facilities system, debt service grants, and bond indenture earnings.	$ 9,750,000	3.8-4.8%	$1,830,000 to $2,080,000	7,920,000
Total UND				$ 70,138,500

SCHEDULE OF BONDS PAYABLE - Primary Institution (continued)

Issue	Original Balance	Interest Rate	Installments	Balance Outstanding
Valley City State University				
1971 Snoeyenbos Hall Revenue Bonds, due through 2011, collateralized by rentals, charges and other income from the operation of Snoeyenbos Hall, interest rate fixed.	$ 750,000	7.2-7.25%	$30,000 to $55,000	$ 105,000
2003 Housing & Auxiliary Facilities Revenue Bonds due through 2033, collateralized by net housing and auxiliary facilities system, interest rate fixed.	$ 3,300,000	5.678%	$50,000 to $225,000	2,980,000
Total VCSU				$ 3,085,000
Williston State College				
1979 Student Housing Revenue Bonds, due through 2019, collateralized by net revenues and income from Nelson Hall and apartments, interest rate fixed.	$ 546,000	3.0%	$1,000 to $20,000	$ 106,000
2001 Health & Wellness Center Revenue Bonds due through 2011, collateralized by auxiliary revenues, fixed rate..	$ 1,500,000	None	$150,000	150,000
Total WSC				$ 256,000
North Dakota University System				
2003 ConnectND Project Revenue Bonds, Series C, issued by North Dakota Building Authority ($20,000,000 - NDUS owns 71%), due through the year 2014 collateralized by student fees, fixed rate.	$ 14,200,000	4.28%	$1,890,000 to $2,615,000	$ 6,958,000
Total NDUS				$ 6,958,000
Total Bonds Payable	$ 277,620,000			$ 218,648,488

NORTH DAKOTA UNIVERSITY SYSTEM
SUPPLEMENTARY INFORMATION
JUNE 30, 2010

Financial Information for Revenue Producing Buildings (Unaudited)

(as Required by ND Century Code 15-55-20)

	Bismarck State College	Dakota State College	Dickinson State University	Lake Region State College	Mayville State University	Minot State University
Operating Revenues	$ 4,237,089	$ 370,982	$ 2,638,007	$ 1,556,757	$ 333,912	$ 948,442
Operating Expenses	3,718,589	256,226	2,438,287	1,449,232	214,026	880,431
Net Operating Revenues	$ 518,500	$ 114,756	$ 199,720	$ 107,525	$ 119,886	$ 68,011
Pledged Fees	-	-	120,173	90,970	-	702,296
Investment Income	3,753	-	-	9,035	-	14,553
Debt Service Grants	-	12,182	-	23,170	10,900	-
Capitalized Interest	-	-	-	-	-	-
Net Revenue Available for Debt Retirement	$ 522,253	$ 126,938	$ 319,893	$ 230,700	$ 130,786	$ 784,860
Current year Debt Service						
Principal	$ 105,000	$ 27,000	$ 55,000	$ 70,000	$ -	$ 135,000
Interest	203,885	2,933	29,925	34,186	80,314	463,552
Total Debt Service	$ 308,885	$ 29,933	$ 84,925	$ 104,186	$ 80,314	$ 598,552

Financial Information for Revenue Producing Buildings (Unaudited) - Continued

(as Required by ND Century Code 15-55-20)

	North Dakota State College of Science	North Dakota State University	University of North Dakota	Valley City State University	Williston State College	Total
Operating Revenues	$ 8,397,247	$ 43,095,363	$ 33,660,321	$ 2,744,089	$ 163,547	$ 98,145,755
Operating Expenses	7,715,395	35,361,663	27,711,713	2,511,403	110,013	82,366,977
Net Operating Revenues	$ 681,852	$ 7,733,700	$ 5,948,608	$ 232,686	$ 53,534	$ 15,778,778
Pledged Fees	87,982	4,494,037	3,368,473	-	-	8,863,931
Investment Income	5,466	-	71,885	11,977	-	116,669
Debt Service Grants	76,042	24,408	32,808	23,714	-	203,224
Capitalized Interest	-	-	-	-	-	-
Net Revenue Available for Debt Retirement	$ 851,342	$ 12,252,145	$ 9,421,774	$ 268,377	$ 53,534	$ 24,962,601
Current year Debt Service						
Principal	$ 270,000	$ 1,995,000	$ 2,840,000	$ 105,000	$ 20,000	$ 5,622,000
Interest	109,580	4,924,776	3,218,944	176,335	3,630	9,248,059
Total Debt Service	$ 379,580	$ 6,919,776	$ 6,058,944	$ 281,335	$ 23,630	$ 14,870,059

North Dakota University System

Creating

a University System

for the 21st Century

Analysis of 2011–2013 Executive Budget Recommendation

December 2010

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

TABLE OF CONTENTS

NARRATIVE (Pages 1-6)

Summary 1
Highlights of the 2011-13 Executive Recommendation Increase 2-3
Proposed SBHE Adjustments to the 2011-13 Executive Recommended Increases 4-6

SCHEDULES (Pages 7-55)

History of Legislative Appropriations 7
Summary of General Fund Increases per Executive Recommendation (HB's 1003 and 1020) 8
Comparison of SBHE General Fund Request to Executive Recommendation (HB 1003) 9-10
Comparison of 2011-13 Parity Request to Executive Recommendation - Campuses, UND School of Medicine and Health Sciences (SMHS), NDUS Office and Forest Service 11
Parity Requested But Not Included in Executive Recommendation - Campuses, SMHS, NDUS Office and Forest Service 12
Detail of Parity Calculation/Request - Campuses and SMHS 13
Comparison of Equity Request to Executive Recommendation - Campuses and SMHS 14
Comparison of Affordability Request to Executive Recommendation - Campuses and SMHS 15
Comparison of Current Percentage 2011-13 OMB Building and Infrastructure Formula to Executive Recommendation – Campuses 16
SBHE Approved Goals and Criteria for the Distribution of 2011-13 Pools 17-19
Special Assessments Payoff Included in 2011-13 Executive Recommendation 20
Comparison of SBHE General Fund Revised Request to Executive Recommendation (HB 1003) 21-29
Campuses and SMHS Detail Schedules 21-27
NDUS Office Detail Schedule 28
Forest Service Detail Schedule 29
Comparison of Prioritized State Board of Agricultural Research and Education (SBARE) Initiatives to Executive Recommendation (HB 1020) 30
Reconciliation of 2009-11 Original General Fund Appropriation to 2011-13 Executive Recommendation (HB 1020) (UGPTI, Extension Service, Main and Branch Research Centers and NCI) 31
Reconciliation of 2009-11 Original Other Fund Appropriation to 2011-13 Executive Recommendation (HB 1020) (UGPTI, Extension Service, Main and Branch Research Centers, NCI and Agronomy Seed Farm) 32
Reconciliation of 2009-11 Original General and Other Fund Appropriation to 2011-13 Executive Recommendation-Branch Research Centers (HB 1020) 33
Capital Assets (Extraordinary Repairs, Deferred Maintenance and Major Capital Projects) 34
2011-13 Major Capital Projects (HB's 1003 and 1020) 35-36
2011-13 Major Capital Projects Ranking-SBHE Priority List Compared to Executive Recommendation 37-38
2011-13 Small-to-Medium Size Projects Priority List by Campus Compared to Executive Recommendation 39-42
Student Grant Programs by Funding Source 44
Analysis of 2011-13 Executive Recommendation By Line Item - HB 2003 (NDUS Office, Campuses, Forest Service and SMHS) 45-52
Analysis of 2011-13 Executive Recommendation By Line Item - HB 1020 (UGPTI, NCI, Extension Service, Research Stations and Agronomy Seed Farm) 53-55

North Dakota University System (NDUS)
Analysis of the 2011-13 Executive Budget Recommendation
HB's 1003 and 1020

The 2011-13 state general fund executive recommendation (including general fund major capital projects) is $648.2 million for the eleven campuses, UND School of Medicine and Health Sciences (SMHS), Forest Service and North Dakota University System Office. The recommendation includes an increase of $71.3 million in base funding, which is an increase of 13.3% over the 2009-11 adjusted appropriation, less 2009-11 one-time funding adjustments. In addition, $4.7 million is included for one-time increases other than major capital projects and the remaining $37.6 million increase is for one-time major capital projects at the eleven campuses. When the $42.3 million (8%) increase for the one-time funds are taken into account, the total increase is $113.6 million (21.3%) over the 2009-11 adjusted appropriation, less 2009-11 one-time funding adjustments.

The $648.2 million proposed total NDUS general fund budget, along with the $3 million for workforce training in the Career and Technical Education budget is equivalent to 19.8% of the total proposed state general fund spending of $3.3 billion for 2011-13 for all state agencies, including base and one-time funding. That is an increase from the current 18.4% of the total state general fund budget the NDUS received in 2009-11.

The general fund executive recommendation (including major capital projects) for the Upper Great Plains Transportation Institute (UGPTI), Northern Crops Institute (NCI), Extension Service and Research Stations, for the 2011-13 biennium, is $97.1 million. The recommendation includes an increase of $10.2 million in base funding, which is an increase of 12.7% over the 2009-11 adjusted appropriation, less 2009-11 one-time funding adjustments. In addition, $7 million (8.8% increase) is included for one-time major capital projects. When the one-time funds are taken into account, the total increase is $17.2 million (21.5%) over the 2009-11 adjusted appropriation, less 2009-11 one-time funding adjustments.

Thus, the total recommended state general fund appropriation for all entities of the North Dakota University System (including major capital projects) for the 2011-13 biennium, is $745.3 million. The total base funding increase of $81.5 million is equivalent to a 13.3% increase, and when $49.3 million one-time increases ($4.7 million for one-time increases other than major capital projects and $44.6 million for major capital projects) are taken into account, the total increase is $130.8 million (21.3%) over the 2009-11 adjusted appropriation, less 2009-11 one-time funding adjustments.

This report includes summary and detail schedules of the executive recommendation, as well as the State Board of Higher Education's (SBHE) proposed changes on pages 4-6.

Highlights of 2011-13 Executive Budget Recommendation Increase

	SBHE Requested General Fund Increase				Executive Recommendation			
	Base Funding	*One-Time Funding*	*Small to Medium Capital Projects (One-time)*	*Major Capital Projects (One-time)*	*Base Funding*	*One-Time Funding*	*Small to Medium Capital Projects (One-time)*[1]	*Major Capital Projects (One-time)*
11 campuses and NDUS Office	$91.6	$12.8	$25.7	$82.6	$65.0	$ 4.5	$0	$37.6
UND SMHS	10.7			28.9	5.8			
Forest Service	.7	.5		.5	.5	.2		
Subtotal	$103.0	$13.3	$25.7	$112.0	$71.3	$4.7	$0	$37.6
NDSU Extension, Research, NCI, UGPTI	$14.1	$4.5		$23.2	$10.2			$7.0
Total	$117.1	$17.8	$25.7	$135.2	$81.5	$4.7	$0	$44.6

[1] $1.5 million small-medium capital project is included in the executive recommendation for WSC, but it is included in the "major capital projects" total on all schedules.

Of the total base funding increase of $71.3 million for the campuses, NDUS Office, SMHS and Forest Service, $49.2 million is for parity, equity, and student affordability.

Major items included in the budget are:

- $32.6 million base increase funded for the state share of parity costs (3% annual salary increases funded, compared to the SBHE request of 4.5% per year; no operating inflation funded, compared to SBHE request of $3.7 million).
- $10 million of the $15 million base increase requested for equity was funded, with $5 million shifted to completion-based funding.
- $6.6 million base increase funded to freeze tuition at the 2-year campuses and limit increases to 2.5% at the 4-year campuses (SBHE request included an amount to freeze tuition at the 2-year campuses and limit increases to 4% at the 4-year campuses for 2011-13).
- 100% of additional funding requested ($4.4 million) to increase base funding for facility infrastructure/repair to an amount equal to 15% of OMB's building and infrastructure formulas, or a total of $11.1 million.

- $4.1 million base increase for technology maintenance: Northern Tier Network operating costs; upgrades for the NDUS share of the state data network, campus end-circuit, Internet I and Connect ND database; and NDUS portion of CND cost increase for disk and processor capacity.
- $1 million base increase for a new academic and technical program start-up revolving fund (SBHE requested $3 million).
- 100% of base funding requested ($1.1 million) to replace Student Loan Trust Funds that have been used for KSU Vet Med and Connect ND positions. Proposed budget includes: $1,004,744 from the Student Loan Trust Fund and $1.1 million from general fund, to be allocated as follows: CND $1,129,437 ($590,000 GF, $539,437 SLTF) and KSU $975,307 ($510,000 GF, $465,307 SLTF).
- 100% of total funding requested ($715,140 base and $156,000 one-time) for student mental health services.
- EPSCoR - $1.65 million base increase (100% of request funded), for a total EPSCoR general fund commitment of $8.7 million.
- $2.4 million for the employer match for employee retirement contribution increases for all state-funded NDUS employees (1% employer and 1% employee increase beginning January 2012, and a similar increase January 2013).
- 100% of base funding requested for Statewide Nursing Consortium - $1.6 million. The Consortium received one-time funding of $200,000 in 07-09 and $500,000 in 09-11.
- 100% of requested basefunding increase ($192,975) for ND Indian Scholarship Program, for a total general fund appropriation of $575,442.
- Masters in Public Health (Med School) - $1.2 million base funding (100% funded) to be allocated evenly between UND and NDSU.
- Geriatrics Training (SMHS) - $1.15 million base funding (100% of request).
- Forest Service increased base funding (5%) - $175,500 (SBHE requested 10% or $351,019).
- Career and Technical Education and Academic Scholarship Program - $3M **decrease** in GF (2009-11 base); **Added continuing appropriation authority language from the Land & Mineral Trust Fund in another Bill. It is estimated that a total of $10 million will be required to support the program in 2011-13, $7 million more than in 2009-11.**
- $5 million for completion based funding (Included in the Executive Recommendation, but not requested by the SBHE)
- $300,000 increase from the Permanent Oil Trust Fund for Tribal Community College Grants (included in the Executive Recommendation, but not requested by the SBHE), plus continuation of 09-11 funding of $700,000, will provide total funding of $1 million from the Permanent Oil Trust Fund.
- 100% of requested one-time funds ($4.3 million) to pay off special assessments at BSC, UND, NDSU, NDSCS, MaSU and VCSU
- $4.9 million of State Board of Agricultural Research and Education (SBARE) base funding initiatives (Requested $14.1 base increases; None of the $4.5 million one-time initiatives were funded)
- $830,000 base funding for Gearing Up for Kindergarten in NDSU Extension Service budget (Not included in request)

Other major initiatives of importance to the NDUS which are included in other agency budgets are:

- $20 million for Centers of Excellence (Department of Commerce)
- $3 million for workforce training (CTE)
- Deficiency appropriation VCSU - $58,904 for the state share of costs and FEMA ineligible costs for the 2009 flood

NORTH DAKOTA UNIVERSITY SYSTEM

PROPOSED SBHE ADJUSTMENTS TO THE 2011-13 EXECUTIVE BUDGET RECOMMENDED INCREASES (1/13/11)

The State Board of Higher Education (SBHE) and the North Dakota University System are deeply appreciative of Governor Dalrymple's 2011-13 budget plan. Clearly, this is a budget built upon a thorough evaluation of state needs. The governor's budget plan and his continued support of the University System demonstrate a strong understanding of the connectivity between higher education and our state's economic growth.

To meet the growing expectations of the University System in contributing to the success of our students and our state, the SBHE respectfully requests legislative consideration of the following key initiatives that were included in the 2011-13 budget request.

A. *Base Funding Request: School of Medicine and Health Science* *(Section 3, priorities #2,4,6 – see page 10)*

Priority #/Budget Initiative	SBHE Budget Request	Exec. Budget Funding Level	SBHE's Proposed Adjustment
Resident Positions	$2,170,806 (17 slots)	$0	$1,085,403 (9 slots)
Medical Students	$ 857,600 (16 stdnts)	$0	$ 428,800 (8 stdnts)
Allied Health Students	$ 402,000 (30 stdnts)	$0	$ 201,000 (15 stdnts)
TOTAL	$3,430,406	$0	$1,779,050

Rationale/Background Information:
Recommendation calls for 8 additional medical students, 15 additional health science students, and 9 new residency slots in 2012-13, as an interim step until a more comprehensive plan can be developed to address ND's projected health care workforce shortage. The SBHE also recommends the legislature commission an interim study, in conjunction with the SOMHS Advisory Council, to further study ND's health care workforce needs and the role of the SOMHS in meeting those needs.

B. *One-time Request: Technology infrastructure* (*B. One-time funding SBHE priority #5 – see page 10)*

Priority #/Budget Initiative	SBHE Budget Request	Exec. Budget Funding Level	SBHE's Proposed Adjustment
Technology Infrastructure	$3,200,000	$0	$ 510,000

Rationale/Background Information:
Recommendation calls for Smartthinking Online Live Tutoring and Writing Services to help improve student performance, persistence and retention. Smartthinking is a live online tutorial/writing service and homework help system that uses the Internet to connect students with professional educators. The NDUS institutions currently utilizing Smartthinking have seen a positive relationship between the online tutoring sessions and student outcomes. This funding would allow the NDUS to expand use from five to eleven campuses, resulting in better overall pricing.

C. *One-time Funding Request: Small-to-Medium Size Capital Projects* *(Total – priority #1 only – see pages 39-42)*

Priority #/Budget Initiative	SBHE Budget Request	Exec. Budget Funding Level	SBHE's Proposed Adjustment
Small to Medium Size Projects	State $25,665,427 Other $ 775,000 Total $26,440,427	$0	$4,009,900 $ 500,000 $4,509,900

Rationale/Background Information:
Fund priority #1 only from each campus priority list for small to medium size capital projects addressing in excess of $1.6 million in outstanding deferred maintenance

BSC Partial steamline replacement $249,900
LRSC Library roof replacement $120,000
WSC Tuckpointing and water damage repair $250,000
UND Gillette Hall modifications $1,000,000
NDSU Dunbar and Ladd Halls classroom renovations $900,000
NDSCS Student Center elevator $250,000
DSU Heating distribution $250,000
MaSU Campus Center elevator $175,000
MiSU Fiber network rebuild $500,000 state and $500,000 other
VCSU Fire alarm upgrades $245,000
DCB Additional IVN classrooms $70,000

D. *One-time Funding Request: Capital Projects* *(SBHE priorities #2 and #3 – see pages 37-38)*

Priority #/Budget Initiative	SBHE Budget Request	Exec. Budget Funding Level	SBHE's Proposed Adjustment
Major Capital Projects			
#2 Joint NDUS/UND IT Facility	State $17.6 Million	State $11.2 Million	+$3.1 Million; Total $14.3 Million
#3 Rhoades Science Center Addn/Renov	State $10.836 Million	State $7.971 Million	+$2.865 Million; Total $10.836 Million

Rationale/Background Information:
Joint NDUS/UND IT Facility: Expands total square footage from 19,500 in Exec. Budget to 39,300 sq. ft., an increase of 19,800 sq. ft. to allow for the consolidation of NDUS technology staff, UND staff that provide support for NDUS operations, and for UND data center staff to be located in the new data center. Overall, it is a reduction of 13,200 sq.ft from the original request.

VCSU Rhoades Science Center: Restores difference between architect/engineer projected cost and Exec. Budget, specifically: a.) three classrooms; b.) molecular biology lab; c.) public reception area for Great Plains STEM Education Center; and d.) 660 sq. ft. of research lab space.

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NORTH DAKOTA UNIVERSITY SYSTEM
HISTORY OF LEGISLATIVE APPROPRIATIONS
Excludes Major Capital Projects & Capital Bond Payments
(In millions of dollars)

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		NDUS Office/Grants, Eleven Campuses & Medical School			Extension and Experiment			Other Entities 1/			Total All Entities		
	Years	General Fund	Income 3/	Total	General Fund	Income	Total	General Fund	Income	Total	General Fund	Income	Total
A.	2011-13 Executive Recommendation 2/	$594.51	$13.34	$607.85	$89.53	$104.72	$194.25	$3.91	$1.00	$4.91	$687.95	$119.06	$807.01
B.	2011-13 Budget Request 2/	$659.89	$3.82	$663.71	$100.09	$104.70	$204.79	$4.74	$1.00	$5.74	$764.72	$109.52	$874.24
C.	2009-11 Adjusted Appropriation 2/	$541.04	$4.19	$545.23	$80.04	$110.40	$190.44	$3.55	$1.06	$4.61	$624.63	$115.65	$740.28
D.	2007-09 Adjusted Appropriation 2/	$439.30	$5.82	$445.12	$67.69	$102.55	$170.24	$2.41	$1.00	$3.41	$509.40	$109.37	$618.77
E.	2005-07 Adjusted Appropriation 2/	$372.53	$1.43	$373.96	$56.69	$89.25	$145.94	$1.99	$0.98	$2.97	$431.21	$91.66	$522.87
F.	2003-05 Adjusted Appropriation 2/	$350.48	$3.21	$353.69	$50.81	$71.55	$122.36	$1.80	$0.97	$2.77	$403.09	$75.73	$478.82
G.	2001-03 Adjusted Appropriation 2/	$354.08	$17.76	$371.84	$51.62	$61.28	$112.90	$1.85	$1.18	$3.03	$407.55	$80.22	$487.77

NOTES:

1/ Other Entities includes the Forest Service.

2/ The amounts do not include major capital projects and capital bond payments. Major capital projects included in the 2011-13 budget request total $230.9 million ($135.2 million general fund and $95.7 million other funds). The 2011-13 executive recommendation includes $131.6 million for major capital projects ($44.6 million general fund, $2.3 million permanent oil trust fund and $84.7 million other funds). In addition, the budget request and executive recommendation includes $12.4 million general fund and $.4 million other funds for capital bond payments.

3/ All income from the campuses and Medical School are excluded, beginning with the 2001-03 biennium and thereafter.

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North Dakota University System
Summary of General Fund Increases
Per 2011-13 Executive Recommendation
(HB 1003 and HB 1020)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Campuses, Med School, Forest Service & NDUS Office (HB 1003)			UGPTI, NCI, Extension & Research (HB 1020)				Total	
2009-11 Adjusted General Fund Appropriation		$ 604,880,341			$103,373,755			$ 708,254,096	
Less OMB Adjustments:									
2009-11 One-time Funding		(59,952,728)			(17,700,000)			(77,652,728)	
2007-09 Capital Asset Carryover		(10,367,512)			(5,759,988)			(16,127,500)	
Total Base Adjustments		(70,320,240)			(23,459,988)			(93,780,228)	
2009-11 Adjusted Appropriation, Less Base Adjustments		534,560,101			79,913,767			614,473,868	
2011-13 Executive Recommendation		648,214,405			97,087,058			745,301,463	
Total Increase (Decrease)		$ 113,654,304			$ 17,173,291			$ 130,827,595	

Increase Summary:	Requested Increase	Increase Funded	Incr over Adj Approp	Requested Increase	Increase Funded	Incr over Adj Approp	Requested Increase	Increase Funded	Incr over Adj Approp
Permanent Base Increase	$ 102,985,724	$ 71,294,680	13.3%	$ 16,233,463	$10,181,641	12.7%	$119,219,187	$ 81,476,321	13.3%
One-time Increases	13,258,624	4,708,624	0.9%	4,515,401	-	0.0%	17,774,025	4,708,624	0.8%
Capital Projects - One-time	111,305,000	37,651,000	7.1%	23,166,650	6,991,650	8.8%	134,471,650	44,642,650	7.2%
Total Increase (Decrease)	$ 227,549,348	113,654,304	21.3%	$ 43,915,514	$17,173,291	21.5%	$271,464,862	$130,827,595	21.3%

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NDUS Campuses, NDUS Office, Medical School [redacted] orest Service
Comparison of SBHE General Fund Request to Executive Recommendation (HB 1003)

	(1)	(2) SBHE 2011-13 Prioritized GF Revised Request	(3) Executive Recommendation	(4) Recommendation Over (Under) Budget Request	(5) Comments	(6) SBHE Objective
A.	**Base Funding Request:**					
	09-11 Adjusted Appropriation Excluding SOMHS and Forest	$ 490,159,508	$ 490,159,508	$ -		
	09-11 Adjusted Appropriation Including SOMHS and Forest	$ 534,560,101	$ 534,560,101	$ -		
Section 1.	Campuses & NDUS Office (SOMHS and Forest Service excluded from Section 1)					
1	Capital bond payments	$ 540,722	$ 540,722	$ -	Previously issued state bonds in support of capital projects	2.1, 4.3
2	100% of Parity or cost to continue (Revised Oct 2010)	41,252,405	30,262,967	(10,989,438)	Based on 3.0% annual salary increase (SBHE 4.5%); health insurance at $886.62, an increase of $80.98 or 7.4% over last biennium; utilities increases; operating inflation NOT funded $3,374,211) - (excludes SOMHS and Forest Service).	2.1
3	Equity (Revised Oct 2010)	14,111,341	9,408,448	(4,702,893)	Total $10 million ($9.4 M campuses and $.6 SOMHS) to address peer funding differentials and required minimum equity distribution (excludes $591,552 SOMHS)	2.1
4	College affordability (Revised Oct 2010)	4,881,145	6,069,339	1,188,194	Freeze tuition at two-year campuses and limits increases to 2.5% per year at four-year campuses (excludes $571,224 SOMHS)-based on parity assumptions noted above;	1.6
5	Facility and Infrastructure Regular Repair and Maintenance (Revised May 2010)	4,441,130	4,441,130	-	Consistent with 1/10 SBHE capital budget changes provides increased funding equivalent to 15% of OMB formula (goal is 100% of formula)	2.1
6	Technology infrastructure pool	4,300,000	-	(4,300,000)	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. For example, licensing, maintenance, off-site hosting, limited personnel support, consulting in support of new technologies, applications or services. Also be used to assist with CND upgrade costs to hold down potential CND student fee costs.	1.4; 4.3
7	Technology Maintenance	3,527,000	3,527,000	-	Northern Tier Network (N. Tier), a higher education research and educational optical wave network, helps facilitate local, regional, national and global collaboration. $1.67M Northern Tier Network (NTN) operating costs [Revised from $2.4 million]; $1,006,000 NDUS share of State Data Network Upgrade for 18 months, campus end-circuit upgrades, and NDUS portion of Internet I upgrade; $651,000 NDUS portion of CND cost increase for disk and processor capacity.	2.1
8	New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	1,000,000	(2,000,000)	To be allocated by SBHE for new or expanded programs that meet the following criteria: 1.) addresses ND workforce needs; 2.) student demand; 3.) consistency with SBHE strategic plan; 4.) compatibility with campus mission, etc..	1.1, 1.2, 1.3, 3.1
9	KSU Vet. Med and ConnectND position funding	1,100,000	1,100,000	-	Address projected student loan trust fund income shortfall to sustain ConnectND campus solutions positions ($590,000) and PSEP-KSU Vet. Med students ($510,000)	2.1, 4.3
10	Facilities Project Management	208,000	-	(208,000)	1.0 new facilities project management position to provide capital project oversight and assistance to campuses and NDUS Office	4.1, 4.2, 4.3
11	Student Mental Health Services	715,140	715,140	-	A plan to begin to address student mental health needs: $703,140 Licensed Mental Health Counselors 5.5 FTE (1 ea @ DSU, LRSC, WSC, DCB & MaSU; .5 @ VCSU); and $12,000 after hours service	1.4
12	Bismarck HE Center	780,000	-	(780,000)	Center is currently used by the following campuses to facilitate program delivery in Bismarck/Mandan area: MISU, UND, DSU and BSC. Cover operating costs for Center to offset current payments made by campuses from student fee revenues	1.4, 1.5, 4.3
13	EPSCoR	1,650,000	1,650,000	-	Research matching funds provides est. FF of $19.7 million, an increase of $2.23 M over 09-11; without increased $1.65 million match, FF estimated at $15.96 million, a reduction of $1.51 M from 09-11. Provides total state general funds of $8.7 million.	3.6
14	Employee Retirement Contributions	2,284,933	2,249,366	(35,567)	Consistent with PERS proposal, increase Defined Benefit and Contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee, for all state-funded NDUS employees. See corresponding increase in priority #4.	2.1
15	Statewide Nursing Consortium	1,607,270	1,607,270	-	Funding to expand statewide nursing consortium outreach: $550,000 simulation equipment for each program; $542,645 simulation technicians for each program (6.25FTE); $400,000 electronic health records at 5 program sites; $114,625 to continue consortium administrative staff costs 0.7FTE	1.4, 3.2, 4.3, 4.4
	Professional Liability Insurance	(300,000)	(300,000)	-	Decrease in professional liability insurance request, due to anticipated fund balance and estimated insurance premium costs	
	Sustain on-campus security - WSC	*110,000*		*(110,000)*	***Although not included in the original budget request, the SBHE recently authorized WSC to seek $110,000 in 2011-13 base funding, to sustain on-campus security. (Emergency Commission approved request for $55,000 for Nov 2010 - June 2011.)***	
	Completion-based funding		*5,000,000*	*5,000,000*	***Included in executive recommendation, not in the SBHE budget request***	
	Connect ND Database Upgrade		*616,000*	*616,000*	***Included in executive recommendation, not in the SBHE budget request***	
	Subtotal	$ 84,209,086	$ 67,887,382	$ (16,321,704)		
	Base Appropriation with Incr	$ 574,368,594	$ 558,046,890	$ (16,321,704)		
Section 2.	Student Financial Aid					
	Student Financial Asst. Programs Indian Scholarship program	$ 192,975	$ 192,975	$ -	$192,975 Indian Scholarship program increase; $800-->$1200 for 240 students;	1.1,1.6, 2.1, 3.2
	Student Financial Asst. Programs Career Technical Education & Academic Scholarship Program	7,000,000	(3,000,000)	(10,000,000) 1/	$7.0 million Career and Technical Education and Academic Scholarship-estimated amount required to continue to grow program to serve four classes for four year scholarship - Reduced $3M base GF funding, and added $10M continuing appropriation from Land & Minerals Trust Fund	1.1,1.6, 2.1, 3.2
	Adult Learning	300,000		(300,000)	Funding to support financial aid for adult learners taking less than six credit hours per semester, plus other tools and resources to ensure successful student return to college and completion	1.2, 1.3
	Subtotal	$ 7,492,975	$ (2,807,025)	$ (10,300,000)		

NDUS Campuses, NDUS Office, Medical Sc[illegible]rest Service
Comparison of SBHE General Fund Request to Executive Recommendation (HB 1003)

	(1)	(2) SBHE 2011-13 Prioritized GF Revised Request	(3) Executive Recommendation	(4) Recommendation Over (Under) Budget Request	(5) Comments	(6) SBHE Objective
Section 3. UND School of Medicine & Health Sciences						
	09-11 Adjusted Appropr.-SOMHS	$ 40,890,401	$ 40,890,401	$ -		
1	Parity, Equity, Affordability (Rev Oct 2010)	4,528,772	3,235,218	(1,293,554)	Funds Parity ($2,072,442), Equity ($591,552), Affordability ($571,224) NOT included above	2.1, 1.6
2	Resident Positions	2,170,806	-	(2,170,806)	Increase number of resident positions per year by 17 for three years starting 7/1/12; 2013-15 est. cost increase required=$9.4 million	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
3	Sustain RuralMed program- Funded tuition scholarship to encourage students into family medicine rural practice	175,600	-	(175,600)	RuralMed Program: Base $600,000 + $298,300 est 09-11 carryover (est as of 12/21/10) = $898,300 available for 2011-13. This will provide sufficient funds for continued funding of existing students, plus an additional 8 scholarships per year in FY12 and FY13.	1.1, 2.1
4	Medical Students	857,600	-	(857,600)	Increase number of medical students per year by 16 for four years starting 7/1/12 (program expansion contingent on $28.89 M facility addition); 2013-15 est. cost increase required=$3.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
5	Master's in Public Health	1,215,219	1,215,219	-	Offer new master's in conjunction with NDSU-request $1,067,5000 not specifically included above (3.0 faculty members, two staff positions and related operating)	1.5, 3.1, 4.3
6	Allied Health Students	402,000	-	(402,000)	Increase number of allied health students per year by 30 for three years starting 7/1/12 (program expansion contingent on $28.89 M facility addition); 2013-15 est. cost increase =$1.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
7	Geriatrics Training	1,151,810	1,151,810	-	Expanded training in geriatrics (2.0 FTE positions and related operating)	1.5, 3.1
	Employee Retirement Contributions	163,370	160,149	(3,221)	SMHS portion of Board priority #14, described in Section 1.	2.1
	Subtotal	$ 10,865,177	$ 5,762,396	$ (4,902,781)	Includes Parity, Equity and Affordability	
	Base Appropriation with Incr	$ 51,555,578	$ 46,652,797	$ (4,902,781)		
Section 4. Forest Service						
	09-11 Adjusted Appropr.-Forest	$ 3,510,192	$ 3,510,192	$ -		
1	Parity (Revised Oct 2010)	359,844	254,524	(105,320)	Parity	2.1
2	Program Enhancement-10% base funding increase	351,019	175,510	(175,509)	Funded 5% increase with priority projects determined by the State Forester (SBHE request was 10%)	2.1
	Employee Retirement Contributions	17,623	16,986	(637)	Forest Service portion of Board priority #14, described in Section 1.	2.1
	Facility and Infrastructure Regular Repair and Maintenance	-	4,905	4,905	Consistent with 1/10 SBHE capital budget changes provides increased funding equivalent to 15% of OMB formula (goal is 100% of formula)	4.1, 4.2, 4.3
	Subtotal	$ 728,486	$ 451,925	$ (276,561)	Includes Parity	2.1
	Base Appropriation with Incr	4,238,678	3,962,117	(276,561)		
Total Base Increases		$ 103,095,724	$ 71,294,678	$ (31,801,046)		
B. One-time Funding Request:						
1	Special assessments pay-off	$ 4,302,624	$ 4,302,624	$ -	Pay Off outstanding balance: BSC, UND, NDSU, NDSCS, MaSU, VCSU (est. savings = $2.4 million); biennial payments $881,980	2.1
2	Mental Health Services	156,000	156,000	-	A comprehensive plan to address student mental health needs: provider and intervention team training and other	1.4
3	State Forest Service-Emerald Ash Borer	500,000	250,000	(250,000)	To allow State Forest Service to provide assistance to ND communities with tree removal and replacement, based on a 1:1 community match (Funded 1/2 request)	2.1
4	Comprehensive Career Planning	600,000	-	(600,000)	To provide for comprehensive P-20 career planning services with the NDUS	1.1, 1.4, 3.2
5	Technology Infrastructure	3,200,000	-	(3,200,000)	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. Examples include one-time licensing and for matching funds to build technology infrastructure to support systemwide solutions and provide incentives to institutions to share and collaborate.	1.4, 4.3
6	Emergency Preparedness/Security	2,000,000	-	(2,000,000)	Funding to address building and infrastructure improvements to enhance security and emergency preparedness for students, faculty and staff	2.1
7	Capital and Infrastructure Emergency Contingency Fund	2,500,000	-	(2,500,000)	Funds to be allocated to address emergency needs related to capital facilities and infrastructure	2.1
	Total One-time Funding Increase Request & Recommendation	$ 13,258,624	$ 4,708,624	$ (8,550,000)		
Total GF Incr Request/Recommendation		$ 116,354,348	$ 76,003,302	$ (40,351,046)		
Plus Land & Mineral Trust Fund			$ *10,000,000*	$ *10,000,000* 1/	*$7.0 million Career and Technical Education and Academic Scholarship-estimated amount required to continue to grow program to serve four classes for four year scholarship - Reduced $3M base GF funding, and added $10M continuing appropriation from Land & Minerals Trust Fund*	
Plus Permanent Oil Trust Fund			$ *300,000*	$ *300,000*	*Tribal Community College Grants to Non-beneficiary Students*	
Total "State" Incr Request/Recom		$ 116,354,348	$ 86,303,302	$ (30,051,046)		

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Parity

Comparison of 2011-13 Request to Executive Recommendation

Campuses & SMHS:	Parity Request, Assumes 4.5% Sal Incr	Executive Recommendation (3% Salary Incr and No Inflation)	Difference Due to Change in Salary Increase & No Operating Inflations
CTC Sal Incr	$ 8,005,688	$ 8,005,688	$ -
Salary Increases	23,076,494	15,299,113	(7,777,381)
Health Insur Incr	3,529,589	3,529,589	-
Operating Inflation	3,178,833		(3,178,833)
Utilities Incr, Excluding Bldgs Coming Online	3,201,194	3,201,194	-
Utilities-Bldgs Coming Online	719,485	719,485	-
	41,711,283	**30,755,069**	**(10,956,214)**
SITS Pool:			
CTC Sal Incr	379,855	379,855	-
Salary Increases	1,093,043	725,105	(367,938)
Health Insur Incr	144,548	144,548	-
Operating Inflation	470,477		(470,477)
	2,087,924	**1,249,508**	**(838,415)**
NDUS Office, Including Articulation and Transfer and NDHECSAP:			
CTC Sal Incr	103,072	103,072	-
Salary Increases	296,356	196,597	(99,759)
Health Insur Incr	31,163	31,163	-
WICHE Dues (Est $5K/yr)	15,000		(15,000)
MHEC Dues (Will remain @ $95,000/yr for 11-13 per LI)	-		-
Operating Inflation	7,229		(7,229)
	452,820	**330,832**	**(121,988)**
Forest Service:			
CTC Sal Incr	74,422	74,422	-
Salary Increases	214,150	142,063	(72,087)
Health Insur Incr	38,039	38,039	-
Operating Inflation	33,233		(33,233)
	359,844	**254,524**	**(105,320)**

Total	$ 44,611,871	$ 32,589,934	$ (12,021,937)
CTC Sal Incr	$ 8,563,037	$ 8,563,037	$ -
Salary Increases	$ 24,680,043	$ 16,362,878	$ (8,317,165)
Health Insur Incr	$ 3,743,339	$ 3,743,339	$ -
Operating Inflation	$ 3,704,772	$ -	$ (3,704,772)
Utilities Incr, Excluding Bldgs Coming Online	$ 3,201,194	$ 3,201,194	$ -
Utilities-Bldgs Coming Online	$ 719,485	$ 719,485	$ -

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Parity Requested But Not Included in Executive Recommendation

Detail By NDUS Institution/Entity

Campuses & SMHS:	Salary Increase Difference (3% vs 4.5%)	Operating Inflation (Nothing Included in Executive Recommendation)	Total Difference
BSC	$ 473,817	$ 346,357	$ 820,174
LRSC	145,297	75,668	220,965
WSC	130,405	44,974	175,379
UND	2,312,240	858,641	3,170,881
SMHS	629,852	297,329	927,181
NDSU	2,239,283	756,691	2,995,974
NDSCS	442,968	211,223	654,191
DSU	378,512	218,614	597,126
MaSU	154,750	73,124	227,874
MiSU	548,511	126,666	675,177
VCSU	241,790	134,603	376,393
DCB	79,957	34,943	114,900
Subtotal - Campuses and SMHS	7,777,381	3,178,833	10,956,214
SITS Pool	367,938	470,477	838,415
NDUS Office, Including Articulation and Transfer and NDHECSAP	99,759	22,229	121,988
Forest Service	72,087	33,233	105,320
	$ 8,317,165	$ 3,704,772	$ 12,021,937

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North Dakota University System Campuses and UND School of Medicine and Health Sciences (SMHS)
Summary of 2011-13 Parity Request, Assuming Salary Increases of 4.5% Per Year with Est Health Insurance Increases

	(1) Cost to Continue FY 11 Legislatively Funded Salary Increases (+ new positions)	(2) Total Estimated Health Insurance, Based on Final Rates of $886.62 per Month	(3) Est Cost of Compensation Pkg at 4.5% Per Year	(4) Subtotal, Salary and Health Insurance Increases (Col 1+2+3)	(5) Est Operating Inflation, Excl Utilities at 2.1% for FY12 & 2.0% for FY13	(6) Estimated Actual Utility Increases	(7) Estimated Utility Costs of New Bldgs Coming Online 2011-13	(8) Total Estimated Increases in Computation of Parity (Col 4+5+6+7)	(9) Targeted State Portion Per Funding Model	(10) GF Portion of Parity, using Targeted Funding Percent (Col 8x9)
BSC	652,219	336,176	1,876,776	2,865,171	461,809	508,674	-	3,835,654	75%	2,876,741
LRSC	200,006	105,372	575,521	880,899	100,890	57,436	-	1,039,225	75%	779,419
WSC	179,506	91,429	516,533	787,468	59,965	72,448	128,614	1,048,495	75%	786,371
UND	3,978,560	1,728,357	11,448,407	17,155,324	1,431,068	2,059,858	143,755	20,790,005		12,474,003
UND SMHS	1,083,755	301,536	3,118,531	4,503,822	495,498	-	-	4,999,320		2,999,623
Total-UND/SMHS	5,062,315	2,029,893	14,566,938	21,659,146	1,926,566	2,059,858	143,755	25,789,325	60%	15,473,626
NDSU	3,813,674	1,511,132	11,040,483	16,365,289	1,261,151	1,774,958	704,304	20,105,702	60%	12,063,421
NDSCS	609,753	318,096	1,754,581	2,682,430	281,631	34,609	116,000	3,114,670	75%	2,336,003
DSU	558,246	292,491	1,606,368	2,457,105	312,306	24,952	-	2,794,363	70%	1,956,054
MaSU	228,233	129,145	656,747	1,014,125	104,463	64,048	-	1,182,636	70%	827,845
MiSU	871,198	435,064	2,506,895	3,813,157	194,871	382,848	-	4,390,876	65%	2,854,069
VCSU	356,603	193,845	1,026,133	1,576,581	192,290	120,397	38,842	1,928,110	70%	1,349,677
MiSU-BC	110,061	70,721	316,704	497,486	46,591	-	-	544,077	75%	408,058
Subtotal	12,641,814	5,513,364	36,443,679	54,598,857	4,942,533	5,100,228	1,131,515	65,773,133		41,711,284
	TARGETED STATE SHARE OF EACH OF ABOVE PARITY COMPONENTS, BASED % IN COLUMN 9									
BSC	489,164	252,132	1,407,582	2,148,878	346,357	381,506	-	2,876,741		
LRSC	150,005	79,029	431,641	660,674	75,668	43,077	-	779,419		
WSC	134,630	68,572	387,400	590,601	44,974	54,336	96,461	786,371		
UND	2,387,136	1,037,014	6,869,044	10,293,194	858,641	1,235,915	86,253	12,474,003		
UND SMHS	650,253	180,922	1,871,119	2,702,293	297,299	-	-	2,999,623		
Total-UND/SMHS	3,037,389	1,217,936	8,740,163	12,995,488	1,155,940	1,235,915	86,253	15,473,626		
NDSU	2,288,204	906,679	6,624,290	9,819,173	756,691	1,064,975	422,582	12,063,421		
NDSCS	457,315	238,572	1,315,936	2,011,823	211,223	25,957	87,000	2,336,003		
DSU	390,772	204,744	1,124,458	1,719,974	218,614	17,466	-	1,956,054		
MaSU	159,763	90,402	459,723	709,888	73,124	44,834	-	827,845		
MiSU	566,279	282,792	1,629,482	2,478,552	126,666	248,851	-	2,854,069		
VCSU	249,622	135,692	718,293	1,103,607	134,603	84,278	27,189	1,349,677		
MiSU-BC	82,546	53,041	237,528	373,115	34,943	-	-	408,058	Overall State %	
Subtotal	8,005,688	3,529,589	23,076,494	34,611,771	3,178,802	3,201,194	719,485	41,711,284	0.6342	

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Equity
Comparison of 2011-13 Request to Executive Recommendation

	(1) Current Percent of Peer Benchmark - based on 09-11 Budget Allocations	(2) Percent of Peer Benchmark After 2011-13 Recommended Parity for Salary and Health Insurance 1/	(3) LTF Plan Model Allocation of $15 Million Based on Dollar and Percent Distance From Peers, with no minimum	(4) SBHE Request, $15 Million With 10% or $250,000 Minimum 2a/	(5) LTF Plan Model Allocation of $10 Million Based on Dollar and Percent Distance From Peers, with no minimum	(6) Executive Recommendation, $10 Million With 10% or $166,667 Minimum 2b/	(7) Difference Between Equity Included in Budget Request and Executive Recommendation (Col 6 - Col 4)
BSC	51%	55%	$881,577	$817,201	$589,446	$543,985	$ (273,216)
LRSC	48%	51%	355,136	329,202	236,167	219,139	(110,063)
WSC	75%	79%	64,614	250,000	45,227	166,667	(83,333)
UND			3,986,632	3,695,508	2,710,141	2,459,984	(1,235,524)
UND SMHS			958,665	888,659	603,734	591,552	(297,107)
Total-UND/SMHS	55%	59%	4,945,297	4,584,167	3,313,875	3,051,536	(1,532,631)
NDSU	39%	42%	7,615,170	7,059,068	5,036,609	4,698,999	(2,360,069)
NDSCS	90%	95%	35,649	250,000	30,696	166,667	(83,333)
DSU	51%	54%	766,326	710,365	511,464	472,867	(237,498)
MaSU	87%	91%	27,753	250,000	21,017	166,667	(83,333)
MiSU	76%	80%	271,836	250,000	190,179	180,142 3/	(69,858)
VCSU	95%	100%	-	250,000	-	166,667	(83,333)
DCB	79%	82%	36,642	250,000	25,323	166,667	(83,333)
TOTAL			$15,000,000	$ 15,000,000	$ 10,000,000	$ 10,000,000	$ (5,000,000)

1/ Equity allocations are based on campuses' 2009-11 distance from peers, adjusted for 2011-13 parity recommendation for salary and health insurance increases.

2/ SBHE-Approved LTF Plan Equity Allocation Guideline:

Allocate a minimum amount of equity funding to all campuses funded at less than 110% of their peer benchmark. The minimum equity funding allocation would be a minimum or $100,000 of 10% of total biennial equity funding, whichever is greater, unless adjusted by the SBHE; however, no campus would receive a $100,000 minimum , If $100,000 were more than the amount received by other campuses not impacted by the minimum distribution.

	2a/ Budget Request	2b/ Exec Recom
Total Equity	$ 15,000,000	$ 10,000,000
10% of total equity	$ 1,500,000	$ 1,000,000
/6 campuses	$ 250,000	$ 166,667

Following set aside for minimum equity distributions equal to 10% of the total equity pool, consistent with the SBHE LTF Plan, both the request and executive recommendation allocate remaining equity funds based on a weighted average of percentage and dollar differences from peers (based on the Long Term Finance Plan).

3/ If only 5 campuses had been included in the 10% minimum allocation in the executive recommendation, the amount per campus ($200,000) would have been greater than MiSU's calculated average per the LTFP ($190,179). Therefore, MiSU was given the minimum allocation of $166,667, plus also participated in the remaining allocation based on distance from their peer benchmark.

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Comparison of Affordability Request to Executive Recommendation

	(1) Amount Included in Executive Recommendation to Limit 11-13 Tuition Increases to 0% @ 2-yr Campuses and 2.5% for Other Campuses (1)	(2) Amount Included in Budget Request to Limit 11-13 Tuition Increases to 0% @ 2-yr Campuses and 4% for Other Campuses (2)	(3) Total Difference
BSC	$ 731,556	$ 1,005,696	$ (274,140)
LRSC	200,540	274,429	(73,889)
WSC	214,161	272,792	(58,631)
UND	1,676,738	813,787	862,951
SMHS	571,224	640,490	(69,266)
NDSU	1,858,284	1,034,384	823,900
NDSCS	604,037	822,807	(218,770)
DSU	48,128	48,911	(783)
MaSU	41,839	19,087	22,752
MiSU	439,621	313,545	126,076
VCSU	148,884	131,730	17,154
DCB	105,550	143,977	(38,427)
	$ 6,640,562	$ 5,521,635	$ 1,118,927

(1) The executive recommendation is based on adequately funding the student's share of parity (to limit tuition increases as noted in column 1), including 3% annual salary increases, but no operating inflation.

(2) The budget request was based on adequately funding the student's share of parity (to limit tuition increases as noted in column 2), including 4.5% annual salary increases and operating inflation.

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NDUS

Comparison of Current Percentage 2011-13 OMB Building and Infrastructure Formulas to Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Building Amt Generated by the Formula 1/	Infrastructure Amt Generated by the Formula	Total Amt Generated by OMB Formula (Col 1 + Col 2)	2009-11 Base Funding	Current % Funded of OMB Building & Infrastructure Formulas (Col 4 / Col 3)	15% of OMB Formula (Col 3 x 15%)	Increase Included in Executive Recommendation to Fund at 15% of OMB Formula (Col 6 - Col 4)
BSC	$2,094,474	$690,010	$2,784,484	$243,481	8.7%	$417,673	$174,192
LRSC	861,481	174,296	1,035,777	43,662	4.2%	155,367	111,705
WSC	933,734	384,938	1,318,672	86,475	6.6%	197,801	111,326
UND	21,984,435	7,426,005	29,410,440	2,300,545	7.8%	4,411,566	2,111,021
NDSU	14,097,740	4,117,222	18,214,962	1,692,226	9.3%	2,732,244	1,040,018
NDSCS	5,172,632	1,576,564	6,749,196	753,332	11.2%	1,012,379	259,047
DSU	2,380,666	346,520	2,727,186	383,690	14.1%	409,078	25,388
MaSU	1,935,637	457,646	2,393,283	208,994	8.7%	358,992	149,998
MiSU	5,083,026	914,438	5,997,464	596,870	10.0%	899,620	302,750
VCSU	2,107,930	614,195	2,722,125	258,416	9.5%	408,319	149,903
DCB	626,488	143,561	770,049	109,725	14.2%	115,507	5,782
Total	$57,278,243	$16,845,395	$74,123,638	$6,677,416	9.0%	$ 11,118,546	$ 4,441,130

1/ Buildings < 5 yrs = 0; Buildings > 5 years = 2% x building value x 2

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SBHE Approved Goals and Criteria for the Distribution of 2011-13 Pools

Academic and Technical Program Startup Revolving Fund ($3 million base funding requested; $1 million funded)

In the absence of dedicated funding to address new program start-up costs, campuses have largely had to rely on internally reallocated funds in order to establish new or expanded programs. While that may be a desirable alternative, it is many times difficult to respond in a timely manner to new program needs if campuses must first wait to phase out an existing program, which can take up to four years, as students are enrolled in those existing programs. This initiative supports the NDUS strategic goal of increasing the overall vitality of the state through exceptional education, research, training, and service; it supports the specific objective to increase completions in targeted, high potential programs.

Goal: To create a new program start-up revolving fund to meet state needs, allocated primarily on a one-time funding basis, to assist campuses with program start-up costs until the program generates sufficient enrollment and revenues to become largely self-supporting. This revolving fund base appropriation would be available in future biennia to be allocated to other new academic and technical programs.

Criteria for Distribution of the Pool:

A. Required to meet all of the following:
   1. Addresses ND workforce needs—see B.2. below (15 points)
   2. Demonstrated student demand (5 points)
   3. Demonstrated business need (10 points)
   4. Campus commitment to support program through other funding sources (5 points)
   5. Demonstrated ability for program to become largely self-supporting within a reasonable timeframe (5 points)
   6. Is consistent with SBHE strategic goals (5 points)
   7. Is compatible with campus mission, strategic plan, etc. (5 points)
   8. Support "for-credit" programs (5 points)

B. In addition, priority will be given to requests that meet one of the following:
   1. Addresses one of the high potential program areas identified in Goal 3 of the SBHE Strategic Plan--Agriculture, Energy, Health Care, Life Sciences and Advanced Technology. (10 points)
   2. Addresses one of the Department of Commerce 5 targeted industries for growth--Advanced Manufacturing, Energy, Value-Added Agriculture, Technology-Based Business and Tourism. (10 points)

Technology Infrastructure Pool ($4.3 million base funding requested; $0 funded)

Advances in technology and the difference in approach one may use to provide necessary services change rapidly. However, chasing each new technology is neither efficient nor prudent. Because the budget request is planned and submitted over three years prior to the end of the funded biennium and given the speed of technological change, applications and services that need to be supported may not even be developed or known at the time the budget is submitted. Flexibility in acquiring and implementing these applications is essential to success.

The NDUS has an established IT Strategic Plan and the NDUS CIO provides leadership in executing the plan with appropriate guidance from the Board, Chancellor and Vice Chancellors, Cabinet and the advisory councils. Establishing and maintaining a strategic architecture and set of applications that can be supported to improve efficiency and effectiveness across the System is core to providing needed services to all constituencies. Investment in innovation is critical and doing so in a thoughtful, planned fashion ensures good stewardship of taxpayer and student tuition funding. The NDUS has done a good job of executing its strategic plan around administrative applications over the past three years. This initiative supports the SBHE strategic plan goal that the 11 institutions work together to achieve the NDUS vision effectively.

Goals:

1. Over the next two years focus on academic applications and services to bring the same consistency of approach as has been accomplished for administrative applications and services.
2. To build upon the information technology strategic architecture framework further establishing a consistent set of academic applications across the System to improve efficiency and effectiveness of services across the System and promote collaborative efforts.
3. To maintain current CND student fee rate. The pool will also be used to assist with CND upgrade costs to hold down potential CND student fee increases.

Criteria for Distribution of the Pool:

A. Required to meet all of the following:
   1. Applications, systems and architecture must fit within the NDUS IT strategic architecture.
   2. Applications, systems, and architecture need to integrate with existing NDUS systems and/or demonstrate the ability to streamline cross-platform capabilities

B. In addition, priority will be given to requests that meet the following:
   1. Applications, systems and architecture need to promote collaboration and break down technical barriers within the NDUS and across institutions (45 pts.)
   2. Applications, systems, and architecture need to create easy, efficient, and reliable access to learning resources and collaboration any time and any place (35 pts.)
   3. Applications, systems, and architecture need to support effective use of technology in the classroom and access to library materials (20 pts.)

Technology Infrastructure Pool ($3.2 million one-time funding requested; $0 funded)

If the NDUS is to be efficient and effective in collaboration, sharing of resources, leveraging training and support, the IT strategic plan should be advanced not only at the System level but also to the institutions. All constituents benefit through use of consistent wireless technologies, network and communications equipment, messaging systems, consist approach to learning management systems, document management, content repositories, information sharing and student services. This initiative supports the SBHE strategic goal that the 11 institutions work together to achieve the NDUS vision effectively. Not less than fifty percent of the pool is to be expended at the institutional level.

Goals:

1. To enhance efficiency, foster collaboration and student success
2. To allow for System-wide upgrades in accordance with the NDUS IT strategic architecture
3. To allow institutions to request matching funds through the CIO to assist in updating or upgrading their core technologies in line with the System IT Strategic Plan and to adapt as standards change

Criteria for Distribution of the Pool:

1. Applications, systems and architecture must fit within the NDUS IT strategic architecture. (40 pts.)
2. Applications, systems and architecture need to promote collaboration and break down technical barriers within the institution and across the NDUS. (25 pts.)
3. Applications, systems, and architecture need to create easy, efficient, and reliable access to learning resources and collaboration any time and any place. (20 pts.)
4. Applications, systems, and architecture need to support effective use of technology in the classroom and access to library materials. (15 pts.)

Emergency Preparedness/Security ($2 million one-time funding requested; $0 funded)

Goal: To address building and infrastructure improvements to enhance security and emergency preparedness for students, faculty and staff. Appropriate preparedness/security infrastructure is vital to the NDUS strategic goal of increasing the overall vitality of the state through exceptional education, research, training, and service.

Criteria for Distribution of the Pool: Must be for building and infrastructure improvements to enhance security and emergency preparedness. Examples include: keyless card entry, fire alarms, public announcement systems, cameras, building alarms, improved lighting, phone system upgrades to include a phone in each room, emergency power upgrades, etc.

Capital and Infrastructure Emergency Contingency Fund ($2.5 million one-time funding requested; $0 funded)

Goal: To address emergency needs related to capital facilities and infrastructure. Contingency to meet emergency needs is vital to the NDUS strategic goal of increasing the overall vitality of the state through exceptional education, research, training, and service.

Criteria for Distribution of the Pool: Must be used to meet unforeseen capital asset/infrastructure needs, as determined by the SBHE.

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North Dakota University System
Special Assessments Payoff Included in 2011-13 Executive Recommendation

	(1) Estimated Special Assessments Paid in 2009-11	(2) Funding Source Used to Pay Specials	(3) Final Pay Off Date	(4) Interest Rate	(5) Estimated 2011-13 Payments	(6) Estimated Savings by Paying Early	(7) Amount Included in Executive Recommendation for Payoff of Special Assessments	
BSC	$200,000	Capital assets- GF	2025	4.3-6.9%	$225,000	$325,000	$900,000	1/
LRSC	-			-	-	-	-	
WSC	10,085	Local		-	-	-	-	
UND	106,302	Capital assets- GF	Vary with final in 2019	5.68-6.761%	97,146	60,861	281,013	
NDSU	221,271	Capital assets- GF	2009-2037	5.5-6.4%	370,747	1,796,253	2,319,700	1/
NDSCS	64,240	Capital assets- GF	2021	5.22-5.5%	59,473	31,082	125,851	
DSU	-			-	-	-	-	
MaSU	89,332	Capital assets- GF	2022	4%	84,513	73,918	392,493	
MISU	-				-	-	-	
VCSU	31,346	Capital assets- GF	Vary with final in 2030	5.25-5.5%	45,103	143,853	283,567	
DCB				-	-	-	-	
TOTAL	$722,576				$881,982	$2,430,967	$4,302,624	

1/ The above estimates were based on information available as of January 13, 2010. Subsequent to that time, BSC and NDSU were informed of the following additional special assessments: BSC - $55,000 and NDSU - $16,809.

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	Bismarck State College			*Lake Region State College*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 27,849,535	$ 27,849,535	$ -	$ 10,765,011	$ 10,765,011	$ -
Base Adjustments	(3,340,637)	(3,340,637)	-	(2,703,727)	(2,703,727)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	24,508,898	24,508,898	-	8,061,284	8,061,284	-
Prioritized SBHE Needs Based Request:						
Parity	2,876,741	2,056,567	(820,174)	779,419	558,454	(220,965)
Equity	817,201	543,985	(273,216)	329,200	219,139	(110,061)
College Affordability	1,005,696	731,556	(274,140)	274,429	200,540	(73,889)
Facility and Infrastructure Regular Repair and Maintenance	174,192	174,192	-	111,705	111,705	-
Student Mental Health Services	-		-	120,570	120,570	-
Bismarck Higher Education Center	780,000		(780,000)	-		-
Employee Retirement Contributions	140,347	138,103	(2,244)	43,868	43,167	(701)
Statewide Nursing Consortium	-		-	-		-
Sustain On-campus Security - WSC						
Total Requested Increase in GF Base Funding	5,794,177	3,644,403	(2,149,774)	1,659,191	1,253,575	(405,616)
Total Base General Fund Request & Recommendation	30,303,075	28,153,301	(2,149,774)	9,720,475	9,314,859	(405,616)
One-time Budget Requests:						
Pay-off Special Assessments	900,000	900,000	-	-		-
Total One-time Budget Request & Recommendation	900,000	900,000	-	-	-	-
2011-13 Small-Medium Projects	1,519,600		(1,519,600)	1,075,577		(1,075,577)
2011-13 State-funded Projects	10,000,000	1,500,000	(8,500,000)	4,850,000	-	(4,850,000)
Total 2011-13 General Fund Request & Recommendation	$ 42,722,675	$ 30,553,301	$ (12,169,374)	$ 15,646,052	$ 9,314,859	$ (6,331,193)

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	Williston State College			*University of North Dakota*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 9,845,383	$ 9,845,383	$ -	$ 137,546,775	$ 137,546,775	$ -
Base Adjustments	(2,000,497)	(2,000,497)	-	(9,985,224)	(9,985,224)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	7,844,886	7,844,886	-	127,561,551	127,561,551	-
Prioritized SBHE Needs Based Request:						
Parity	786,371	610,992	(175,379)	12,474,003	9,303,122	(3,170,881)
Equity	250,000	166,667	(83,333)	3,695,508	2,459,984	(1,235,524)
College Affordability	272,792	214,161	(58,631)	813,787	1,676,738	862,951
Facility and Infrastructure Regular Repair and Maintenance	111,326	111,326	-	2,111,021	2,111,021	-
Student Mental Health Services	120,570	120,570	-	-		-
Bismarck Higher Education Center	-		-	-		-
Employee Retirement Contributions	32,006	31,494	(512)	683,318	672,393	(10,925)
Statewide Nursing Consortium	-		-	1,607,270	1,607,270	-
Sustain On-campus Security - WSC	110,000		(110,000)			
Total Requested Increase in GF Base Funding	1,683,065	1,255,210	(427,855)	21,384,907	17,830,528	(3,554,379)
Total Base General Fund Request & Recommendation	9,527,951	9,100,096	(427,855)	148,946,458	145,392,079	(3,554,379)
One-time Budget Requests:						
Pay-off Special Assessments	-		-	281,013	281,013	-
Total One-time Budget Request & Recommendation	-	-	-	281,013	281,013	-
2011-13 Small-Medium Projects	1,539,000		(1,539,000)	5,953,000		(5,953,000)
2011-13 State-funded Projects	11,754,000	-	(11,754,000)	58,990,000	11,200,000	(47,790,000)
Total 2011-13 General Fund Request & Recommendation	$ 22,820,951	$ 9,100,096	$ (13,720,855)	$ 214,170,471	$ 156,873,092	$ (57,297,379)

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	North Dakota State University			*North Dakota State College of Science*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 132,652,339	$ 132,652,339	$ -	$ 39,289,509	$ 39,289,509	$ -
Base Adjustments	(22,245,032)	(22,245,032)	-	(6,734,143)	(6,734,143)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	110,407,307	110,407,307	-	32,555,366	32,555,366	-
Prioritized SBHE Needs Based Request:						
Parity	12,063,421	9,067,447	(2,995,974)	2,336,003	1,681,812	(654,191)
Equity	7,059,068	4,698,999	(2,360,069)	250,000	166,667	(83,333)
College Affordability	1,034,384	1,858,284	823,900	822,807	604,037	(218,770)
Facility and Infrastructure Regular Repair and Maintenance	1,040,018	1,040,019	1	259,047	259,047	-
Student Mental Health Services	-		-	-		-
Bismarck Higher Education Center	-		-	-		-
Employee Retirement Contributions	807,470	794,560	(12,910)	132,417	130,300	(2,117)
Statewide Nursing Consortium	-		-	-		-
Sustain On-campus Security - WSC						
Total Requested Increase in GF Base Funding	22,004,361	17,459,309	(4,545,052)	3,800,274	2,841,863	(958,411)
Total Base General Fund Request & Recommendation	132,411,668	127,866,616	(4,545,052)	36,355,640	35,397,229	(958,411)
One-time Budget Requests:						
Pay-off Special Assessments	2,319,700	2,319,700	-	125,851	125,851	-
Total One-time Budget Request & Recommendation	2,319,700	2,319,700	-	125,851	125,851	-
2011-13 Small-Medium Projects	4,692,000		(4,692,000)	2,435,000		(2,435,000)
2011-13 State-funded Projects	-	-	-	8,180,000	8,180,000	-
Total 2011-13 General Fund Request & Recommendation	$ 139,423,368	$ 130,186,316	$ (9,237,052)	$ 47,096,491	$ 43,703,080	$ (3,393,411)

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	Dickinson State University			*Mayville State University*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 24,228,226	$ 24,228,226	$ -	$ 19,018,467	$ 19,018,467	$ -
Base Adjustments	(3,409,387)	(3,409,387)	-	(6,868,447)	(6,868,447)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	20,818,839	20,818,839	-	12,150,020	12,150,020	-
Prioritized SBHE Needs Based Request:						
Parity	1,956,054	1,358,928	(597,126)	827,845	599,971	(227,874)
Equity	710,365	472,867	(237,498)	250,000	166,667	(83,333)
College Affordability	48,911	48,128	(783)	19,087	41,839	22,752
Facility and Infrastructure Regular Repair and Maintenance	25,388	25,388	-	149,998	150,000	2
Student Mental Health Services	120,570	120,570	-	140,570	140,570	-
Bismarck Higher Education Center	-		-	-		-
Employee Retirement Contributions	114,124	112,299	(1,825)	44,536	43,824	(712)
Statewide Nursing Consortium	-		-	-		-
Sustain On-campus Security - WSC						
Total Requested Increase In GF Base Funding	2,975,412	2,138,180	(837,232)	1,432,036	1,142,871	(289,165)
Total Base General Fund Request & Recommendation	23,794,251	22,957,019	(837,232)	13,582,056	13,292,891	(289,165)
One-time Budget Requests:						
Pay-off Special Assessments	-		-	392,493	392,493	-
Total One-time Budget Request & Recommendation	-	-	-	392,493	392,493	-
2011-13 Small-Medium Projects	1,719,000		(1,719,000)	1,230,000		(1,230,000)
2011-13 State-funded Projects	-	8,800,000	8,800,000	-	-	-
Total 2011-13 General Fund Request & Recommendation	$ 25,513,251	$ 31,757,019	$ 6,243,768	$ 15,204,549	$ 13,685,384	$ (1,519,165)

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	Minot State University			*Valley City State University*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 44,162,070	$ 44,162,070	$ -	$ 19,275,629	$ 19,275,629	$ -
Base Adjustments	(8,630,081)	(8,630,081)	-	(2,654,800)	(2,654,800)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	35,531,989	35,531,989	-	16,620,829	16,620,829	-
Prioritized SBHE Needs Based Request:						
Parity	2,854,069	2,178,892	(675,177)	1,349,677	973,284	(376,393)
Equity	250,000	180,142	(69,858)	250,000	166,667	(83,333)
College Affordability	313,545	439,621	126,076	131,730	148,884	17,154
Facility and Infrastructure Regular Repair and Maintenance	302,750	302,750	-	149,903	149,903	-
Student Mental Health Services	20,000	20,000	-	60,290	60,290	-
Bismarck Higher Education Center	-		-	-	-	-
Employee Retirement Contributions	159,899	157,342	(2,557)	71,179	70,041	(1,138)
Statewide Nursing Consortium	-		-	-	-	-
Sustain On-campus Security - WSC						
Total Requested Increase in GF Base Funding	3,900,263	3,278,747	(621,516)	2,012,779	1,569,069	(443,710)
Total Base General Fund Request & Recommendation	39,432,252	38,810,736	(621,516)	18,633,608	18,189,898	(443,710)
One-time Budget Requests:						
Pay-off Special Assessments	-		-	283,567	283,567	-
Total One-time Budget Request & Recommendation	-	-	-	283,567	283,567	-
2011-13 Small-Medium Projects	3,227,000		(3,227,000)	1,575,000		(1,575,000)
2011-13 State-funded Projects	5,000,000	-	(5,000,000)	11,016,000	7,971,000	(3,045,000)
Total 2011-13 General Fund Request & Recommendation	$ 47,659,252	$ 38,810,736	$ (8,848,516)	$ 31,508,175	$ 26,444,465	$ (5,063,710)

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NDUS Campuses
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)	(4)	(5)	(6)
	Dakota College at Bottineau			*Total Campuses*		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 7,211,198	$ 7,211,198	$ -	$ 471,844,142	$ 471,844,142	$ -
Base Adjustments	(1,177,689)	(1,177,689)	-	(69,749,664)	(69,749,664)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	6,033,509	6,033,509	-	402,094,478	402,094,478	-
Prioritized SBHE Needs Based Request:						
Parity	408,058	293,158	(114,900)	38,711,661	28,682,627	(10,029,034)
Equity	250,000	166,667	(83,333)	14,111,342	9,408,451	(4,702,891)
College Affordability	143,977	105,550	(38,427)	4,881,145	6,069,338	1,188,193
Facility and Infrastructure Regular Repair and Maintenance	5,782	5,782	-	4,441,130	4,441,133	3
Student Mental Health Services	120,570	120,570	-	703,140	703,140	-
Bismarck Higher Education Center	-		-	780,000	-	(780,000)
Employee Retirement Contributions	23,875	23,493	(382)	2,253,039	2,217,016	(36,023)
Statewide Nursing Consortium	-		-	1,607,270	1,607,270	-
Sustain On-campus Security - WSC				110,000	-	(110,000)
Total Requested Increase in GF Base Funding	952,262	715,220	(237,042)	67,598,727	53,128,975	(14,469,752)
Total Base General Fund Request & Recommendation	6,985,771	6,748,729	(237,042)	469,693,205	455,223,453	(14,469,752)
One-time Budget Requests:						
Pay-off Special Assessments	-		-	4,302,624	4,302,624	-
Total One-time Budget Request & Recommendation	-	-	-	4,302,624	4,302,624	-
2011-13 Small-Medium Projects	700,250		(700,250)	25,665,427	-	(25,665,427)
2011-13 State-funded Projects	965,000	-	(965,000)	110,755,000	37,651,000	(73,104,000)
Total 2011-13 General Fund Request & Recommendation	$ 8,651,021	$ 6,748,729	$ (1,902,292)	$ 610,416,256	$ 497,177,077	$ (113,239,179)

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UND School of Medicine and Health Sciences
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)
	UND SMHS		
	SBHE 2011-13 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	**$ 41,115,401**	**$ 41,115,401**	**$ -**
Base Adjustments	**(225,000)**	**(225,000)**	**-**
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**40,890,401**	**40,890,401**	**-**
Prioritized SBHE Needs Based Request:			
Parity	2,999,623	2,072,442	(927,181)
Equity	888,659	591,552	(297,107)
College Affordability	640,490	571,224	(69,266)
Resident Positions	2,170,806	-	(2,170,806)
Sustain RuralMed program- Funded tuition scholarship to encourage students into family medicine rural practice	175,600	-	(175,600)
Increase Number of Medical Students	857,600	-	(857,600)
Master's in Public Health	1,215,219	1,215,219	-
Allied Health Students	402,000	-	(402,000)
Geriatrics Training	1,151,810	1,151,810	-
Employee Retirement Contributions	163,370	160,758	(2,612)
Total Requested Increase in GF Base Funding	**10,665,177**	**5,763,005**	**(4,902,172)**
Total 2011-13 General Fund Request & Recommendation	**$ 51,555,578**	**$ 46,653,406**	**$ (4,902,172)**

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NDUS Office
Comparison of SBHE General Fund Revised Request And Executive Recommendation

	(1)	(2)	(3)
	NDUS Office		
	SBHE 2009-11 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	**$ 88,065,030**	**$ 88,065,030**	**$ -**
Base Adjustments	-	-	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	**88,065,030**	**88,065,030**	**-**
Prioritized SBHE Needs Based Request:			
Capital bond payments increase	540,722	540,721	(1)
Parity	2,540,744	1,580,340	(960,404)
Technology infrastructure pool	4,300,000	-	(4,300,000)
Technology Maintenance	3,527,000	3,527,000	-
Connect ND Database Upgrade	-	616,000	616,000
New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	1,000,000	(2,000,000)
KSU Vet. Med and ConnectND position funding	1,100,000	1,100,000	-
Facilities Project Management	208,000	-	(208,000)
Student Mental Health Services	12,000	12,000	-
EPSCoR	1,650,000	1,650,000	-
Employee Retirement Contributions	31,894	31,384	(510)
Professional Liability Insurance	(300,000)	(300,000)	-
Indian Scholarship Program	192,975	192,975	-
Career Technical Education & Academic Scholarship Program	7,000,000	(3,000,000)	(10,000,000) 1/
Adult Learning	300,000	-	(300,000)
Completion Based Funding	-	5,000,000	5,000,000
Total Requested Increase in GF Base Funding	24,103,335	11,950,420	(12,152,915)
Total Base General Fund Request & Recommendation	**112,168,365**	**100,015,450**	**(12,152,915)**
One-time Budget Requests:			
Mental Health Services	156,000	156,000	-
Comprehensive Career Planning	600,000	-	(600,000)
Technology Infrastructure	3,200,000	-	(3,200,000)
Emergency Preparedness/Security	2,000,000	-	(2,000,000)
Capital/Infrastructure Emergency Contingency Fund	2,500,000	-	(2,500,000)
Total One-time Budget Request & Recommendation	8,456,000	156,000	(8,300,000)
Total 2011-13 General Fund Request & Recommendation	**$ 120,624,365**	**$ 100,171,450**	**$ (20,452,915)**

1/ The 2009-11 $3 million base general funds removed from the Career Technical Education & Academic Scholarship Program. Base funding, plus the requested $7 million increase is funded as a "continuing appropriation" from the Land & Minerals Trust Fund in the 2011-13 Executive Recommendation, rather than as a specific appropriation in the NDUS Office budget.

ND Forest Service
Comparison of SBHE General Fund Revised Request
And Executive Recommendation

	(1)	(2)	(3)
	ND Forest Service		
	SBHE 2009-11 Prioritized GF Revised Request	Executive Recommendation	Executive Recommendation Over (Under) Budget Request
2009-11 Adjusted General Fund Appropriation	$ 3,855,768	$ 3,855,768	$ -
Base Adjustments	(345,576)	(345,576)	-
2009-11 Adjusted General Fund Appropriation, Net of Base Adjustments	3,510,192	3,510,192	-
Prioritized SBHE Needs Based Request:			
Parity	359,844	254,524	(105,320)
Program Enhancement-10% base funding increase	351,019	175,510	(175,509)
Employee Retirement Contributions	17,623	17,341	(282)
Facility and Infrastructure Regular Repair and Maintenance	-	4,905	4,905
Total Requested Increase in GF Base Funding	728,486	452,280	(276,206)
Total Base General Fund Request & Recommendation	**4,238,678**	**3,962,472**	**(276,206)**
One-time Budget Requests:			
State Forest Service-Emerald Ash Borer	500,000	250,000	(250,000)
Total One-time Budget Request & Recommendation	500,000	250,000	(250,000)
2011-13 State-funded Projects	550,000	-	(550,000)
Total 2011-13 General Fund Request & Recommendation	$ 5,288,678	$ 4,212,472	$ (1,076,207)

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NDSU Main & Branch Research Centers and Extension Service
Comparison of Prioritized SBARE Initiatives to Executive Recommendation (HB 1020)

		Included in 2011-13 Budget Request	Included in 2011-13 Executive Recommendation	Recommendation Over (Under) Budget Request
	Base Increases:			
	Section 1: NDSU Main & Branch Research Centers			
1	Greenhouse utilities	$173,622	$173,622	-
2	Enhancing soil productivity and land management for future ND	1,410,000	1,410,000	-
3	Infrastructure (equipment, operating, graduate students, and office support staff)	1,880,000	1,880,000	-
4	Improving the state's economy by enhancing crop development efforts	2,700,000		(2,700,000)
5	Improving animal productivity and livestock stewardship for increased profitability in the ND livestock industry	810,000		(810,000)
6	Crop commodity quality/trait and utilization development	1,110,000		(1,110,000)
7	Animal health initiative	1,010,000		(1,010,000)
8	Plant physiologist	290,000		(290,000)
9	Plant physiologist	250,000		(250,000)
10	Organic/sustainable agriculture systems	300,000		(300,000)
	TOTAL	9,933,622	3,463,622	(6,470,000)
	Section 2: Extension Service			
1	Infrastructure: technical support	450,000	450,000	-
2a	Soil health and land management	690,000	690,000	-
2b	Livestock stewardship	250,000	250,000	-
3a	Agents-in-training and summer internship program	500,000		(500,000)
3b	Crop protection	440,000		(440,000)
4a	Infrastructure: information technology	150,000		(150,000)
4b	Agricultural entrepreneurship and rural business transition	500,000		(500,000)
5	Health, wealth and quality of life for ND	500,000		(500,000)
6	Identity-preserved and specialty agriculture	440,000		(440,000)
7	Infrastructure: operating	80,000		(80,000)
	Gearing up for Kindergarten (Not included in request)		830,000	830,000
		4,000,000	2,220,000	(1,780,000)
	Section 3: State Soil Conservation Committee (Included in Extension Service)	150,000	50,000	(100,000)
	Total Base Increase Request, Compared to Executive Recommendation	14,083,622	$5,733,622	($8,350,000)
	One-time Funding Increases:			
	Section 4: NDSU Main & Branch Research Centers			
	Deferred maintenance (Main Station and RECs)	$4,203,401	$0	($4,203,401)
	Section 5: Extension Service			
	IVN equipment upgrades (at 20 sites)	262,000		(262,000)
	Update of ND agricultural land valuation model	50,000		(50,000)
		312,000	-	(312,000)
	Total One-time Increase Request, Compared to Executive Recommendation	$4,515,401	$0	($4,515,401)

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North Dakota University System

UGPTI, Extension Service, Main & Branch Research Centers and NCI

Reconciliation of 2009-11 Original General Fund Appropriation to 2011-13 Executive Recommendation (HB 1020)

	(1) UGPTI	(2) Extension Service	(3) Main Research Center	(4) Branch Research	(5) NCI	(6) Total
2009-11 Original General Fund Appropriation	$ 1,589,793	$ 22,000,412	$ 60,217,151	$ 12,367,190	$ 1,439,221	$ 97,613,767
2007-09 GF Carryover - Greenhouse			5,759,988			5,759,988
2009-11 Adjusted GF Appropriation	**1,589,793**	**22,000,412**	**65,977,139**	**12,367,190**	**1,439,221**	**103,373,755**
Base Adjustments:						
Less 2007-09 GF Carryover			(5,759,988)			(5,759,988)
Less 2009-11 One-time Appropriations			(700,000)			(700,000)
Less 2009-11 Capital Projects			(17,000,000)			(17,000,000)
2009-11 Adjusted Appropriation, Less Base Adjustments	**1,589,793**	**22,000,412**	**42,517,151**	**12,367,190**	**1,439,221**	**79,913,767**
Executive Recommendation Base Increases (Decreases):						
Cost to continue FY2011 salary increases	18,918	508,356	876,714	202,933	28,082	1,635,003
Decrease in 2011-13 Capital Bond Payments			(99)	(34)		(133)
Retirement rate correction - Pay plan	(28,622)	(693,796)	(1,471,495)	(293,692)	(60,075)	(2,547,680)
Compensation package (3% per year) and health insurance increases	69,239	1,530,672	2,586,453	618,811	85,992	4,891,167
Soil Conservation Increase		50,000				50,000
Gearing Up for Kindergarten		830,000				830,000
UGPTI, NCI and SBARE initiatives (1)	270,300	1,390,000	2,423,622	1,040,000	199,362	5,323,284
2011-13 Recommended Base General Fund Increases	**329,835**	**3,615,232**	**4,415,195**	**1,568,018**	**253,361**	**10,181,641**
Executive Recommendation One-time Increases:						
2011-13 Capital Projects			6,991,650			6,991,650
2011-13 Recommended One-time Increases:	-	-	6,991,650	-	-	6,991,650
2011-13 Total Executive Recommendation - General Fund	**1,919,628**	**25,615,644**	**53,923,996**	**13,935,208**	**1,692,582**	**97,087,058**
Increase (Decrease) From 2009-11 Adjusted Appropriation, Less Base Adjustments	$ 329,835	$ 3,615,232	$ 11,406,845	$ 1,568,018	$ 253,361	$ 17,173,291

(1) The following SBARE initiatives and UGPTI and NCI increases were funded (all base funding increases):

UGPTI - $270,300 Core administrative expenses [Total requested = $270,300]

Extension - $450,000 Technician salary support; $690,000 Soil health & land management (3 FTE); $250,000 Livestock stewardship education (1 FTE) [Total requested for all Extension initiatives = $4 million]

Main Research - $173,622 Greenhouse utilities; $470,000 Soil productivity & land management (3 FTE); $100,000 Increased equipment; $410,000 Increase scientist operating funds to $10,000/scientist; $720,000 for 10 graduate assistants; $550,000 Additional office support (5 FTE) [Total requested for all Main REC = $6,848,622]

Branch REC's - $940,000 Soil productivity & land management (6 FTE); $100,000 Increase revolving equipment fund [Total requested for Branch REC's = $3,085,000]

NCI - $199,362 Funding source change for existing feed production center manager [Total requested = $244,670]

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North Dakota University System
UGPTI, Extension Service, Main & Branch Research Centers, NCI and Agronomy Seed Farm
Reconciliation of 2009-11 Original Other Fund Appropriation to 2011-13 Executive Recommendation (HB 1020)

	(1) UGPTI	(2) Extension Service	(3) Main Research Center	(4) Branch Research Centers	(5) NCI	(6) Agronomy Seed Farm	(7) Total
2009-11 Original Other Fund Appropriation	$ 24,737,199	$ 25,928,877	$ 45,713,267	$ 15,191,816	$ 1,598,265	$ 1,275,238	$114,444,662
2007-09 capital assets carryover			2,911,096				2,911,096
2009-11 Adjusted OF Appropriation	24,737,199	25,928,877	48,624,363	15,191,816	1,598,265	1,275,238	117,355,758
Base Adjustments:							
Less 2007-09 OF Carryover			(2,911,096)				(2,911,096)
Less 2009-11 One-time Funding				(925,000)			(925,000)
Less 2009-11 Capital Projects	(3,000,000)		(700,000)	(350,000)			(4,050,000)
2009-11 Adjusted Appropriation, Less Base Adjustments	21,737,199	25,928,877	45,013,267	13,916,816	1,598,265	1,275,238	109,469,662
Executive Recommendation Base Increases (Decreases):							
Cost to continue FY2011 salary increases	229,893	311,820	325,877	60,742	11,499	9,791	949,622
Retirement rate correction - Pay plan	(389,484)	(720,652)	(644,800)	(61,739)	(5,458)	(11,328)	(1,833,461)
Compensation package (3% per year) and health insurance increases	548,517	740,067	635,648	172,504	14,052	26,615	2,137,403
2011-13 Capital projects			2,502,931				2,502,931
Other changes in estimated income	24,208	(3,131,302)	(3,859,348)	789,258	36,367	134,852	(6,005,965)
Total requested increases (decreases)	413,134	(2,800,067)	(1,039,692)	960,765	56,460	159,930	(2,249,470)
2011-13 Total Executive Recommendation - Other Funds	$ 22,150,333	$ 23,128,810	$ 43,973,575	$ 14,877,581	$ 1,654,725	$ 1,435,168	$107,220,192

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North Dakota University System
Branch Research Centers
Reconciliation of 2009-11 Original Other Fund Appropriation to 2011-13 Executive Recommendation (HB 1020)

	(1) Dickinson	(2) Central Grasslands	(3) Hettinger	(4) Langdon	(5) North Central	(6) Williston	(7) Carrington	(8) Total
General Fund:								
2009-11 Original General Fund Appropriation	$ 2,353,771	$ 1,486,428	$ 1,349,649	$ 1,217,179	$ 1,486,111	$ 1,922,183	$ 2,551,869	$ 12,367,190
Reallocation of Revolving Equipment Pool for 2011-13	(100,000)	100,000	(100,000)	100,000	100,000		(100,000)	-
Executive Recommendation Increases (Decreases):								
Cost to continue FY2011 salary increases	44,392	20,802	21,091	21,158	25,672	27,660	42,158	202,933
Decrease in 2011-13 Capital Bond Payments		(13)			(21)			(34)
Retirement rate correction - Pay plan	(58,153)	(36,486)	(36,682)	(24,441)	(37,127)	(30,490)	(70,313)	(293,692)
Compensation package (3% per year) and health insurance increases	118,749	74,058	74,960	56,668	70,620	83,804	139,952	618,811
SBARE Initiatives		145,000	350,000	25,000	25,000	145,000	350,000	1,040,000
2011-13 Recommended Base General Fund Increases	104,988	203,361	409,369	78,385	84,144	225,974	461,797	1,568,018
2011-13 Total Executive Recommendation - General Fund	$ 2,358,759	$ 1,789,789	$ 1,659,018	$ 1,395,564	$ 1,670,255	$ 2,148,157	$ 2,913,666	$ 13,935,208
Other Funds:								
2009-11 Original Other Fund Appropriation	$ 3,933,809	$ 1,074,174	$ 1,645,506	$ 874,393	$ 2,487,841	$ 1,000,000	$ 4,176,093	$ 15,191,816
2009-11 One-time funding	(925,000)							(925,000)
2009-11 Capital projects	(350,000)							(350,000)
2009-11 Adjusted Appropriation-OF	2,658,809	1,074,174	1,645,506	874,393	2,487,841	1,000,000	4,176,093	13,916,816
Executive Recommendation Increases (Decreases):								
Cost to continue FY2011 salary increases	14,167	1,207	9,438	6,932	11,592		17,406	60,742
Retirement rate correction - Pay plan	(23,512)	(3,735)	(7,632)	(2,005)	(7,559)	(4,191)	(13,105)	(61,739)
Compensation package (3% per year) and health insurance increases	44,506	5,618	26,283	10,854	29,286	6,123	49,834	172,504
Other changes in estimated income	535,833	(1,206)	40,562	93,069	88,406	50,000	(17,406)	789,258
2011-13 Recommended Base Other Fund Increases	570,994	1,884	68,651	108,850	121,725	51,932	36,729	960,765
2011-13 Total Executive Recommendation - Other Funds	$ 3,229,803	$ 1,076,058	$ 1,714,157	$ 983,243	$ 2,609,566	$ 1,051,932	$ 4,212,822	$ 14,877,581

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NORTH DAKOTA UNIVERSITY SYSTEM

CAPITAL ASSETS (Extraordinary Repairs, Deferred Maintenance and Major Capital Projects)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	2011-13 Executive Recommendation			2011-13 Budget Request Plus SBHE Revisions			2009-11 Adjusted Appropriation				2011-13 Executive Recommendation to 2009-11 Adjusted Appropriation			
Institution	Extraordinary Repairs 1/	Major Capital Projects	TOTAL	Extraordinary Repairs	Major Capital Projects	TOTAL	Extraordinary Repairs	Deferred Maintenance	Major Capital Projects	TOTAL	Extraordinary Repairs	Deferred Maintenance	Major Capital Projects	TOTAL
BSC	$1,317,673	$9,000,000	$10,317,673	$417,673	$17,500,000	$17,917,673	$243,481	$340,637	$3,409,500	$3,993,618	$1,074,192	($340,637)	$5,590,500	$6,324,055
LRSC	155,367	-	155,367	155,367	4,850,000	5,005,367	43,662	93,807	5,219,840	5,357,309	111,705	($93,807)	(5,219,840)	(5,201,942)
WSC	197,801	2,820,000	3,017,801	197,801	13,954,000	14,151,801	86,475	382,002	16,985,000	17,453,477	111,326	($382,002)	(14,165,000)	(14,435,676)
UND	4,892,579	32,900,000	37,592,579	4,411,566	77,290,000	81,701,566	2,300,545	7,178,674	61,575,661	71,054,880	2,392,034	($7,178,674)	(28,675,661)	(33,462,301)
NDSU	5,051,943	36,100,000	41,151,943	2,732,243	36,100,000	38,832,243	1,692,225	5,355,817	71,100,000	78,148,042	3,359,718	($5,355,817)	(35,000,000)	(36,996,099)
NDSCS	1,138,230	18,680,000	19,818,230	1,012,379	18,680,000	19,692,379	753,332	1,034,143	12,836,000	14,623,475	384,898	($1,034,143)	5,844,000	5,194,755
DSU	409,078	8,800,000	9,209,078	409,078	-	409,078	383,890	1,662,172	728,112	2,773,974	25,388	($1,662,172)	8,071,888	6,435,104
MASU	751,482	-	751,482	358,989	-	358,989	208,991	1,910,120	8,626,828	10,745,939	542,491	($1,910,120)	(8,626,828)	(9,994,457)
MiSU	899,620	5,050,000	5,949,620	899,620	18,784,555	19,684,175	596,870	595,111	31,000,000	32,191,981	302,750	($595,111)	(25,950,000)	(26,242,361)
VCSU	691,886	8,786,000	9,477,886	408,319	11,831,000	12,239,319	258,416	1,304,921	19,500,000	21,063,337	433,470	($1,304,921)	(10,714,000)	(11,585,451)
DCB	115,507	-	115,507	115,507	996,250	1,111,757	109,725	97,021	3,080,000	3,286,746	5,782	(97,021)	(3,080,000)	(3,171,239)
Subtotal	15,421,166	122,136,000	137,557,166	11,118,542	199,985,805	211,104,347	6,677,412	19,954,424	234,060,941	260,692,778	8,743,755	(19,954,424)	(111,924,941)	(123,135,612)
Forest Service	41,543	-	41,543	36,638	550,000	586,638	36,638	45,576	300,000	382,214	4,905	(45,576)	(300,000)	(340,671)
UGP Transp Institute	-	-	-	-	-	-	-		3,000,000	3,000,000	-	-	(3,000,000)	(3,000,000)
NDSU Extension Service					3,800,000	3,800,000				-	-	-	-	-
NDSU-Main Research	1,340,485	9,494,581	10,835,046	-	23,169,581	23,169,581	1,340,485	450,000	17,700,000	19,490,465	-	(450,000)	(8,205,419)	(8,655,419)
Branch Research Ctrs	-	-	-	-	-	-	-		350,000	350,000	-	-	(350,000)	(350,000)
Subtotal	1,382,008	9,494,581	10,876,589	36,638	27,519,581	27,556,219	1,377,103	495,576	21,350,000	23,222,679	4,905	(495,576)	(11,855,419)	(12,346,090)
Total	$16,803,174	$131,630,581	$148,433,755	$11,155,180	$227,505,386	$238,660,566	$8,054,515	$20,450,000	$255,410,941	$283,915,457	$8,748,659	($20,450,000)	($123,780,360)	($135,481,702)
General Fund	$ 16,803,174	$ 44,642,650	$61,445,824	$ 11,155,180	$ 131,771,650	$142,926,830	$ 8,054,515	$ 20,450,000	$ 54,736,360	$ 83,240,875	$ 8,748,659	$ (20,450,000)	($10,093,710)	($21,795,051)
Permanent Oil Trust Fund		2,320,000	2,320,000						10,400,000	10,400,000			(8,080,000)	(8,080,000)
Federal Stimulus Funds									20,009,920	20,009,920				
Revenue Bonding	-	38,500,000	38,500,000	-	38,500,000	38,500,000	-		62,136,161	62,136,161	-		(23,636,161)	(23,636,161)
Other/Federal Funds	-	46,167,931	46,167,931	-	57,233,736	57,233,736	-		108,128,500	108,128,500	-		(61,960,569)	(61,960,569)
Total	$16,803,174	$131,630,581	$148,433,755	$11,155,180	$227,505,386	$238,660,566	$8,054,515	$20,450,000	$255,410,941	$283,915,457	$8,748,659	($20,450,000)	($123,780,360)	($135,481,702)

1/ Column 1 includes one-time payoff of special assessments for the following campuses: BSC - $900,000; UND - $281,013; NDSU - $2,319,700; NDSCS - $125,851; MaSU - $392,493; VCSU - $283,567.

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NORTH DAKOTA UNIVERSITY SYSTEM

2011-13 MAJOR CAPITAL PROJECTS (Comparison of 2011-13 Executive Recommendation to the Budget Request)

	(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	2011-13 Executive Recommendation						2011-13 Budget Request, Plus SBHE Revisions				
	General Fund	Permanent Oil Trust Fund	Revenue Bonding	Other Funds	Federal Funds	Total Funds	General Fund	Revenue Bonding	Other Funds	Federal Funds	Total Funds
BSC:											
New Construction/Addition											
Plant Services Building	1,500,000	-	-	-	-	1,500,000	1,500,000	-	-	-	1,500,000
Bismarck Higher Ed Center (BSC, DSU, MISU, UND)	-	-	-	-	-	-	8,500,000	-	-	-	8,500,000
Student Union Addition/Renovation	-	-	7,000,000	500,000	-	7,500,000	-	7,000,000	500,000	-	7,500,000
Subtotal (HB1003)	1,500,000	-	7,000,000	500,000	-	9,000,000	10,000,000	7,000,000	500,000	-	17,500,000
LRSC:											
New Construction/Addition											
Erlandson Center Addition/Renovation	-	-	-	-	-	-	4,850,000	-	-	-	4,850,000
Subtotal (HB1003)	-	-	-	-	-	-	4,850,000	-	-	-	4,850,000
WSC:											
New Construction/Addition											
Workforce Training Center Addition	-	-	-	-	-	-	700,000	-	300,000	-	1,000,000
Steven's Hall Addition/Renovation	-	-	-	-	-	-	10,434,000	-	-	-	10,434,000
Science Center Addition/Renovation (Project authorized in 09-11 @ GF $1.61 M + OF $.59 M; increase to GF $2.93 M + OF$.59 M)	-	1,320,000	-	-	-	1,320,000	1,320,000	-	-	-	1,320,000
Two Stand-alone Bay Shops for Workforce Training	-	-	-	-	-	-	-	-	1,200,000	-	1,200,000
Campus Branding	-	1,000,000	-	500,000	-	1,500,000	-	-	-	-	-
Subtotal (HB1003)	-	2,320,000	-	500,000	-	2,820,000	12,454,000	-	1,500,000	-	13,954,000
UND and SMHS:											
New Construction/Additions											
NDUS & UND Joint IT Facility	11,200,000	-	-	-	-	11,200,000	14,200,000	-	-	-	14,200,000
SMHS Health Science Facility	-	-	-	-	-	-	28,890,000	-	-	-	28,890,000
EERC Office and Lab Addition	-	-	-	-	-	-	12,500,000	-	-	-	12,500,000
EERC Slurry Building Expansion	-	-	-	2,700,000	-	2,700,000	-	-	2,700,000	-	2,700,000
Wilkerson Hall Addition/Renovation	-	-	14,000,000	-	-	14,000,000	-	14,000,000	-	-	14,000,000
University Town Home Apartments	-	-	5,000,000	-	-	5,000,000	-	5,000,000	-	-	5,000,000
Subtotal (HB1003)	11,200,000	-	19,000,000	2,700,000	-	32,900,000	55,590,000	19,000,000	2,700,000	-	77,290,000
NDSU:											
Major Remodeling/Infrastructure											
IT Infrastructure to be completed in phases	-	-	-	2,000,000	-	2,000,000	-	-	2,000,000	-	2,000,000
New Construction/Additions	-	-	-	-	-		-	-	-	-	
Bison Sports Arena to be completed in 3 phases (Reauthorization)	-	-	-	29,100,000	-	29,100,000	-	-	29,100,000	-	29,100,000
Indoor Practice Facility	-	-	-	5,000,000	-	5,000,000	-	-	5,000,000	-	5,000,000
Subtotal (HB1003)	-	-	-	36,100,000	-	36,100,000	-	-	36,100,000	-	36,100,000
NDSCS:											
Major Remodeling											
Old Main Renovation	8,180,000	-	-	-	-	8,180,000	8,180,000	-	-	-	8,180,000
Forkner Hall Renovation	-	-	5,000,000	-	-	5,000,000	-	5,000,000	-	-	5,000,000
Schulz Renovation	-	-	4,000,000	-	-	4,000,000	-	4,000,000	-	-	4,000,000
Frank Vertin Football Complex	-	-	-	1,500,000	-	1,500,000	-	-	1,500,000	-	1,500,000
Subtotal (HB1003)	8,180,000	-	9,000,000	1,500,000	-	18,680,000	8,180,000	9,000,000	1,500,000	-	18,680,000
DSU:											
New Construction/Additions											
Stoxen Library Addition/Renovation	8,800,000	-	-	-	-	8,800,000	-	-	-	-	-
Subtotal (HB1003)	8,800,000	-	-	-	-	8,800,000	-	-	-	-	-

NORTH DAKOTA UNIVERSITY SYSTEM

2011-13 MAJOR CAPITAL PROJECTS (Comparison of 2011-13 Executive Recommendation to the Budget Request)

	(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	2011-13 Executive Recommendation						2011-13 Budget Request, Plus SBHE Revisions				
	General Fund	Permanent Oil Trust Fund	Revenue Bonding	Other Funds	Federal Funds	Total Funds	General Fund	Revenue Bonding	Other Funds	Federal Funds	Total Funds
MaSU:											
Major Remodeling											
No Projects Requested	-	-	-	-	-	-	-	-	-	-	-
Subtotal (HB1003)	-	-	-	-	-	-	-	-	-	-	-
MISU:											
Major Remodeling											
Geothermal Heating and Cooling (Project authorized in 09-11 @ GF $2.6 M; Increase to GF $7.5 M + OF $8,734,555)	-	-	-	-	-	-	5,000,000	-	8,734,555	-	13,734,555
Landscape Plan - Phases II & III of 10-Yr Plan	-	-	-	800,000	-	800,000	-	-	800,000	-	800,000
Old Main Classroom Remodel	-	-	-	750,000	-	750,000	-	-	750,000	-	750,000
New Construction/Additions											
New Resident Apartments	-	-	3,500,000	-	-	3,500,000	-	3,500,000	-	-	3,500,000
Subtotal (HB1003)	-	-	3,500,000	1,550,000	-	5,050,000	5,000,000	3,500,000	10,284,555	-	18,784,555
VCSU:											
Major Remodeling											
Locken Football Field Artificial Turf ($180,000 09-11 deferred maintenance funding)	-	-	-	815,000	-	815,000	180,000	-	815,000	-	995,000
New Construction/Additions						-					
LD Rhoades Science Addition/Renovation	7,971,000	-	-	-	-	7,971,000	10,836,000	-	-	-	10,836,000
Subtotal (HB1003)	7,971,000	-	-	815,000	-	8,786,000	11,016,000	-	815,000	-	11,831,000
Dakota College at Bottineau:											
Major Remodeling											
Road Repairs/Repaving (180,000 sq ft)	-	-	-	-	-	-	700,000	-	31,250	-	731,250
Heating System Upgrade - Thatcher Hall	-	-	-	-	-	-	265,000	-	-	-	265,000
Subtotal (HB1003)	-	-	-	-	-	-	965,000	-	31,250	-	996,250
Campus Subtotal	37,651,000	2,320,000	38,500,000	43,665,000	-	122,136,000	108,055,000	38,500,000	53,430,805	-	199,985,805
Forest Service:											
Major Remodeling											
Nursery Freezer Conversion/New Building	-	-	-	-	-	-	550,000	-	-	-	550,000
Forest Service Subtotal (HB1003)	-	-	-	-	-	-	550,000	-	-	-	550,000
Total (HB1003)	37,651,000	2,320,000	38,500,000	43,665,000	-	122,136,000	108,605,000	38,500,000	53,430,805	-	200,535,805
Main Station:											
New Construction/Additions											
Research Greenhouse Complex-Final Phase	6,991,650	-	-	2,502,931	-	9,494,581	6,991,650	-	2,502,931	-	9,494,581
Agronomy Laboratories (CREC,HREC,LREC,CGREC)	-	-	-	-	-	-	5,275,000	-	-	-	5,275,000
Seed Conditioning Plants (NCREC,CREC,WREC,LREC)	-	-	-	-	-	-	8,400,000	-	-	-	8,400,000
Subtotal (HB1020)	6,991,650	-	-	2,502,931	-	9,494,581	20,666,650	-	2,502,931	-	23,169,581
Extension Service:											
New Construction/Additions											
Learning/Conference Center at Western 4-H Camp, Washburn	-	-	-	-	-	-	2,500,000	-	1,300,000	-	3,800,000
Subtotal (HB1020)	-	-	-	-	-	-	2,500,000	-	1,300,000	-	3,800,000
Total (HB1020)	6,991,650	-	-	2,502,931	-	9,494,581	23,166,650	-	3,802,931	-	26,969,581
TOTAL-ALL	44,642,650	2,320,000	38,500,000	46,167,931	-	131,630,581	131,771,650	38,500,000	57,233,736	-	227,505,386

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NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities (Revised 12/16/2010) to Executive Recommendation

(1)	(2) Project Description	(3) Campus	(4) Project Type	(5) 2011-13 Request State	(6) Other	(7) Total	(8) Other Source	(9) 2011-13 Exec Recommend
			A=addition; R=renovation; NC=new construction					
Section 1: CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	***Workforce Training Center Addition (Added as #1 priority by SBHE 12/16/10)***	*WSC*	*A*	*$700,000*	*$300,000*	*$1,000,000*	*local*	*$0*
2	Joint NDUS/UND IT Facility	NDUS/ UND	NC	$17,600,000	$0	$17,600,000		$11,200,000 GF
3	Rhoades Science Center Addition & Renovation	VCSU	A, R	$10,836,000	$0	$10,836,000		$7,971,000 GF
4	Old Main Renovation	NDSCS	R	$8,180,000		$8,180,000		$8,180,000 GF
5	Plant Services Building	BSC	NC	$1,500,000	$0	$1,500,000		$1,500,000 GF
6	Health Sciences Facility	SOMHS	A	$28,890,000		$28,890,000		$0
7	Geothermal Heating and Cooling	MiSU	R	$5,000,000	$11,234,555	$16,234,555	Includes $2,500,000 from 2009 Legislature, grants	$0
8	Road Repairs/Repaving (180,000 sq. ft.)	DCB	R	$700,000	$31,250	$731,250	local	$0
9	Steven's Hall Addition & Renovation	WSC	A, R	$10,434,000	$0	$10,434,000		$0
10	Erlandson Center Addition/Renovation	LRSC	A/R	$4,850,000		$4,850,000		$0
11	Bismarck HE Center (BSC, DSU, MiSU, UND)	multi	NC	$8,500,000	$0	$8,500,000		$0
12	EERC Office and Lab Addition	UND	A	$12,500,000	$0	$12,500,000		$0
13	Heating System Upgrade - Thatcher Hall	DCB	R	$265,000	$0	$265,000		$0
Cont'd from 09-11	Science Center Addition and Renovation (project authorized in 09-11 at $1.610 M GF and $590,000 OF, increase to $2.930 M GF and $590,000 OF)	WSC	A, R	$1,320,000		$1,320,000		$1,320,000 Perm Oil Trust Fund
	Total Ranked State Funded Projects-Campuses, System, Energy Projects For Inclusion in Request			**$111,275,000**	**$11,565,805**	**$122,840,805**		**$28,851,000 GF $1,320,000 POTF $30,171,000 Total**
Section 2: OTHER CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS NOT FOR INCLUSION IN 2011-13 BUDGET REQUEST								
14	Ceres Hall Renovation	NDSU	R	$10,000,000	$0	$10,000,000		
15	Old Main Renovation/Addition	MaSU	A, R	$10,700,000	$0	$10,700,000		
16	Law School Renovation and Addition	UND	A, R	$9,845,000	$0	$9,845,000		
17	Campus Environment & Circulation	WSC	R	$4,100,000	$0	$4,100,000		
18	Bisek Hall Expansion	NDSCS	A	$10,500,000		$10,500,000		
19	Architecture Building/Ehly Hall Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
20	Vangstad Auditorium Renovation	VCSU	R	$3,316,998	$0	$3,316,998		
21	Clean Coal Initiative (including Replacement of Coal Fired Boilers)	UND	R	$13,500,000	$56,500,000	$70,000,000	private, grants	
22	Fieldhouse Renovation/Addition	MaSU	A, R	$3,850,000	$0	$3,850,000		
23	Community Health & Education Center (Health and Wellness Center-Phase II)	MiSU	A	$9,850,000	$0	$9,850,000		
24	Geosciences Renovation	NDSU	R	$3,000,000	$0	$3,000,000		
25	Stoxen Library Addition - Phase I	DSU	A	$10,560,000	$0	$10,560,000		$8,800,000 GF
26	NECE - 4th Floor Completion	BSC	R	$3,255,000	$1,080,000	$4,335,000	grants, private	
	Campus Branding, Not Included in SBHE List	WSC						$1,000,000 POTF $500,000 OF
	Total Other State Funded Projects-Campuses, System, Energy Projects NOT Included in Request			**$95,476,998**	**$57,580,000**	**$153,056,998**		**$8,800,000 GF $1,000,000 POTF $500,000 OF $10,300,000 Total**

NDUS 2011-13 Major Capital Project Priorities
Comparison of SBHE Request/Priorities (Revised 12/16/2010) to Executive Recommendation

(1)	(2) Project Description	(3) Campus	(4) Project Type	(5) 2011-13 Request State	(6) 2011-13 Request Other	(7) 2011-13 Request Total	(8) Other Source	(9) 2011-13 Exec Recommend
			A=addition; R=renovation; NC=new construction					
Section 3: Non-State Funded (Unranked) Projects for Inclusion in 2011-13 Budget Request								
	Student Union Renovation/Addition	BSC	A, R		$7,500,000	$7,500,000	Revenue Bond $7,000,000/Auxiliary Reserves $500,000	$7,500,000
	Two Stand-alone Bay Shops for Workforce Training (Added by SBHE on 12/16/10)	*WSC*	*NC*		*$1,200,000*	*$1,200,000*	*private, local*	*$0*
	EERC Slurry Building Expansion	UND	A		$2,700,000	$2,700,000	private, grants	$2,700,000
	Wilkerson Hall Renovation & Addition	UND	A, R		$14,000,000	$14,000,000	Revenue Bonds	$14,000,000
	University Town Home Apartments	UND	NC		$5,000,000	$5,000,000	Revenue Bonds	$5,000,000
	Bison Sports Arena (to be completed in 3 phases)-reauthorization	NDSU	R		$29,100,000	$29,100,000	private	$29,100,000
	Indoor Practice Facility	NDSU	NC		$5,000,000	$5,000,000	private	$5,000,000
	IT Infrastructure (to be completed in phases)	NDSU	R		$2,000,000	$2,000,000	local, grants	$2,000,000
	Forkner Hall	NDSCS	R		$5,000,000	$5,000,000	Revenue Bond	$5,000,000
	Schulz Renovation	NDSCS	R		$4,000,000	$4,000,000	Revenue Bond	$4,000,000
	Frank Vertin Football Complex	NDSCS	R		$1,500,000	$1,500,000	private	$1,500,000
	Landscape Plan-Phase II & III 10-Year Plan	MiSU	R		$800,000	$800,000	local, private	$800,000
	New Resident Apartments	MiSU	NC		$3,500,000	$3,500,000	Revenue Bond	$3,500,000
	Old Main Classroom Remodel	MiSU	R		$750,000	$750,000	private	$750,000
	Lokken Football Field Artificial Turf ($180,000 09-11 deferred maintenance funding)	VCSU	R	$180,000	$815,000	$995,000	private	$815,000 OF
	Total Non-State Funded Projects - Campuses			**$180,000**	**$82,865,000**	**$83,045,000**		**$81,665,000 OF**
Section 4: EXPERIMENT STATIONS and EXTENSION SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Research Greenhouse Complex Final Phase	NDAES	NC	$6,991,650	$2,502,931	$9,494,581	private, grants	$6,991,650 GF $2,502,931 OF
2	Agronomy Laboratories (CREC, HREC, LREC, CGEC)	NDAES	NC	$5,275,000	$0	$5,275,000		$0
3	Seed Conditioning Plants (NCREC, CREC, WREC, LREC)	NDAES	NC, R	$8,400,000	$0	$8,400,000		$0
4	Learning/Conference Center at Western 4-H Camp, Washburn	Ext.	NC	$2,500,000	$1,300,000	$3,800,000	private, grants	$0
	Total State Funded Projects - Experiment Stations/Extension Service			**$23,166,650**	**$3,802,931**	**$26,969,581**		**$6,991,650 GF $2,502,931 OF $9,494,581 Total**
Section 5 FOREST SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1	Nursery Freezer Conversion/New Building	Forest Serv	R	$550,000	$0	$550,000		$0
	TOTAL - NDUS Ranked State General Fund Major Capital Projects Requested for Inclusion in 2011-13 Budget Request			**$134,991,650**	**$15,368,736**	**$150,360,386**		**$35,842,650 GF $1,320,000 POTF $84,167,931 OF $121,330,581 Total**
	TOTAL - NDUS Ranked State General Fund and Non-State Funded Requested Major Capital Projects for Inclusion in 2011-13 Budget Request, Plus Exec Recom Addns			**$135,171,650**	**$98,233,736**	**$233,405,386**		**$44,642,650 GF $2,320,000 POTF $84,667,931 OF $131,630,581 Total**

NDUS 2011-13 Capital Projects Comparison of Requests to Executive Recommendation
Small-to-Medium Size Projects - Priority List by Campus

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MISU and NDSCS; <=$1,000,000 at UND and NDSU

(1)	(2) Project Description	(3) Campus	(4) Cost State	(5) Cost Other	(6) Cost Total	(7) Other Source	(8) Deferred Maint Addressed	(9) 2011-13 Exec. Rec.	(10) SBHE Legis. Restoration Request
Section 1: CAMPUSES - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST									
Ranked State Funded Projects Requested (Campuses)									
BSC									
1	Steamline Replacement - Replace steamline from Schafer Hall to Library (original from 1967) and to Werner Hall (original from 1965) as both have incurred leaks and are at the end of their life expectancy.	BSC	$249,900	$0	$249,900		$249,900	$0	$249,900
2	Roof Replacement - Armory - Replace roof that is 22 years old.	BSC	$175,000	$0	$175,000		$175,000	$0	$0
3	Roof Replacement - Tech Center - Replace roof that is 36 years old - wood is rotting underneath.	BSC	$200,000	$0	$200,000		$200,000	$0	$0
4	Roof Replacement - Library - Replace roof that is 22 years old.	BSC	$145,000	$0	$145,000		$145,000	$0	$0
5	Networking Core/Switches Replacement - Move toward a converged network (data, voice & video running on the same switch) to accommodate our growing campus.	BSC	$249,900	$0	$249,900		$249,900	$0	$0
6	Voice System Upgrade/Replacement - Move toward a unified communications system and replace the 16 year old switch and outdated software.	BSC	$249,900	$0	$249,900		$249,900	$0	$0
7	Iconic Entry Signage - Locate signage at the three entry points to the campus to provide direction onto campus and delineate campus boundaries.	BSC	$249,900	$0	$249,900		$0	$0	$0
	Total	BSC	$1,519,600	$0	$1,519,600		$1,269,700	$0	$249,900
LRSC									
1	Library Roof Replacement	LRSC	$120,000	$0	$120,000		$120,000	$0	$120,000
2	North Halls Roof Replacement	LRSC	$128,464	$0	$128,464		$128,464	$0	$0
3	Erlandson Building Roof Replacement	LRSC	$200,880	$0	$200,880		$200,880	$0	$0
4	Business & Science Wing Roof Replacement	LRSC	$207,824	$0	$207,824		$207,824	$0	$0
5	Academic Wing Roof Replacement	LRSC	$103,912	$0	$103,912		$103,912	$0	$0
6	Support Offices Roof Replacement	LRSC	$162,464	$0	$162,464		$162,464	$0	$0
7	Student Union Dining Hall Roof Replacement	LRSC	$152,033	$0	$152,033		$152,033	$0	$0
	Total		$1,075,577	$0	$1,075,577		$1,075,577	$0	$120,000
WSC									
1	Campus Reception-tuckpointing and water damage repair.	WSC	$250,000	$0	$250,000		$0	$0	$250,000
2	Campus Branding-lighting, signage, etc.	WSC	$220,000	$0	$220,000		$0	$1.5 million included in major capital projects	
3	Storage Facility - New storage facility for Workforce Training equipment.	WSC	$250,000	$0	$250,000		$0	$0	$0
4	Women's Softball Facility	WSC	$199,000	$0	$199,000		$0	$0	$0
5	Site & Security Lighting - Upgrade lighting & additional securtiy lighting.	WSC	$185,000	$0	$185,000		$0	$0	$0
6	Steven's Hall Elevators - upgrade to be ADA compliant and install elevator to lower floor.	WSC	$245,000	$0	$245,000		$0	$0	$0
7	Steven's Hall Plaza-resurface and reconfigure parking lot.	WSC	$190,000	$0	$190,000		$0	$0	$0
	Total		$1,539,000	$0	$1,539,000		$0	$0	$250,000
UND									
1	Gillette Hall -Modifications resulting from new addition to the Educaiton Building to mitigate loss of space, functionality and windowed offices.	UND	$1,000,000	$0	$1,000,000		$150,000	$0	$1,000,000
2	Hughes Fine Arts Center-Renovations in Music and Art Departments to address code for safety and ventilation and to meet Art Department accreditation concerns.	UND	$763,000	$0	$763,000		$125,000	$0	$0
3	Starcher Hall-Modernization of HVAC and electrical infrastructure to support teaching/research laboratories and animal care facilities. Upgrade teaching infrastructure in laboratories.	UND	$990,000	$0	$990,000		$210,000	$0	$0
4	Neuroscience Building-Tunnel to facilitate flow of researchers and research materials between Neuroscience facility and the Medical School Complex.	UND	$600,000	$0	$600,000		$0	$0	$0
5	SMHS Complex-Renovation of 5 classrooms to enable full use of new instructional technologies including appropriate configuration/seating.	UND	$750,000	$0	$750,000		$180,000	$0	$0
6	Facilities-Electrical and mechanical upgrades (infrastructure).	UND	$950,000	$0	$950,000		$275,000	$0	$0
7	Chester Fritz Library-Renovation and remodeling including creation of a "learning commons", repair to windows and carpet replacement.	UND	$900,000	$0	$900,000		$140,000	$0	$0
	Total		$5,953,000	$0	$5,953,000		$1,080,000	$0	$1,000,000

NDUS 2011-13 Capital Projects Comparison of Requests to Executive Recommendation
Small-to-Medium Size Projects - Priority List by Campus

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MiSU and NDSCS; <=$1,000,000 at UND and NDSU

(1)	(2) Project Description	(3) Campus	(4) Cost State	(5) Cost Other	(6) Cost Total	(7) Other Source	(8) Deferred Maint Addressed	(9) 2011-13 Exec. Rec.	(10) SBHE Legis. Restoration Request
	NDSU								
1	Dunbar & Ladd Halls Classroom Renovations - Complete renovation of existing chemistry labs on 3rd floor Dunbar Hall and 1st floor Ladd Hall.	NDSU	$900,000	$0	$900,000		$0	$0	$900,000
2	Bentson Bunker Fieldhouse Room 14 - Complete renovation to meet current accreditation standards & provide up to date training & research opportunities for students and faculty.	NDSU	$750,000	$0	$750,000		$0	$0	$0
3	Group Classroom Renvoations - Renovations of teaching labs (Sudro 21, CIE 109, Walster 247, Dunbar 359).	NDSU	$1,000,000	$0	$1,000,000		$0	$0	$0
4	FLC 310, 311, 312 - Renovation to meet accreditation standards for the Hospitality & Dietetics program . Students need up-to-date food production lab that provides space & equip. for planning, preparation & serving.	NDSU	$750,000	$0	$750,000		$0	$0	$0
5	South Engineering Roof Replacement - New roof required to ensure a water tight building.	NDSU	$250,000	$0	$250,000		$250,000	$0	$0
6	Ag EngineeringWindow & Roof Replacement - New windows will be installed to provide better energy efficiency and new roof to ensure the usefulness of the building will continue.	NDSU	$234,000	$0	$234,000		$234,000	$0	$0
7	Music Education Roof & Lighting Replacement - New classroom & hallway lighting & lighting controls wil be installed to increase efficienty of lighting & new roof installed to maintain a water tight structure.	NDSU	$808,000	$0	$808,000		$808,000	$0	$0
	Total	NDSU	$4,692,000	$0	$4,692,000		$1,292,000	$0	$900,000
	NDSCS								
1	Student Center Elevator - Does not meet current ADA standards and will not accommodate large wheelchairs.	NDSCS	$250,000	$0	$250,000		$9,500	$0	$250,000
2	Haverty Hall Elevator - Does not meet current ADA standards and will not accommodate large wheelchairs.	NDSCS	$250,000	$0	$250,000		$9,500	$0	$0
3	Riley Hall Elevator/Bathroom - This building has three floors and does not have an elevator. Bathrooms do not meet ADA requirements.	NDSCS	$475,000	$0	$475,000		$30,000	$0	$0
4	Main Oval Water/Sewer - The water and sewer lines are over sixty years old and need to be replaced.	NDSCS	$490,000	$0	$490,000		$490,000	$0	$0
5	Bibre Activities Center Exterior Panels - These panels are thirty- four years old and are worn out. Many of them are popping out during extreme heat and this is allowing that extreme heat into the building.	NDSCS	$500,000	$0	$500,000		$500,000	$0	$0
6	Partial Tuckpointing of Various Buildings - The average age of our building are forty-three years old. The brick and mortar in many of the buildings is so deteriorated that moisture is leaking into the buildings.	NDSCS	$275,000	$0	$275,000		$275,000	$0	$0
7	Cultural Center Lights - the lighting system is twenty-seven years old, we can no longer find parts to replace the equipment that is wearing out.	NDSCS	$195,000	$0	$195,000		$195,000	$0	$0
	Total		$2,435,000	$0	$2,435,000		$1,509,000	$0	$250,000
	DSU								
1	Heating Distribution - Tunnel Repairs necessitated by surface water deterioration of concrete ceilings/walks.	DSU	$250,000	$0	$250,000		$250,000	$0	$250,000
2	Main Campus Water Service Loop providing for improved water service in support of fire hydrant/protection and general service demands.	DSU	$250,000	$0	$250,000		$250,000	$0	$0
3	Pavement/Lighting Project (Stage II) in support of refurbishing the West Campus Parking Lot complimenting Stage I planned for 2010-2011.	DSU	$250,000	$0	$250,000		$250,000	$0	$0
4	Pavement/Lighting Project (Stage III) and final stage in support of refurbishing the West Campus Parking Lot complimenting stages I & II.	DSU	$250,000	$0	$250,000		$250,000	$0	$0
5	Scott Gym Bleacher Replacement addressing operating, safety, and ADA issues.	DSU	$230,000	$0	$230,000		$230,000	$0	$0
6	Scott Gym HVAC Upgrades providing for an improved learning/athletic facility environment with associated operating efficiencies.	DSU	$239,000	$0	$239,000		$239,000	$0	$0
7	Carpet/Flooring Replacement Projects throughout campus addressing deferred maintenance/health and safety issues.	DSU	$250,000	$0	$250,000		$250,000	$0	$0
	Total		$1,719,000	$0	$1,719,000		$1,719,000	$0	$250,000
	MaSU								
1	Campus Center Elevator - ADA access to 2nd floor art gallery, meeting room and office areas.	MaSU	$175,000	$0	$175,000		$120,000	$0	$175,000
2	Emergency Power Generator - Provide full power to Science, Library and Education Addition complex.	MaSU	$200,000	$0	$200,000		$0	$0	$0
3	Building Access & Campus Lighting - Exterior door card key system & campus walkway lighting system.	MaSU	$200,000	$0	$200,000		$100,000	$0	$0
4	Campus Garage & Storage Facility - Plant office and added central receiving/storage space(3,000sq ft).	MaSU	$225,000	$0	$225,000		$0	$0	$0
5	Parking Lot Resurfacing - 1 or 2 lots.	MaSU	$90,000	$0	$90,000		$40,000	$0	$0
6	Reroofing Projects - 1 or 2 roofs.	MaSU	$110,000	$0	$110,000		$50,000	$0	$0
7	Football Stadium - Replace press box, sidewalks, field perimeter space & install field drainage system.	MaSU	$230,000	$0	$230,000		$0	$0	$0
	Total		$1,230,000	$0	$1,230,000		$310,000	$0	$175,000

NDUS 2011-13 Capital Projects Comparison of Requests to Executive Recommendation

Small-to-Medium Size Projects - Priority List by Campus

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MiSU and NDSCS; <=$1,000,000 at UND and NDSU

(1)	(2) Project Description	(3) Campus	(4) Cost State	(5) Cost Other	(6) Cost Total	(7) Other Source	(8) Deferred Maint Addressed	(9) 2011-13 Exec. Rec.	(10) SBHE Legis. Restoration Request
	MiSU								
1	Fiber Network Rebuild - The fiber cabling system is aging and need to be upgraded.	MiSU	$500,000	$500,000	$1,000,000	local	$500,000	$0	$500,000 GF $500,000 OF
2	Security Blue Lights - A program to install security stations across campus that will include public address speakers for early warning of emergencies for the campus population.	MiSU	$377,000	$0	$377,000		$0	$0	$0
3	Security-Phase II & Phase III of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MiSU	$500,000	$0	$500,000		$0	$0	$0
4	Security-Phase IV & Phase V of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MiSU	$500,000	$0	$500,000		$0	$0	$0
5	Memorial Hall Carpet & Paint - The carpet and walls are showing wear and are in need of repair and replacement.	MiSU	$400,000	$0	$400,000		$400,000	$0	$0
6	Main Windows - The windows in Old Main are old and very energy inefficient.	MiSU	$500,000	$250,000	$750,000	local,grants	$750,000	$0	$0
7	Model Hall Windows - The windows in Model Hall are old and very energy inefficient.	MiSU	$450,000	$0	$450,000		$450,000	$0	$0
	Total		$3,227,000	$750,000	$3,977,000		$2,100,000	$0	$500,000 GF $500,000 OF
	VCSU								
1	Fire Alarm Upgrades	VCSU	$245,000	$0	$245,000		$245,000	$0	$245,000
2	Restroom Renovations and Restroom Accessibility Upgrades	VCSU	$210,000	$0	$210,000		$210,000	$0	$0
3	Office and Classroom refreshment and renovation	VCSU	$218,000	$0	$218,000		$218,000	$0	$0
4	Asphalt projects (parking lot improvements)	VCSU	$245,000	$0	$245,000		$245,000	$0	$0
5	Tuckpointing	VCSU	$229,000	$0	$229,000		$229,000	$0	$0
6	Vangstad Auditorium Life Safety & Accessibility	VCSU	$245,000	$0	$245,000		$245,000	$0	$0
7	Campus Exterior Lighting	VCSU	$183,000	$0	$183,000		$183	$0	$0
	Total		$1,575,000	$0	$1,575,000		$1,392,183	$0	$245,000
	DCB								
1	Additional IVN Classrooms -- Equipment for two additional video conferencing classrooms to accommodate the growth in off-campus programming.	DCB	$70,000	$0	$70,000		$0	$0	$70,000
2	Science Lab Updates -- Project includes upgrading the existing infrastructure (i.e., student work stations, storage areas, audiovisual equipment, etc.) to equip the science labs with state-of-the-art equipment and instrumentation.	DCB	$140,000	$0	$140,000		$0	$0	$0
3	HVAC Upgrade - Nelson Science Center -- Install air conditioning and improve building ventilation.	DCB	$145,250	$0	$145,250		$0	$0	$0
4	Student Center Improvements -- Involves replacing entry doors and all windows, remodeling the kitchen, covering the tile floor with carpeting and converting conference rooms into a home theater/gaming area.	DCB	$100,000	$25,000	$125,000	student fees	$68,000	$0	$0
5	Gymnasium Improvements -- Includes adding handrails in the bleachers, padding on the walls, lighting upgrade, improving sound system, refinishing block walls and scorer's desk, and improving ventilation.	DCB	$75,000	$0	$75,000		$75,000	$0	$0
6	Grounds Improvements -- Includes installing sprinkling systems in the commons, boulevard and athletic fields; constructing a north entry gate; creating a walking trail or arboretum; erecting anti-vehicle bollards; and planting a decorative sight screen on east side of heating plant.	DCB	$95,000	$0	$95,000		$0	$0	$0
7	Central Heating Plant Upgrades -- Project includes improving air handling and ventilation; installing an additional condensate tank; modify oil boilers to burn bio-fuels; removal of non-functional oil-fire boiler; modify coal system to handle pellets and other biomass; and add additional storage for biomass.	DCB	$75,000	$0	$75,000		$75,000	$0	$0
	Total		$700,250	$25,000	$725,250		$218,000	$0	$70,000
	Total Ranked State Funded Projects - Campuses		$25,665,427	$775,000	$28,440,427		$11,965,460		$4,009,800 GF $500,000 OF

NDUS 2011-13 Capital Projects Comparison of Requests to Executive Recommendation
Small-to-Medium Size Projects - Priority List by Campus

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MiSU and NDSCS; <=$1,000,000 at UND and NDSU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
			Cost				Deferred Maint	2011-13 Exec.	SBHE Legis. Restoration
	Project Description	Campus	State	Other	Total	Other Source	Addressed	Rec.	Request
	Total-Priority #1 only - SBHE Requested Adj to Executive Recommendation		**$4,009,900**	**$500,000**	**$4,509,900**		**$1,644,400**		**$4,509,900**
	Total-Priority #1 and # 2 only		$7,473,364	$500,000	$7,973,364		$2,542,364		
	Total-Priority #1, #2 and #3 only		$11,902,494	$500,000	$12,402,494		$3,751,244		
	Total-Priority #1, #2, #3 and #4 only		$15,614,318	$525,000	$16,139,318		$5,157,068		
	Total-Priority #1, #2, #3, #4 and #5 only		$18,677,130	$525,000	$19,202,130		$7,414,880		
	Total-Priority #1, #2, #3, #4, #5, and #6 only		$21,982,494	$775,000	$22,757,494		$9,895,244		
	Total-Priority #1, #2, #3, #4, #5, #6 and #7 only		$25,665,427	$775,000	$26,440,427		$11,965,460		

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North Dakota University System
Student Grant Programs By Funding Source
Per 2011-13 Executive Recommendation

	(1) State Grant Program	(2) Scholars Program	(3) PSEP	(4) ND Indian Scholarship Program	(5) Education Incentive Programs	(6) Career/Technical Ed and Academic Scholarships	(7) Total
General Fund:							
2009-11 Adjusted Appropriation	$ 19,579,140	$ 2,456,826	$ 2,590,529	$ 382,467	$ 3,265,994	$ 3,000,000	$ 31,274,956
Increase (Decrease)	-	-	510,000	192,975	-	(3,000,000)	(2,297,025)
2011-13 Executive Recommendation	19,579,140	2,456,826	3,100,529	575,442	3,265,994	-	28,977,931
% Increase (Decrease)	0.0%	0.0%	19.7%	50.5%	0.0%	-100.0%	-7.3%
Other Funds:							
2009-11 Adjusted Appropriation			1,030,326			-	1,030,326
Increase (Decrease)			(565,019)			10,000,000	9,434,981
2011-13 Executive Recommendation			465,307			10,000,000	10,465,307
% Increase (Decrease)			-54.8%			100.0%	915.7%
Federal Funds:							
2009-11 Adjusted Appropriation	348,428						348,428
Increase (Decrease)	-						-
2011-13 Executive Recommendation	348,428						348,428
% Increase (Decrease)	0.0%						0.0%
Total Funds:							
2009-11 Adjusted Appropriation	19,927,568	2,456,826	3,620,855	382,467	3,265,994	3,000,000	32,653,710
Increase (Decrease)	-	-	(55,019)	192,975	-	7,000,000	7,137,956
2011-13 Executive Recommendation	$ 19,927,568	$ 2,456,826	$ 3,565,836	$ 575,442	$ 3,265,994	$ 10,000,000	$ 39,791,666
% Increase (Decrease)	**0.0%**	**0.0%**	**-1.5%**	**50.5%**	**0.0%**	**233.3%**	**21.9%**

The executive recommendation, along with 09-11 projected carryover, provides sufficient funding for the following, by program:

State Grant Program - The $19.9 million is the same level of funding as 09-11, which experienced a significant funding increase of $12.8 million over the 07-09 biennium. The estimated carryover from 09-11 to 11-13 is $1.1 - $1.4 million, due to larger than anticipated attrition, corresponding refunds and incomplete applications. For example, in the second year of the biennium, 12,676 offers resulted in 8,887 awards. For the 2011-13 biennium, even larger over-awards will be considered for each semester, and consideration will be given to increasing the amount of the award from possibly $1,200 to $1,500 per student per year, as allowed in statute.

Scholars Program - This level of funding, plus estimated general fund carryover of $347,400 from 2009-11, will allow the continuation of all upper-classmen, plus 65 new freshmen per year, as well as continuing to provide one-time stipends of $2,000 to incoming freshmen.

Professional Student Exchange Program (PSEP) - The state general funds, plus estimated 2009-11 carryover of about $465,000, will continue funding the current students in WICHE, Iowa and Minnesota slots, plus the following estimated number of new slots per year: 7 veterinary, 7 dentist and 8 optometry. The $510,000 increase in state general funds is needed to replace reduced funding from the Student Loan Trust Fund, to support currently enrolled students plus 5 new slots per year under the KSU veterinary medicine program. The special fund authority has been reduced to $465,307, and reflects an estimated amount that will continue to be supported by the student loan trust fund.

ND Indian Scholarship Program - Funds approximately the same number of grants (240) as was funded in 2009-11, but increases the award from $800 to $1,200 each.

Education Incentive Program - Includes Teacher Shortage loan forgiveness program ($1,000/year for 3 years) and Technology Occupation and new STEM loan forgiveness programs ($1,500/year for 4 years). In addition to the $3,265,994 appropriation, carryover to 2011-13 is estimated at approximately $331,000. This will provide continued funding of the existing cohorts/slots, plus approximately the same number of new cohorts/slots that were added in 2009-11 without increased state funding, as required in Section 29 of SB2003 (2009): Teacher Shortage Loan Forgiveness - 158 per year @ $1,000; STEM Loan Forgiveness - 193 per year, @ $1,500.

Career/Technical Ed and Academic Grants - This program provides grants of $1,500 per year, up to $6,000 to residents of ND during the past 12 months, who attend a ND institution and meet other requirements outlined in HB1400. The executive recommendation includes a $10 million "continuing appropriation" from the Land and Minerals Trust fund, but does not specifically include an appropriation in HB1003. The $7 million increase is required to continue to grow the program that began in FY2011, to serve four classes for 4-year scholarships.

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NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
NDUS Office				
System Governance:				
Operations	$7,654,134	$7,386,676		
Subtotal all funds	7,654,134	7,386,676	267,458	3.6%
Less estimated income	288,696	383,454	(94,758)	-24.7%
Subtotal general fund appropriation	7,365,438	7,003,222	362,216	5.2%
Student Grant Programs:				
Student Financial Assistance Grants	19,927,568	19,927,568	0	
Scholars Program	2,456,826	2,456,826	0	
ND Indian Scholarship Program	575,442	382,467	192,975	
Professional Student Exchange Program	3,565,836	3,620,855	(55,019)	
Education Incentive Programs	3,265,994	3,265,994	0	
Academic and Technical Education Scholarships (1)	0	3,000,000	(3,000,000)	
Tribal Community College Grants	1,000,000	700,000	300,000	
Subtotal all funds	30,791,666	33,353,710	(2,562,044)	-7.7%
Less estimated income	1,813,735	2,078,754	(265,019)	-12.7%
Subtotal general fund appropriation	28,977,931	31,274,956	(2,297,025)	-7.3%
System Grant Programs:				
EPSCoR	8,700,000	7,050,000	1,650,000	
Title II Grant	695,600	695,600	0	
Professional Liability Insurance	800,000	1,100,000	(300,000)	
System Information Technology Services	36,061,999	30,569,885	5,492,114	
Two-year Campus Marketing	800,000	800,000	0	
Completion Based Funding	5,000,000	0	5,000,000	
Academic and Technical Program Revolving Fund	1,000,000	0	1,000,000	
Student Mental Health	168,000	0	168,000	
Subtotal all funds	53,225,599	40,215,485	13,010,114	32.4%
Less estimated income	1,235,037	1,725,431	(490,394)	-28.4%
Subtotal general fund appropriation	51,990,562	38,490,054	13,500,508	35.1%
System Projects:				
Capital Assets-Bond Payments	12,254,769	12,014,048	240,721	
Subtotal all funds	12,254,769	12,014,048	240,721	2.0%
Less estimated income	417,250	717,250	(300,000)	-41.8%
Subtotal general fund appropriation	11,837,519	11,296,798	540,721	4.8%
TOTAL				
Total all funds	103,926,168	92,969,919	10,956,249	11.8%
Less estimated income	3,754,718	4,904,889	(1,150,171)	-23.4%
Total general fund appropriation	100,171,450	88,065,030	12,106,420	13.7%

(1) Continuing appropriation language from the Land & Minerals Trust Fund is included in another bill. Estimated cost for 11-13 is $10 million.

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
BSC:				
Operations	27,735,628	24,265,417		
Capital Assets (Excluding Major Capital Projects)	1,317,673	243,481		
Deferred Maintenance	0	340,637		
2007-09 Capital Assets Carryover	0	0		
Subtotal all funds	29,053,301	24,849,535		
Less estimated income	0	0		
Subtotal general fund appropriation	29,053,301	24,849,535		
Capital Assets - Major Capital Projects	9,000,000	3,409,500		
Subtotal all funds	9,000,000	3,409,500		
Less estimated income	7,500,000	409,500		
Subtotal general fund appropriation	1,500,000	3,000,000		
TOTAL				
Total all funds	38,053,301	28,259,035	9,794,266	34.7%
Less estimated income	7,500,000	409,500	7,090,500	1731.5%
Total general fund appropriation	30,553,301	27,849,535	2,703,766	9.7%
LRSC:				
Operations	9,159,492	8,017,622		
Capital Assets (Excluding Major Capital Projects)	155,367	43,662		
Deferred Maintenance	0	93,807		
2007-09 Capital Assets Carryover	0	0		
Subtotal all funds	9,314,859	8,155,091		
Less estimated income	0	0		
Subtotal general fund appropriation	9,314,859	8,155,091		
Capital Assets - Major Capital Projects	0	5,219,840		
Subtotal all funds	0	5,219,840		
Less estimated income	0	2,609,920		
Subtotal general fund appropriation	0	2,609,920		
TOTAL				
Total all funds	9,314,859	13,374,931	(4,060,072)	-30.4%
Less estimated income	0	2,609,920	(2,609,920)	-100.0%
Total general fund appropriation	9,314,859	10,765,011	(1,450,152)	-13.5%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
WSC:				
Operations	8,902,295	7,758,411		
Capital Assets (Excluding Major Capital Projects)	197,801	86,475		
Deferred Maintenance	0	382,002		
2007-09 Capital Assets Carryover	0	77,844		
Subtotal all funds	9,100,096	8,304,732		
Less estimated income	0	69,349		
Subtotal general fund appropriation	9,100,096	8,235,383		
Capital Assets - Major Capital Projects	2,820,000	16,985,000		
Subtotal all funds	2,820,000	16,985,000		
Less estimated income	2,820,000	15,375,000		
Subtotal general fund appropriation	0	1,610,000		
TOTAL				
Total all funds	11,920,096	25,289,732	(13,369,636)	-52.9%
Less estimated income	2,820,000	15,444,349	(12,624,349)	-81.7%
Total general fund appropriation	9,100,096	9,845,383	(745,287)	-7.6%
UND:				
Operations	140,980,514	125,261,006		
Capital Assets (Excluding Major Capital Projects)	4,692,579	2,300,545		
Deferred Maintenance	0	7,178,674		
2007-09 Capital Assets Carryover	0	107,523,662		
Subtotal all funds	145,673,093	242,263,887		
Less estimated income	0	104,717,112		
Subtotal general fund appropriation	145,673,093	137,546,775		
Capital Assets - Major Capital Projects	32,900,000	61,575,661		
Subtotal all funds	32,900,000	61,575,661		
Less estimated income	21,700,000	61,575,661		
Subtotal general fund appropriation	11,200,000	0		
TOTAL				
Total all funds	178,573,093	303,839,548	(125,266,455)	-41.2%
Less estimated income	21,700,000	166,292,773	(144,592,773)	-87.0%
Total general fund appropriation	156,873,093	137,546,775	19,326,318	14.1%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	+ Incr (Decr) over 2009-11 $$ change	+ Incr (Decr) over 2009-11 %% change
NDSU:				
Operations	125,134,372	108,715,082		
Capital Assets (Excluding Major Capital Projects)	5,051,943	1,692,225		
Deferred Maintenance	0	5,355,817		
2007-09 Capital Assets Carryover	0	3,889,215		
Subtotal all funds	130,186,315	119,652,339		
Less estimated income	0	0		
Subtotal general fund appropriation	130,186,315	119,652,339		
Capital Assets - Major Capital Projects	36,100,000	71,100,000		
Subtotal all funds	36,100,000	71,100,000		
Less estimated income	36,100,000	58,100,000		
Subtotal general fund appropriation	0	13,000,000		
TOTAL				
Total all funds	166,286,315	190,752,339	(24,466,024)	-12.8%
Less estimated income	36,100,000	58,100,000	(22,000,000)	-37.9%
Total general fund appropriation	130,186,315	132,652,339	(2,466,024)	-1.9%
NDSCS:				
Operations	34,384,850	31,802,034		
Capital Assets (Excluding Major Capital Projects)	1,138,230	753,332		
Deferred Maintenance	0	1,034,143		
2007-09 Capital Assets Carryover	0	0		
Subtotal all funds	35,523,080	33,589,509		
Less estimated income	0	0		
Subtotal general fund appropriation	35,523,080	33,589,509		
Capital Assets - Major Capital Projects	18,680,000	12,836,000		
Subtotal all funds	18,680,000	12,836,000		
Less estimated income	10,500,000	7,136,000		
Subtotal general fund appropriation	8,180,000	5,700,000		
TOTAL				
Total all funds	54,203,080	46,425,509	7,777,571	16.8%
Less estimated income	10,500,000	7,136,000	3,364,000	47.1%
Total general fund appropriation	43,703,080	39,289,509	4,413,571	11.2%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
DSU:				
Operations	22,547,941	21,535,149		
Capital Assets (Excluding Major Capital Projects)	409,078	383,690		
Deferred Maintenance	0	1,662,172		
2007-09 Capital Assets Carryover	0	269,103		
Subtotal all funds	22,957,019	23,850,114		
Less estimated income	0	0		
Subtotal general fund appropriation	22,957,019	23,850,114		
Capital Assets - Major Capital Projects	8,800,000	728,112		
Subtotal all funds	8,800,000	728,112		
Less estimated income	0	350,000		
Subtotal general fund appropriation	8,800,000	378,112		
TOTAL				
Total all funds	31,757,019	24,578,226	7,178,793	29.2%
Less estimated income	0	350,000	(350,000)	-100.0%
Total general fund appropriation	31,757,019	24,228,226	7,528,793	31.1%
MaSU:				
Operations	12,933,899	11,941,028		
Capital Assets (Excluding Major Capital Projects)	751,485	208,991		
Deferred Maintenance	0	1,910,120		
2007-09 Capital Assets Carryover	0	0		
Subtotal all funds	13,685,384	14,060,139		
Less estimated income	0	0		
Subtotal general fund appropriation	13,685,384	14,060,139		
Capital Assets - Major Capital Projects	0	8,626,828		
Subtotal all funds	0	8,626,828		
Less estimated income	0	3,668,500		
Subtotal general fund appropriation	0	4,958,328		
TOTAL				
Total all funds	13,685,384	22,686,967	(9,001,583)	-39.7%
Less estimated income	0	3,668,500	(3,668,500)	-100.0%
Total general fund appropriation	13,685,384	19,018,467	(5,333,083)	-28.0%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr. (Decr) over 2009-11 $$ change	Incr. (Decr) over 2009-11 %% change
MiSU:				
Operations	37,911,116	34,935,119		
Capital Assets (Excluding Major Capital Projects)	899,620	596,870		
Deferred Maintenance	0	595,111		
2007-09 Capital Assets Carryover	0	4,923,467		
Subtotal all funds	38,810,736	41,050,567		
Less estimated income	0	638,497		
Subtotal general fund appropriation	38,810,736	40,412,070		
Capital Assets - Major Capital Projects	5,050,000	31,000,000		
Subtotal all funds	5,050,000	31,000,000		
Less estimated income	5,050,000	27,250,000		
Subtotal general fund appropriation	0	3,750,000		
TOTAL				
Total all funds	43,860,736	72,050,567	(28,189,831)	-39.1%
Less estimated income	5,050,000	27,888,497	(22,838,497)	-81.9%
Total general fund appropriation	38,810,736	44,162,070	(5,351,334)	-12.1%
VCSU:				
Operations	17,781,579	16,362,413		
Capital Assets (Excluding Major Capital Projects)	691,886	258,416		
Deferred Maintenance	0	1,304,921		
2007-09 Capital Assets Carryover	0	444,208		
Subtotal all funds	18,473,465	18,369,958		
Less estimated income	0	94,329		
Subtotal general fund appropriation	18,473,465	18,275,629		
Capital Assets - Major Capital Projects	8,786,000	19,500,000		
Subtotal all funds	8,786,000	19,500,000		
Less estimated income	815,000	18,500,000		
Subtotal general fund appropriation	7,971,000	1,000,000		
TOTAL				
Total all funds	27,259,465	37,869,958	(10,610,493)	-28.0%
Less estimated income	815,000	18,594,329	(17,779,329)	-95.6%
Total general fund appropriation	26,444,465	19,275,629	7,168,836	37.2%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
DCB:				
Operations	6,633,222	5,923,784		
Capital Assets (Excluding Major Capital Projects)	115,507	109,725		
Deferred Maintenance	0	97,021		
2007-09 Capital Assets Carryover	0	13,573		
Subtotal all funds	6,748,729	6,144,103		
Less estimated income	0	12,905		
Subtotal general fund appropriation	6,748,729	6,131,198		
Capital Assets - Major Capital Projects	0	3,080,000		
Subtotal all funds	0	3,080,000		
Less estimated income	0	2,000,000		
Subtotal general fund appropriation	0	1,080,000		
TOTAL				
Total all funds	6,748,729	9,224,103	(2,475,374)	-26.8%
Less estimated income	0	2,012,905	(2,012,905)	-100.0%
Total general fund appropriation	6,748,729	7,211,198	(462,469)	-6.4%
Forest Service:				
Operations	5,168,415	4,531,608		
Capital Assets (Excluding Major Capital Projects)	41,543	36,638		
Deferred Maintenance	0	45,576		
2007-09 Capital Assets Carryover	0	0		
Subtotal all funds	5,209,958	4,613,822		
Less estimated income	997,486	1,058,054		
Subtotal general fund appropriation	4,212,472	3,555,768		
Capital Assets - Major Capital Projects	0	300,000		
Subtotal all funds	0	300,000		
Less estimated income	0	0		
Subtotal general fund appropriation	0	300,000		
TOTAL				
Total all funds	5,209,958	4,913,822	296,136	6.0%
Less estimated income	997,486	1,058,054	(60,568)	-5.7%
Total general fund appropriation	4,212,472	3,855,768	356,704	9.3%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1003)
(NDUS Office, Campuses, Forest Service and UND School of Medicine & Health Sciences)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
UND School of Medicine & Health Sciences				
Operations	46,653,406	41,115,401	5,538,005	
Total all funds	46,653,406	41,115,401	5,538,005	13.5%
Less estimated income	0	0	0	0.0%
Total general fund appropriation	46,653,406	41,115,401	5,538,005	13.5%
TOTAL ALL:				
NDUS Operations:				
Total General Fund	$ 583,263,174	$ 517,874,252	$ 65,388,922	12.6%
Total Estimated Income	4,334,954	5,245,693	(910,739)	-17.4%
Total All Funds-Operations	587,598,128	523,119,945	64,478,183	12.3%
NDUS Capital Assets, 2007-09 Capital Asset Carryover and Bond Payments:				
General Fund:				
Extraordinary Repairs/Deferred Maintenance	15,462,712	6,714,050	8,748,662	
Deferred Maintenance	-	20,000,001	(20,000,001)	
Major Capital Projects	37,651,000	37,386,360	264,640	
2007-09 Capital Assets Carryover	-	11,608,880	(11,608,880)	
Capital Bond Payments	11,837,519	11,296,798	540,721	
Total General Fund	64,951,231	87,006,089	(22,054,858)	-25.3%
Estimated Income:				
Major Capital Projects	84,485,000	196,974,581	(112,489,581)	
2007-09 Capital Assets Carryover	-	105,532,192	(105,532,192)	
Capital Bond Payments	417,250	717,250	(300,000)	
Total Estimated Income	84,902,250	303,224,023	(218,321,773)	-72.0%
Total All Funds-Capital Assets & Bond Payments	149,853,481	390,230,112	(240,376,631)	-61.6%
GRAND TOTAL:				
Total General Fund	**648,214,405**	**604,880,341**	**43,334,064**	**7.2%**
Total Estimated Income	**89,237,204**	**308,469,716**	**(219,232,512)**	**-71.1%**
Total All Funds	$ 737,451,609	$ 913,350,057	$ (175,898,448)	-19.3%

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NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1020)
(UPPER GREAT PLAINS TRANSPORTATION INSTITUTE, NORTHERN CROPS INSTITUTE EXTENSION SERVICE, RESEARCH STATIONS & AGRONOMY SEED FARM)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
Upper Great Plains Transportation Institute				
Operations	$ 24,069,961	$ 23,326,992	$ 742,969	3.2%
Total all funds	24,069,961	23,326,992	742,969	3.2%
Less estimated income	22,150,333	21,737,199	413,134	1.9%
Total general fund appropriation	1,919,628	1,589,793	329,835	20.7%
Major Capital Projects:	0	3,000,000	(3,000,000)	-100.0%
Subtotal all funds	0	3,000,000	(3,000,000)	-100.0%
Less estimated income	0	3,000,000	(3,000,000)	-100.0%
Subtotal general fund appropriation	0	0	0	0.0%
Total:				
Total all funds	24,069,961	26,326,992	(2,257,031)	-8.6%
Less estimated income	22,150,333	24,737,199	(2,586,866)	-10.5%
Total general fund appropriation	1,919,628	1,589,793	329,835	20.7%
Northern Crops Institute				
Operations	3,347,307	3,037,486	309,821	10.2%
Total all funds	3,347,307	3,037,486	309,821	10.2%
Less estimated income	1,654,725	1,598,265	56,460	3.5%
Total general fund appropriation	1,692,582	1,439,221	253,361	17.6%
Extension Service				
Operations	47,856,654	47,091,489	765,165	1.6%
Soil Conservation Committee	887,800	837,800	50,000	6.0%
Total all funds	48,744,454	47,929,289	815,165	1.7%
Less estimated income	23,128,810	25,928,877	(2,800,067)	-10.8%
Total general fund appropriation	25,615,644	22,000,412	3,615,232	16.4%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1020)
(UPPER GREAT PLAINS TRANSPORTATION INSTITUTE, NORTHERN CROPS INSTITUTE EXTENSION SERVICE, RESEARCH STATIONS & AGRONOMY SEED FARM)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11	
			$$ change	%% change
Main Research Station				
Operations	86,640,835	86,018,164	622,671	0.7%
Extraordinary Repairs	1,340,465	1,340,465	-	0.0%
Deferred Maintenance	0	450,000	(450,000)	-100.0%
Capital Bond Payments	421,690	421,789	(99)	0.0%
Subtotal all funds	88,402,990	88,230,418	172,572	0.2%
Less estimated income	41,470,644	45,013,267	(3,542,623)	-7.9%
Subtotal general fund appropriation	46,932,346	43,217,151	3,715,195	8.6%
Major Capital Projects	9,494,581	17,700,000	(8,205,419)	-46.4%
2007-09 Capital Assets Carryover	0	8,671,084	(8,671,084)	-100.0%
Subtotal all funds	9,494,581	26,371,084	(16,876,503)	-64.0%
Less estimated income	2,502,931	3,611,096	(1,108,165)	-30.7%
Subtotal general fund appropriation	6,991,650	22,759,988	(15,768,338)	-69.3%
Total:				
Total all funds	97,897,571	114,601,502	(16,703,931)	-14.6%
Less estimated income	43,973,575	48,624,363	(4,650,788)	-9.6%
Total general fund appropriation	53,923,996	65,977,139	(12,053,143)	-18.3%
Branch Research Centers				
Dickinson Research Center	5,588,562	5,937,580	(349,018)	-5.9%
Central Grasslands Research Center	2,808,952	2,503,694	305,258	12.2%
Hettinger Research Center	3,373,175	2,995,155	378,020	12.6%
Langdon Research Center	2,378,807	2,091,572	287,235	13.7%
North Central Research Center	4,187,116	3,881,226	305,890	7.9%
Williston Research Center	3,200,089	2,922,183	277,906	9.5%
Carrington Research Center	7,126,488	6,727,962	398,526	5.9%
Capital Bond Payments	149,600	149,634	(34)	0.0%
Subtotal all funds	28,812,789	27,209,006	1,603,783	5.9%
Less estimated income	14,877,581	14,841,816	35,765	0.2%
Subtotal general fund appropriation	13,935,208	12,367,190	1,568,018	12.7%
Major Capital Projects	0	350,000	(350,000)	-100.0%
2005-07 Capital Assets Carryover	0	0	0	#DIV/0!
Subtotal all funds	0	350,000	(350,000)	-100.0%
Less estimated income	0	350,000	(350,000)	-100.0%
Subtotal general fund appropriation	0	0	0	#DIV/0!
Total:				
Total all funds	28,812,789	27,559,006	1,253,783	4.5%
Less estimated income	14,877,581	15,191,816	(314,235)	-2.1%
Total general fund appropriation	13,935,208	12,367,190	1,568,018	12.7%

NORTH DAKOTA UNIVERSITY SYSTEM
ANALYSIS OF 2011-13 EXECUTIVE RECOMMENDATION BY LINE ITEM (HB 1020)
(UPPER GREAT PLAINS TRANSPORTATION INSTITUTE, NORTHERN CROPS INSTITUTE EXTENSION SERVICE, RESEARCH STATIONS & AGRONOMY SEED FARM)

	2011-13 Exec Recommendation	2009-11 Adj Appropriation	Incr (Decr) over 2009-11 $$ change	Incr (Decr) over 2009-11 %% change
Agronomy Seed Farm:				
Operations	1,435,168	1,275,238	159,930	12.5%
Subtotal all funds	1,435,168	1,275,238	159,930	12.5%
Less estimated income	1,435,168	1,275,238	159,930	12.5%
Subtotal general fund appropriation	0	0	0	0.0%
TOTAL-ALL:				
Operating, Extraordinary Repairs, Deferred Maintenance & Capital Bond Payments (1):				
General Fund:				
Operating	$ 88,183,653	$ 78,251,879	$ 9,931,774	12.7%
Extraordinary Repairs - Main Research Center	1,340,465	1,340,465	-	0.0%
Deferred Maintenance-Main Research Center	-	450,000	(450,000)	-100.0%
Capital Bond Payments-Main, Central Grasslands and North Central REC	571,290	571,423	(133)	0.0%
Total General Fund	90,095,408	80,613,767	9,481,641	11.8%
Total Special Funds	104,717,261	110,394,662	(5,677,401)	-5.1%
Total All Funds	194,812,669	191,008,429	3,804,240	2.0%
Major Capital Projects & Carryover:				
Total General Fund	6,991,650	22,759,988	(15,768,338)	-69.3%
Total Special Funds	2,502,931	6,961,096	(4,458,165)	-64.0%
Total All Funds	9,494,581	29,721,084	(20,226,503)	-68.1%
TOTAL-ALL:				
Total General Fund	**97,087,058**	**103,373,755**	**(6,286,697)**	**-6.1%**
Total Special Funds	**107,220,192**	**117,355,758**	**(10,135,566)**	**-8.6%**
Total All Funds	**$ 204,307,250**	**$ 220,729,513**	**$ (16,422,263)**	**-7.4%**

1/ HB 1020 includes single line-item budgets for the NDSU Main & Branch Research Stations and Agronomy Seed Farm, although major capital projects, extraordinary repairs and capital bond payments are listed separately for this analysis.

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Prepared by the Legislative Council staff
for House Appropriations - Education and
Environment Division
February 9, 2011

LISTING OF PROPOSED CHANGES TO HOUSE BILL NO. 1003

Department - North Dakota University System

Proposed funding changes:	**FTE**	**General Fund**	**Special Funds**	**Total**
University System Office Ongoing Funding				
1 Remove funding included in the executive budget recommendation related to 2007-09 carryover amounts for the following programs:				
System governance		($276,862)		($276,862)
Student financial assistance grant program		(553,546)		(553,546)
Scholars program		(343,242)		(343,242)
Native American scholarship program		(1,175)		(1,175)
Education incentive program		(89,650)		(89,650)
Professional student exchange program		(244,398)		(244,398)
System information technology services		(55,332)		(55,332)
Total		($1,564,205)	$0	($1,564,205)
2 Remove increased funding for the EPSCOR program to provide total funding of $7,050,000		($1,650,000)		($1,650,000)
3 Remove funding to be distributed to institutions based on performance		($5,000,000)		($5,000,000)
4 Reduce funding for tribal college assistance grants and adjust Section 11 accordingly (funding is provided from the permanent oil tax trust fund)			($300,000)	($300,000)
University System Institutions Ongoing Funding				
5 Remove funding to limit tuition increases		($6,640,563)		($6,640,563)
6 Remove equity funding distributions to campuses		($10,000,000)		($10,000,000)
7 Remove funding included in the executive recommendation for STEM teacher education enhancement that was originally added by the 2009 Legislative Assembly		($1,500,000)		($1,500,000)
Total proposed ongoing funding changes		($26,354,768)	($300,000)	($26,654,768)

HB 1003
Attachment #1
Feb. 10, 2011

One-Time Funding Changes

8 Remove funding of $4,302,624 provided to campuses to pay off special assessment balances and provide funding of $881,982 to campuses for estimated 2011-13 special assessment payments	($3,420,642)		($3,420,642)
9 Remove funding for the Dickinson State University Stoxen Library project	($8,800,000)		($8,800,000)
10 Add funding for the State College of Science diesel technology building project	$10,500,000		$10,500,000
Total proposed one-time funding changes	($1,720,642)	$0	($1,720,642)
Total proposed funding changes	($28,075,410)	($300,000)	($28,375,410)

	2009-11 Legislative Appropriations	2011-13 Executive Budget	Executive Budget Increase (Decrease) Compared to 2009-11		2011-13 Funding Based on Proposed Amendment Changes	Proposed Amendment Changes Increase (Decrease) Compared to 2009-11	
Ongoing general fund appropriations	$534,062,895	$605,854,782	$71,791,887	13.4%	$579,500,014	$45,437,119	8.5%
One-time general fund appropriations	59,233,248	42,359,624	(16,873,624)	(28.5%)	40,638,982	(18,594,266)	(31.4%)
Total	$593,296,143	$648,214,406	$54,918,263	9.3%	$620,138,996	$26,842,853	4.5%

Prepared by the North Dakota Legislative Council staff

January 2011

NORTH DAKOTA STATE AGENCY AND INSTITUTION VACANT POSITIONS AS OF DECEMBER 31, 2010, INCLUDED IN THE 2011-13 EXECUTIVE BUDGET

Agency/Position No./Description			Date Vacated	Number of Months Vacant January 2011	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2011-13 Executive Budget		
							General Fund	Special Funds	Total
GENERAL GOVERNMENT									
101 - Governor									
1	1.00	Nonclassified	12/10	1	04/11	Search ongoing	$199,248		$199,248
108 - Secretary of State									
44	1.00	Business communications specialist	10/09	15	Unknown	Will advertise position soon	$110,425		$110,425
110 - Office of Management and Budget									
155	1.00	Administrative assistant III	08/06	53	02/11	Reclassified as a printing manager and filled	$25,040	$100,162	$125,202
150	1.00	Printing equipment operator III	12/08	25	07/12	Reclassified as a systems mechanic for the Heritage Center expansion for the last year of the 2011-13 biennium	69,369		69,369
160	1.00	Graphic artist I	06/10	7	07/12	Reclassified as a custodian for the Heritage Center expansion for the last year of the 2011-13 biennium	39,275		39,275
86	1.00	Plumber II	12/10	1	01/11	Filled	158,434		158,434
120	1.00	Custodian	09/09	16	03/11	Readvertising	68,693		68,693
144	1.00	Nonclassified	12/10	1	01/11	Filled	138,706		138,706
	6.00						$499,517	$100,162	$599,679
112 - Information Technology Department									
196	1.00	Programmer/analyst III	11/10	2	01/11	Filled		$169,665	$169,665
222	1.00	System administrator II	11/10	2	01/11	Interviewing		171,336	171,336
226	1.00	Senior programmer/analyst	12/08	25	04/11	Position is for the quality assurance program which begins in April 2011		208,123	208,123
228	1.00	Programmer/analyst II	04/09	21	02/11	Interviewing		202,207	202,207
273	1.00	Telecom analyst III	08/09	17	02/11	Interviewing		225,873	225,873
278	1.00	Customer technical support III	08/09	17	05/11	Position will be filled when workload increases		169,665	169,665
311	1.00	Programmer/analyst III	07/09	18	04/11	Position is for the quality assurance program which begins in April 2011		178,540	178,540
365	1.00	System administrator I	09/10	4	01/11	Interviewing		148,395	148,395
386	1.00	Programmer/analyst II	01/10	12	07/11	Position will be filled when system is implemented		132,597	132,597
397	1.00	Information systems security analyst	06/08	31	01/12	Position will be needed for the new MMIS system		169,591	169,591
24045	1.00	Programmer/analyst II	11/10	2	01/11	Interviewing		148,557	148,557
25503	1.00	Project manager II	07/08	30	02/11	Interviewing		202,207	202,207
25508	1.00	Programmer	06/08	31	07/11	Position will be filled when system is implemented		132,597	132,597
26959	1.00	PowerSchool specialist	10/10	3	01/11	Filled		149,992	149,992
26977	1.00	System administrator III	07/09	18	02/11	Interviewing		202,207	202,207
Center for Distance Education									
323-2	0.30	Teacher VI	08/06	53	Unknown	Will fill when there is a customer need		37,164	37,164
325-2	0.30	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		43,384	43,384
326	1.00	Teacher IV	07/10	6	Unknown	Will fill when there is a customer need		113,106	113,106
329-1	0.50	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
329-2	0.50	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
335	1.00	Office assistant III	07/08	30	Unknown	Will fill when there is a customer need		88,765	88,765
337	0.80	Graphic artist I	11/07	38	Unknown	Will fill when there is a customer need		75,192	75,192
339	0.30	Teacher I	06/08	31	Unknown	Will fill when there is a customer need		12,447	12,447
424-2	0.50	Teacher III	07/10	6	Unknown	Will fill when there is a customer need		79,040	79,040
425-2	0.40	Teacher III	02/06	59	Unknown	Will fill when there is a customer need		44,357	44,357
427-2	0.50	Administrative assistant II	07/10	6	Unknown	Will fill when there is a customer need		71,476	71,476
428-2	0.10	Teacher III	10/08	27	Unknown	Will fill when there is a customer need		10,225	10,225
429-2	0.90	Teacher I	07/10	6	Unknown	Will fill when there is a customer need		111,918	111,918
438-2	0.50	Teacher III	07/10	6	Unknown	Will fill when there is a customer need		72,797	72,797

HB 1003
ND University System
Attachment #4
2/11/11

10224	[redacted]	Custodian	07/08	30	Unk[redacted]	Will fill when there is a customer need		42,253	[redacted]42,253
22892-2	0.50	Programmer analyst I	07/11	6	Unknown	Will fill when there is a customer need		66,630	66,630
	23.60							$3,629,144	$3,629,144
117 - State Auditor									
562	1.00	Auditor I	08/10	5	01/11	Filled	$122,332		$122,332
541	1.00	Auditor II	05/08	32	04/11	Vacant		$119,373	119,373
531	1.00	Auditor II	05/08	32	04/11	Vacant		119,373	119,373
	3.00						$122,332	$238,746	$361,078
120 - State Treasurer									
No vacant positions									
125 - Attorney General									
10286	1.00	Identification technician	04/10	9	03/11	Advertising	$92,675		$92,675
26618	1.00	Identification technician	12/10	1	03/11	Advertising	92,675		92,675
	2.00						$185,350		$185,350
127 - Tax Commissioner									
825	1.00	Project manager	06/10	7	05/11	Reviewing staffing needs and possible reclassification	$139,712		$139,712
793	1.00	Information technology manager	12/10	1	01/11	Advertising	216,096		216,096
	2.00						$355,808		$355,808
140 - Office of Administrative Hearings									
No vacant positions									
160 - Legislative Council									
7000620	1.00	Research librarian	10/10	3	05/11	Filled with temporary employee	$180,598		$180,598
849	1.00	Information processing supervisor	12/10	1	06/11	Filled with temporary employee	126,754		126,754
287219	1.00	Legislative services specialist	10/10	3	05/11	Filled with temporary employee	86,855		86,855
511593	1.00	Manager, information technology	10/10	3	02/11	Interviewing	201,680		201,680
	4.00						$595,887		$595,887
180 - Judicial branch									
No vacant positions									
188 - Commission on Legal Counsel for Indigents									
1588	1.00	Clerk III	11/10	2	01/11	Interviewing	$88,494		$88,494
190 - Retirement and Investment Office									
No vacant positions									
192 - Public Employees Retirement System									
1233	1.00	Office assistant III	09/10	4	02/11	Interviewing		$97,467	$97,467
EDUCATION									
201 - Department of Public Instruction									
1283	0.75	Office assistant III	11/10	2	01/11	Offer pending	$29,948	$29,948	$59,896
1286	1.00	Director/primary secondary educ programs	09/10	4	07/11	Offer pending		186,009	186,009
1308	0.50	Administrative assistant III	10/09	15	01/11	Offer pending	41,418	12,372	53,790
	2.25						$71,366	$228,329	$299,695
226 - Land Department									
1300	1.00	Revenue compliance director	09/10	4	02/11	Advertising		$187,415	$187,415
1479	1.00	Mineral title specialist	07/09	18	01/11	Filled		196,408	196,408
1468	1.00	Mineral title specialist	11/10	2	04/11	Position being reclassified		137,124	137,124
	3.00							$520,947	$520,947

NOTE: The institutions of higher education are not included in this report since the North Dakota University System receives a "block grant" general fund appropriation.

250 - State Library

No vacant positions

252 - School for the Deaf

1531	1.00	Superintendent	06/09	19	N/A	Shared position with North Dakota Vision Services - School for the Blind	$162,405		$162,405
1534	0.83	Faculty	07/09	18	01/11	Filled	131,664		131,664
1568	0.83	Faculty	08/07	41	01/11	Outreach position to be filled in January 2011	131,664		131,664
1551	0.75	Faculty	07/10	6	06/11	Position designated for future services plan	154,874		154,874
	3.41						$580,607		$580,607

253 - North Dakota Vision Services - School for the Blind

1589	0.75	Maintenance worker I	11/10	2	01/11	Filled		$63,658	$63,658

270 - Department of Career and Technical Education

1614	1.00	Programmer analyst II	09/10	4	Unknown	Pending	$105,838	$35,279	$141,117
1642	0.50	Trainee position	07/02	102	Unknown	Pending	57,084		57,084
1640	1.00	Administrative assistant II	08/10	5	Unknown	Pending	108,501		108,501
	2.50						$271,423	$35,279	$306,702

HEALTH AND WELFARE

301 - State Department of Health

1770	1.00	Environmental engineer II	11/10	2	02/11	Offer pending	$32,370	$97,111	$129,481
1780	1.00	Epidemiologist II	12/10	1	02/11	Offer pending	29,392	88,177	117,569
1910	1.00	Health care facility surveyor III	11/10	2	03/11	Advertised "open until filled"	39,303	117,908	157,211
1932	1.00	Health care facility surveyor II	05/10	8	03/11	Advertised "open until filled"	13,801	124,210	138,011
1954	1.00	Microbiologist II	11/10	2	01/11	Offer pending		118,841	118,841
28660	1.00	Performance improvement coordinator	12/10	1	03/11	Interviewing		174,103	174,103
1740	1.00	Environmental scientist (class pending)	09/07	40	03/11	Advertising	70,285	70,285	140,570
1778	1.00	Administrative assistant II	11/10	2	04/11	Preparing to advertise		94,864	94,864
	8.00						$185,151	$885,499	$1,070,650

305 - Tobacco Prevention and Control Committee

No vacant positions

313 - Veterans' Home

3044	1.00	Activity assistant II	12/10	1	01/11	Filled		$87,749	$87,749
3051	0.60	Health care orderly II	04/10	9	01/11	Advertising		57,749	57,749
3061	1.00	Administrative assistant III	11/10	2	02/11	Position being reclassified		88,626	88,626
3077	1.00	Health care orderly II	12/10	1	01/11	Advertising		80,502	80,502
	3.60							$314,626	$314,626

316 - Indian Affairs Commission

No vacant positions

321 - Department of Veterans' Affairs

No vacant positions

325 - Department of Human Services

Administration/Support

3187	1.00	Administrative staff officer I	12/10	1	04/11	Difficult to fill during session	$110,317	$26,570	$136,887
3300	1.00	Deputy - Not classified	08/05	65	Unknown	Retaining for use in future administration	36	8	44

Children and Family Services

27069	0.50	Human service program specialist	12/10	1	03/11	Assessing	42,079	18,896	60,975

Medical Services

3777	1.00	Human service program administrator VI	11/10	2	03/11	Recruiting	108,389	92,072	200,461

Child Support

3197	1.00	Office assistant III	11/10	2	05/11	Assessing	29,010	54,568	83,578
4378	1.00	Human service program administrator V	11/10	2	05/11	Assessing	75,053	141,176	216,229
25705	1.00	Child support investigator I	11/10	2	03/11	Recruiting	33,868	65,744	99,612
25738	1.00	Attorney I	10/10	3	01/11	Filled	49,810	96,691	146,501
25794	0.50	Paralegal	07/07	42	As soon as possible	Assessing	23,700	44,581	68,281
25822	1.00	Regional child support program administrator	12/10	1	07/11	Assessing	22,092	125,681	147,773
25827	1.00	Administrative assistant I	09/10	4	02/11	Recruiting	29,845	57,934	87,779

	Vo[redacted] Rehabilitation								
3481	1.00	Client assistance program administrator II	09/10	4	04/11	Assessing		161,085	161,085
	North Central Human Service Center								
3499	1.00	Human service aide II	12/10	1	03/11	Recruiting	100,540	48,496	149,036
	Lake Region Human Service Center								
3509	1.00	Vocational rehabilitation counselor II	12/10	1	03/11	Recruiting	24,605	90,913	115,518
3761	1.00	Addiction counselor II	12/10	1	04/11	Recruiting	61,230	81,297	142,527
3946	1.00	Addiction counselor II	09/09	16	04/11	Recruiting	55,092	73,147	128,239
4264	1.00	Human service aide II	10/10	3	02/11	Recruiting	58,483	31,741	90,224
	Southeast Human Service Center								
4110	0.50	Human service aide II	12/10	1	03/11	Assessing	23,834	28,071	51,905
4212	1.00	Human relations counselor	11/10	2	02/11	Recruiting	5,370	114,230	119,600
4228	0.10	Registered nurse II	01/06	60	07/11	Assessing; will likely add to part-time position	6,816	2,719	9,535
24921	1.00	MI case manager II	11/10	2	02/11	Recruiting	56,165	56,957	113,122
	South Central Human Service Center								
3263	1.00	Administrative assistant I	12/10	1	02/11	Recruiting	76,055	10,915	86,970
3916	1.00	Development disabilities case manager II	12/10	1	02/11	Recruiting	61,570	53,386	114,956
4304	1.00	Physician	09/03	88	As soon as possible	Recruiting	398,556	145,324	543,880
24846	0.50	Development disabilities case manager II	07/10	6	02/11	Recruiting	35,524	30,802	66,326
	West Central Human Service Center								
3780	1.00	Unclassified	04/10	9	06/11	Filled	396,456	86,968	483,424
4040	1.00	Human relations counselor	10/10	3	02/11	Recruiting	16,507	102,590	119,097
	Badlands Human Service Center								
3969	1.00	Psychiatrist	01/09	24	As soon as possible	Recruiting	421,222	174,313	595,535
4102	1.00	Human relations counselor	08/10	5	04/11	Assessing	42,137	82,345	124,482
	State Hospital								
2540	1.00	Office assistant III	12/10	1	01/11	Recruiting	82,073		82,073
2549	1.00	Treatment unit director	11/10	2	03/11	Recruiting	94,366	82,085	176,451
2567	1.00	Plumber II	12/10	1	02/11	Recruiting	128,526		128,526
2577	1.00	Equipment operator II	12/10	1	02/11	Recruiting	92,138		92,138
2656	1.00	Physician - Medical director	12/10	1	04/11	Filled	673,456	34,774	708,230
2700	1.00	Industries specialist I	12/10	1	02/11	Recruiting	55,787	55,787	111,574
2715	1.00	Therapeutic rec specialist II	12/10	1	02/11	Recruiting		131,218	131,218
2746	1.00	Registered nurse II	11/10	2	02/11	Recruiting	111,346	56,318	167,664
2755	0.80	Registered nurse II	01/10	12	02/11	Recruiting	69,556	35,180	104,736
2767	1.00	Registered nurse II	09/10	4	02/11	Recruiting	90,305	45,676	135,981
2772	1.00	Behavioral health technician II	12/10	1	01/11	Filled	44,069	45,229	89,298
2789	1.00	Behavioral health technician II	12/10	1	01/11	Filled	47,865	49,125	96,990
2792	1.00	Licensed practical nurse II	09/10	4	01/11	Filled	49,573	50,878	100,451
2866	0.50	Registered nurse II	10/10	3	02/11	Recruiting	1,535	85,663	87,198
2879	1.00	Behavioral health technician I	12/10	1	01/11	Filled	58,595	29,637	88,233
2896	1.00	Licensed practical nurse II	12/10	1	02/11	Recruiting	70,030	35,421	105,451
2897	1.00	Behavioral health technician I	12/10	1	02/11	Recruiting		91,458	91,458
2942	1.00	Behavioral health technician II	11/10	2	01/11	Filled	89,594		89,594
2981	0.50	Licensed practical nurse II	12/10	1	02/11	Recruiting	42,463	21,478	63,941
24588	1.00	Behavioral health technician II	12/10	1	01/11	Filled	99,948		99,948
24600	1.00	Behavioral health technician II	12/10	1	02/11	Recruiting	91,724		91,724
27137	0.50	Registered nurse II	06/10	7	02/11	Recruiting	36,411	37,370	73,781
27386	1.00	Registered nurse II	10/10	3	02/11	Recruiting	88,910	44,970	133,880
	Developmental Center								
2016	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	39,194	63,920	103,114
2024	1.00	Direct training technician	12/10	1	02/11	Recruiting	28,981	47,263	76,244
2126	1.00	Behavioral modification specialist II	06/10	7	02/11	Recruiting	45,490	74,190	119,680
2157	1.00	Human resource officer II	08/10	5	07/11	Assessing	60,277	98,305	158,582
2168	1.00	Direct training technician II	11/10	2	03/11	Recruiting	28,981	47,264	76,245
2240	1.00	Direct training technician	12/10	1	01/11	Filled	28,981	47,263	76,244
2244	1.00	Assistant residential supervisor	08/10	5	03/11	Recruiting	32,345	52,753	85,098
2251	1.00	Direct training technician II	01/10	12	03/11	Recruiting	34,785	56,732	91,517
2272	1.00	Direct training technician II	11/10	2	03/11	Recruiting	37,350	60,912	98,262
2292	1.00	Unit program coordinator	08/10	5	03/11	Recruiting	48,077	78,408	126,485
2318	1.00	Senior residential supervisor	12/10	1	03/11	Recruiting	36,551	59,611	96,162
2328	1.00	Behavioral modification specialist II	09/09	16	03/11	Recruiting	50,135	81,763	131,898
2330	1.00	Direct training technician	11/10	2	03/11	Recruiting	30,019	48,960	78,979

2333	[redacted]	Direct training technician	11/10	2	03/[redacted]	Recruiting	27,987	45,644	[redacted]3,631
2340	1.00	Unit program coordinator	09/10	4	03/11	Recruiting	54,790	89,356	144,146
2366	1.00	Direct training technician	11/10	2	03/11	Recruiting	31,607	51,548	83,155
2378	1.00	Direct training technician	09/10	4	03/11	Recruiting	35,651	58,144	93,795
2384	1.00	Direct training technician	11/10	2	03/11	Recruiting	28,981	47,263	76,244
2401	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	38,114	62,160	100,274
2451	0.75	Direct training technician	12/10	1	03/11	Recruiting	28,664	46,747	75,411
2455	1.00	Direct training technician	12/10	1	03/11	Recruiting	30,019	48,960	78,979
2457	1.00	Direct training technician	10/10	3	02/11	Recruiting	30,191	49,238	79,429
10199	0.50	Cook I	09/10	4	03/11	Recruiting	18,074	29,478	47,552
10207	1.00	Direct training technician II	08/10	5	03/11	Recruiting	35,112	57,263	92,375
	70.65						$5,342,988	$4,434,633	$9,777,621

360 - Protection and Advocacy Project

No vacant positions

380 - Job Service North Dakota

4611	1.00	Customer service specialist	12/10	1	02/11	Recruiting		$111,297	$111,297
4790	1.00	Program administrator I	04/10	9	03/11	Assessing position		122,199	122,199
4862	1.00	Manager of workforce programs	12/10	1	02/11	Recruiting	$6,770	191,177	197,947
23007	1.00	Customer service specialist	12/10	1	02/11	Recruiting		121,725	121,725
	4.00						$6,770	$546,398	$553,168

REGULATORY

401 - Insurance Commissioner

4872	1.00	Administrative assistant	12/10	1	02/11	Recently vacated		$104,850	$104,850
4885	1.00	Attorney	06/10	7	07/11	Reclassified and attempting to fill		169,665	169,665
	2.00							$274,515	$274,515

405 - Industrial Commission

4977	1.00	Loan officer I	08/01	113	Unknown	Under review		$110,996	$110,996
4940	1.00	Other not classified	12/10	1	02/11	Advertising	$128,246	12,684	140,930
27608	0.31	Budgeted pending classification	07/09	18	Unknown	Retaining for use in future administration		20,668	20,668
	2.31						$128,246	$144,348	$272,594

406 - Labor Commissioner

No vacant positions

408 - Public Service Commission

5037	1.00	Environmental scientist III	07/10	6	03/11	Readvertising	$61,782	$109,836	$171,618

412 - Aeronautics Commission

5041	1.00	Public information specialist I	08/10	5	03/11	Developing job description		$122,295	$122,295

413 - Department of Financial Institutions

No vacant positions

414 - Securities Commissioner

5070	1.00	Examiner/investigator II	10/10	3	03/10	Position being reclassified	$148,491		$148,491

471 - Bank of North Dakota

10382	1.00	Admin assistant III	12/10	1	02/11	Recruiting		$123,525	$123,525
10522	1.00	Computer operator I	10/10	3	2011	Staffing plan is being reviewed		104,407	104,407
10400	1.00	SVP/banking services	09/10	4	2011	Staffing plan is being reviewed		281,147	281,147
10457	1.00	Auditor II	08/10	5	2011	Staffing plan is being reviewed		145,219	145,219
25422	0.50	Admin assistant I	08/10	5	2011	Staffing plan is being reviewed		59,427	59,427
10443	1.00	Programmer analyst III	07/10	6	2011	Staffing plan is being reviewed		172,524	172,524
10360	1.00	Bank op processing technician	06/10	7	2011	Staffing plan is being reviewed		90,206	90,206
10507	1.00	Accounting manager	04/10	9	2011	Staffing plan is being reviewed		189,121	189,121
10434	0.33	Investment professional	04/10	9	2011	Staffing plan is being reviewed		88,280	88,280
10513	1.00	SVP/director student loans	04/10	9	2011	Staffing plan is being reviewed		346,783	346,783
10520	0.75	Account tech II	10/09	15	2011	Staffing plan is being reviewed		84,366	84,366
10404	0.50	Office assistant II	10/09	15	2011	Staffing plan is being reviewed		53,203	53,203
10396	0.65	Bank op processing technician	02/09	23	2011	Staffing plan is being reviewed		66,113	66,113

10445	[redacted]	Programmer analyst III	06/08	31	02[redacted]	Recruiting		172,525	[redacted]72,525
	11.73							$1,976,846	$1,976,846
473 - Housing Finance Agency									
57	1.00	Housing program administrator II	Never filled	18	Unknown	Will fill as needed		$157,713	$157,713
58	1.00	Rental housing program representative	Never filled	18	Unknown	Will fill as needed		125,763	125,763
59	1.00	Home ownership specialist I	Never filled	18	Unknown	Will fill as needed		115,395	115,395
	3.00							$398,871	$398,871
475 - Mill and Elevator Association									
7	1.00	Utility worker - Milling	11/10	2	01/11	Returning military leave employee		$91,928	$91,928
2063	1.00	Utility worker - Terminal	12/10	1	01/11	Filled by moving a temporary employee to full time		91,928	91,928
	2.00							$183,856	$183,856
485 - Workforce Safety and Insurance									
5207	1.00	Staff counsel	01/08	36	04/11	Pending pharmacy-related legislation		$189,237	$189,237
5282	1.00	Underwriter	05/08	32	06/11	Pending new program development		189,237	189,237
DISC-1-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		138,492	138,492
DISC-2-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		158,202	158,202
DISC-3-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		158,202	158,202
DISC-4-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-5-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-6-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-7-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-8-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
DISC-9-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation		121,814	121,814
	0.59	Other			Unknown	Position on hold			
	11.59							$1,564,254	$1,564,254
PUBLIC SAFETY									
504 - Highway Patrol									
5455	1.00	Administrative assistant II	09/10	4	01/11	Conducting background investigation	$88,593	$13,238	$101,831
5442	1.00	Highway Patrol officer	01/10	12	07/11	Accepting applications	123,856	18,507	142,363
5477	1.00	Highway Patrol officer	07/10	6	07/11	Accepting applications	123,856	18,507	142,363
5521	1.00	Highway Patrol officer	10/10	3	07/11	Accepting applications	156,139	23,331	179,470
5545	1.00	Highway Patrol officer	05/10	8	07/11	Accepting applications	123,856	18,507	142,363
25866	1.00	Highway Patrol officer	12/10	1	07/11	Accepting applications	126,349	18,880	145,229
	6.00						$742,649	$110,970	$853,619
530 - Department of Corrections and Rehabilitation									
Juvenile Services									
223-1457	1.00	Juvenile institutional resident specialist II	12/10	1	01/11	Filled	$115,603		$115,603
224-6074	1.00	Senior juvenile correctional specialist	09/10	4	03/11	Determining position responsibilities	148,306		148,306
224-6073	0.50	Juvenile correctional specialist	09/10	4	03/11	Position is half time with no medical benefits	63,784		63,784
Adult Services									
518-5679	1.00	Correctional program administrator	09/10	4	03/11	Organization restructuring in Education Unit	126,868		126,868
518-5685	1.00	Human relations counselor	10/10	3	02/11	Advertising	116,048		116,048
518-5681	1.00	Addiction counselor I	10/10	3	02/11	Filled	111,209		111,209
518-5689	1.00	Correctional unit manager	12/10	1	01/11	Filled	157,494		157,494
518-5751	1.00	Correctional officer I	12/10	1	02/11	Advertising	101,139		101,139
519-5957	1.00	Correctional officer III	12/10	1	01/11	Filled	120,929		120,929
517-6015	1.00	Correctional caseworker	12/10	1	01/11	Filled	132,450		132,450
502-6052	1.00	Correctional program administrator	07/10	6	02/11	Interviewing	91,306		91,306
520-0351	1.00	Assistant director Roughrider Industries	07/09	18	Unknown	Vacant		$105,772	105,772
	11.50						$1,285,135	$105,772	$1,390,907
540 - Adjutant General, Including National Guard and Department of Emergency Services									
6169	1.00	Public information specialist III	12/10	1	03/10	Screening applications		$145,569	$145,569
6208	1.00	National Guard security/firefighter	09/09	16	04/10	Reclassification		118,226	118,226
6223	1.00	National Guard security/firefighter	10/10	3	10/11	Pending advertisement		124,563	124,563
6225	1.00	National Guard security/firefighter	06/10	7	10/11	Pending advertisement		124,563	124,563
6226	1.00	National Guard security/firefighter	02/10	11	04/10	Reclassification		118,226	118,226
6231	1.00	National Guard security/firefighter	12/10	1	03/10	Pending advertisement		154,769	154,769
	6.00							$785,916	$785,916

AGRICULTURE [redacted] ECONOMIC DEVELOPMENT

601 - Department of Commerce

No vacant positions

602 - Agriculture Commissioner

6311	1.00	Agriculture program specialist	12/10	1	02/11	Advertising	$127,361		$127,361
6336	1.00	Grants/contracts officer	5/09	20	02/11	Reviewing applications	119,299		119,299
6355	1.00	Administrative assistant	12/10	1	02/11	Advertising		$102,200	102,200
12626	0.50	Veterinarian I	01/10	12	07/11	Position was budgeted with federal funds for the 2009-11 biennium. Due to a reduction in federal funds, the position has been unfilled. The executive budget reclassifies the position and moves the position to the Business Development program area.	71,017		71,017
27697	1.00	Pending classification	Never filled	18	02/11	Advertising (new position added by 2009 Legislative Assembly)	54,383	50,199	104,582
	1.00	Not classified	Never filled	6	05/11	Position added by the 2009 Legislative Assembly with a July 1, 2010, start date	54,383	50,199	104,582
	1.00	Not classified	Never filled	18	07/11	Position added by the 2009 Legislative Assembly without funding for the 2009-11 biennium		104,582	104,582
	6.50						$426,443	$307,180	$733,623

616 - State Seed Department

6386	1.00	Director of field seeds programs	03/05	70	07/11	Evaluating strategic plan, possible reassignment		$129,550	$129,550
6392	1.00	Laboratory technician II	05/10	8	07/11	Evaluating area		82,200	82,200
6393	0.50	Seed analyst I	05/05	68	07/11	Fill upon impending retirement in seed lab		51,494	51,494
6398	1.00	Senior seed analyst	06/09	19	07/11	Fill upon impending retirement in seed lab		97,807	97,807
6407	1.00	Seed production & lab specialist	10/10	3	03/11	Reorganizing - Plan is to reduce to .5 and fill		154,785	154,785
6410	0.50	Seed inspector I	09/99	136	Unknown	Fill depending on retirement or resignation in program		25,743	25,743
6411	1.00	Senior seed inspector	08/04	77	07/11	Planned internal promotion		105,174	105,174
6414	1.00	Seed inspector II	08/10	5	04/11	Filling with field seed/regulatory inspector		121,918	121,918
	7.00							$768,671	$768,671

627 - Upper Great Plains Transportation Institute

18500	1.00	Senior software engineer	10/10	3	03/11	Plans are to advertise pending contract renewal		$231,430	$231,430
22856	1.00	Associate research fellow	02/10	11	04/11	Plans are to advertise in March 2011		191,675	191,675
24714	1.00	Associate research fellow	08/10	5	Unknown	Position on hold pending additional funding		234,160	234,160
26735	1.00	Administrative assistant	03/10	10	Unknown	Position on hold pending additional funding		109,578	109,578
26743	1.00	Instructional designer	09/09	16	03/11	Advertising		136,770	136,770
	5.00							$903,613	$903,613

628 - Branch research stations

19219	0.50	Accounting/finance professional	09/10	4	04/11	Will be recruiting	$56,738		$56,738
20127	1.00	Asst research extension center specialist	08/10	5	01/11	Offer pending	97,276		97,276
26216	1.00	General science professional	08/10	5	03/11	Will be recruiting	52,500		52,500
19699	1.00	Asst research extension center specialist	10/10	3	02/11	Recruiting	132,300		132,300
26273	1.00	Natural/physical science technician	12/10	1	02/11	Recruiting		$59,186	59,186
	4.50						$338,814	$59,186	$398,000

630 - NDSU Extension Service

25323	0.25	Accounting/finance professional	10/10	3	04/11	Will be recruiting	$46,470		$46,470
19229	1.00	Extension agent	08/09	17	Unknown	Recruiting		$82,778	82,778
20358	1.00	Extension agent	04/10	9	03/11	Recruiting		71,926	71,926
21348	1.00	Extension agent	08/10	5	02/11	Offer pending	78,640	47,750	126,390
23436	1.00	Extension agent	01/09	24	N/A	Funding ended. Position will be closed.		61,400	61,400
27366	1.00	Extension agent	03/10	10	Unknown	Recruiting		63,400	63,400
20254	1.00	Extension agent	11/10	2	05/11	Department reorganizing	128,578		128,578
20998	1.00	Extension specialist	06/10	7	05/11	Department reorganizing	152,488		152,488
18581	0.05	Chair/head	07/10	6	03/11	Recruiting	14,282		14,282
19702	0.15	Professor	07/10	6	05/11	Offer pending	26,828		26,828
19348	0.05	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	13,876		13,876
19397	1.00	Educational services technician	04/10	9	N/A	Funding ended. Position will be closed.		48,570	48,570
27287	1.00	Extension agent	07/10	6	Unknown	Recruiting		70,800	70,800
	9.50						$461,162	$446,624	$907,786

638 - Northern [redacted] Institute

No vacant positions

640 - Main Research Center

21765	0.80	Accounting/finance professional	12/10	1	04/11	Will be recruiting	$116,352		$116,352
25323	0.70	Accounting/finance professional	10/10	3	04/11	Will be recruiting	130,116		130,116
20247	1.00	General maintenance	12/10	1	03/11	Will be recruiting	103,580		103,580
18580	0.72	Chair/head	07/10	6	03/11	Recruiting	205,192		205,192
20848	0.85	Professor	08/09	17	04/11	Department reorganizing	155,667		155,667
23280	1.00	Natural/physical science technician	05/10	8	02/11	Recruiting	61,150		61,150
26883	1.00	International exchange scientist	12/10	1	04/11	Will be recruiting		$42,400	42,400
19351	0.89	Professor	09/08	28	04/11	Recruiting	163,393		163,393
26765	1.00	Natural/physical science professional	12/10	1	03/11	Will be recruiting		68,400	68,400
19165	1.00	General science professional	08/10	5	Unknown	Supervisor is currently serving as interim chair		62,200	62,200
19703	0.50	Professor	07/10	6	05/11	Offer pending	89,426		89,426
19769	0.90	Professor	07/10	6	Unknown	Faculty member is currently assigned to a temporary appointment	215,478		215,478
19998	0.60	Assistant professor	05/09	20	05/11	Department reorganizing	80,122		80,122
25067	1.00	International exchange scientist	11/10	2	04/11	Will be recruiting		131,200	131,200
27300	1.00	Natural/physical science professional	10/10	3	01/11	Filled	69,888		69,888
18940	1.00	Postdoctoral research fellow	04/10	9	N/A	Funding ended. Position will be closed.		90,438	90,438
19438	0.90	Assistant professor	08/10	5	04/11	Recruiting	149,429		149,429
19848	1.00	General science professional	09/10	4	05/11	Will be recruiting	77,660		77,660
25254	0.50	Postdoctoral research fellow	07/10	6	N/A	Funding ended. Position will be closed.		38,758	38,758
19348	0.60	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	166,525		166,525
	16.96						$1,794,978	$433,396	$2,228,374

649 - Agronomy Seed Farm

No vacant positions

670 - Racing Commission

No vacant positions

NATURAL RESOURCES AND HIGHWAYS

701 - State Historical Society

6465	1.00	Administrative assistant III	08/10	5	03/11	Filled	$104,592		$104,592

709 - Council on the Arts

No vacant positions

720 - Game and Fish Department

No vacant positions

750 - Parks and Recreation Department

6711	1.00	Devils Lake park ranger	09/10	4	02/11	Applications received	$115,229		$115,229

770 - State Water Commission

6729	1.00	Engineer manager I	12/10	1	03/11	Position analysis and review	$218,688		$218,688
6745	1.00	Engineering technician III	10/10	3	02/11	Interviewing	106,048		106,048
	2.00						$324,736		$324,736

801 - Department of Transportation

6818	1.00	Deputy - Not classified	10/10	3	01/11	Filled		$300,021	$300,021
7779	1.00	Admin transportation engineer I	11/10	2	01/11	Filled		164,015	$164,015
7413	1.00	Transportation technician II (Fargo)	12/10	1	01/11	Filled		117,070	117,070
6952	1.00	Licensing specialist I	12/10	1	01/11	Filled		96,717	96,717
7201	1.00	Transportation technician II (Jamestown)	11/10	2	01/11	Filled		109,999	109,999
7355	1.00	Transportation technician I (Grand Forks)	10/10	3	01/11	Filled		123,446	123,446
7612	1.00	Transportation technician I (Grand Forks)	11/10	2	01/11	Filled		103,077	103,077
7321	1.00	Transportation technician III (Killdeer/Halliday)	08/10	5	01/11	Filled		130,514	130,514
7806	1.00	Administrative officer II	06/10	7	02/11	Recruiting		146,620	146,620
7168	1.00	Transportation technician II (Valley City)	10/10	3	02/11	Recruiting		113,372	113,372
7119	1.00	Transportation engineer III	09/10	4	02/11	Recruiting		201,457	201,457
7821	1.00	Admin transportation engineer I	10/10	3	03/11	Recruiting		158,059	158,059
6887	1.00	Driver's license examiner I	12/10	1	02/11	Recruiting		85,477	85,477

6902	[redacted]	Driver's license examiner supervisor	12/10	1	02/[redacted]	Recruiting	133,100	[redacted],100
7113	1.00	Transportation technician II (Selfridge)	12/10	1	02/11	Recruiting and interviewing	105,683	105,683
7387	1.00	Transportation technician I (Williston)	12/10	1	02/11	Recruiting and interviewing	115,916	115,916
7390	1.00	Transportation technician I (Williston)	04/10	9	03/11	Recruiting and interviewing	89,759	89,759
7547	1.00	Storekeeper II	12/10	1	02/11	Recruiting and interviewing	94,459	94,459
7522	1.00	Fleet & equipment tech III (Minot)	10/10	3	03/11	Recruiting open until filled	120,310	120,310
7543	1.00	Fleet & equipment tech I (Williston)	01/10	12	03/11	Recruiting open until filled	109,542	109,542
6973	1.00	Research analyst IV	04/10	9	03/11	Recruiting and reclassified	181,134	181,134
7842	1.00	Administrative staff officer II	06/10	7	02/11	Recruiting and reclassified	140,851	140,851
7322	1.00	Transportation technician III (Dickinson)	12/10	1	02/11	Recruiting open until filled	119,363	119,363
7738	1.00	Engineering technician IV (Dickinson)	06/10	7	02/11	Offer pending	135,191	135,191
7765	1.00	Engineering technician II	04/10	9	02/11	Offer pending	181,134	181,134
7714	1.00	Transportation engineer II	11/10	2	03/11	Position moved to different division; will post soon	159,429	159,429
6989	1.00	Transportation engineer II	10/10	3	05/11	Reclassifying	156,708	156,708
6971	1.00	Planner II	10/10	3	03/11	Reclassifying	141,886	141,886
24733	1.00	Transportation engineer III	12/10	1	02/11	Reorganization	193,046	193,046
	29.00						$4,027,355	$4,027,355
	284.35	Total all agencies					$14,547,623 $23,818,392	$38,366,015

NOTE: This report does not include North Dakota University System campuses since the University System receives a "block grant" general fund appropriation.

System Information Technology Services Budget History
Prepared for House Appropriations, February 11, 2011

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Appropriated			Non-Appropriated	Total	Appropriated	Non-Appropriated	Total
	General Fund	Special Funds	Total	Other	All Funds	FTE Employees	FTE Employees	FTE Employees
05-07 Adj. Appropriation	$20,607,093		$20,607,093	$15,738,305	$36,345,398	84	31	115
07-09 Adj. Appropriation	$28,703,293	$2,773,800	$31,477,093	$15,618,694	$47,095,787	90	31.5	121.5
$ Incr/Decr over 05-07	$8,096,200	$2,773,800	$10,870,000	($119,611)	$10,750,389	6.0	0.5	6.5
% Incr/Decr over 05-07	39%		53%	-1%	30%	7%	2%	6%
09-11 Adj. Appropriation	$29,540,054	$1,029,831	$30,569,885	$15,060,112	$45,629,997	103.5	24.5	128
$ Incr/Decr over 07-09	$836,761	($1,743,969)	($907,208)	($558,582)	($1,465,790)	13.0	-7.0	6.5
% Incr/Decr over 07-09	2.9%	-62.9%	-2.9%	-3.6%	-3.1%	14.4%	-22.2%	5.3%
11-13 Exec. Recommendation	$35,522,562	$539,437	$36,061,999	$15,441,752	$51,503,751	103.5	24.5	128
$ Incr/Decr over 09-11	$5,982,508	($490,394)	$5,492,114	$381,640	$5,873,754	0.0	0.0	0.0
% Incr/Decr over 09-11	20.3%	-47.6%	18.0%	2.5%	12.9%	0.0%	0.0%	0.0%

Feb. 11, 2011
Attachment #1
HB 1003
From Randall Thursby

Attachment #2
HB1003
From Randall Thursby

NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

Budget History
System Information Technology Services
Prepared By Randall Thursby
Chief Information Officer

System Information Technology Services

Budget History

Prepared for House Appropriations Education and Environment Committee

February 14, 2011

Overview

The information contained in this document is intended to provide a snapshot of the budget history of the System Information Technology Services (SITS) and notes to help explain the changes. Also included are the System Information Technology Services NDUS legislative guide pages as background on the activities and services of the office.

Some key points for consideration are:

- The 07-09 biennial budget reflects a substantial increase thanks to the funding provided by the governor and the legislature to address critical problems in the ConnectND system including the addition of 11.5 FTE positions from appropriated funds. A total of only thirteen positions have been added overall since 05-07.

- The 09-11 biennial budget reflects an overall decrease due to the expiration of one-time funds that were provided in conjunction with the ConnectND improvement plan.

- System technology services are provided by North Dakota State University and the University of North Dakota through service level agreements (SLA),and directly by SITS. The services provided by NDSU and UND were, until the past few years, known as the Higher Education Computer Network (HECN) services. The service level agreements began with the current biennium.

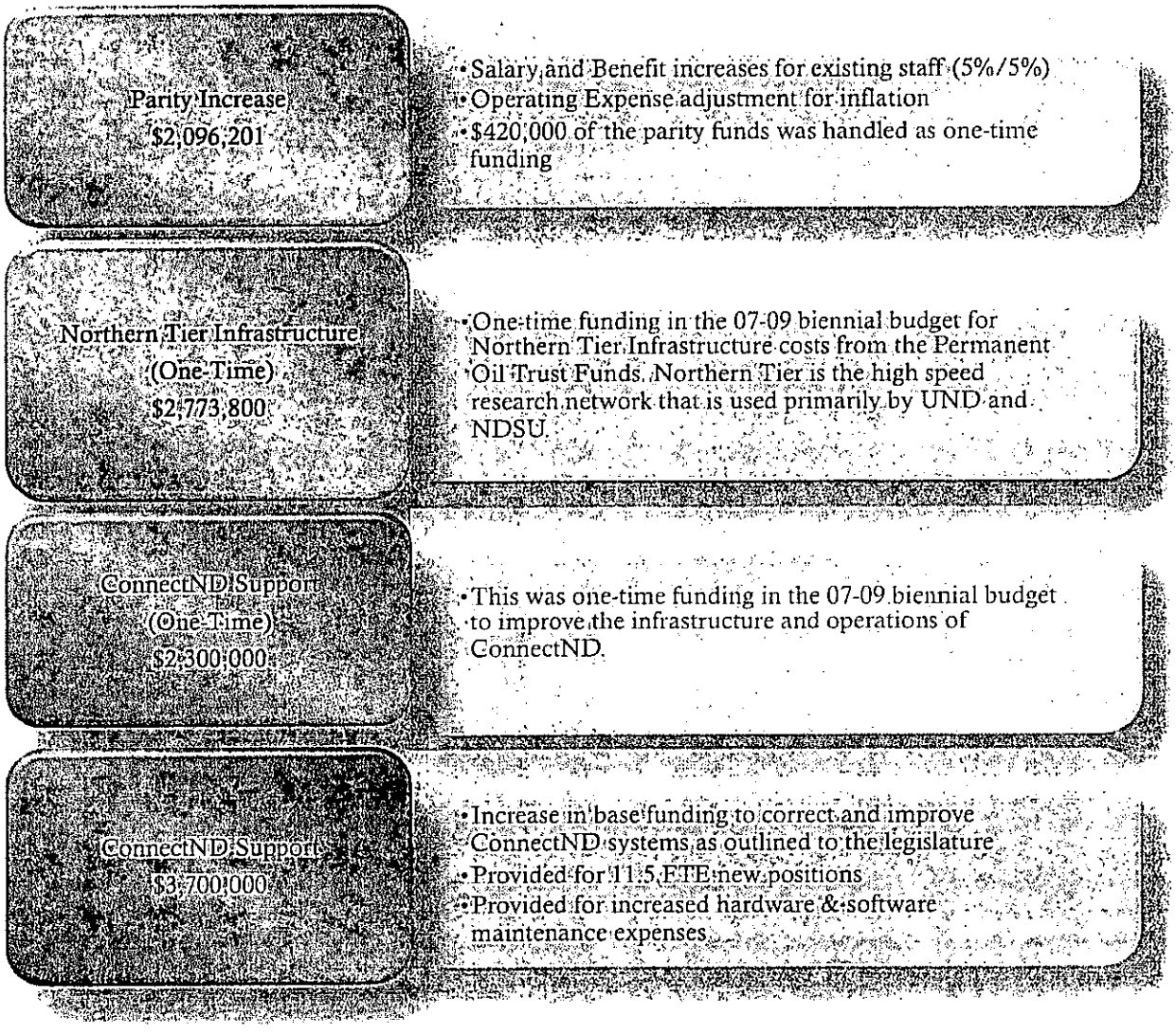
- In this biennium all SITS staff were consolidated in the budget at NDSU so that all employees follow the same personnel guidelines, receive the same benefits, and have the same guidelines for salary increases. Previously managers had personnel under budgets at two different institutions that required different processes based upon the personnel policy and salary guideline differences. The personnel processes are provided by NDSU through a service level agreement.

- Significant improvement to services have occurred outside ConnectND and these have been accomplished by directing resources from lower priority activities to higher priority activities, operating more efficiently, and leveraging the talent at the institutions through committee and pilot projects. Some of these improvements will be highlighted later.

- We are continuing to explore and plan for consolidation and efficiency in technology operations. Key areas being reviewed are: 1.) telecommunicatons; learning management systems; virtualized servers and desktop support; document imaging; and identity management.

State Allocation Changes

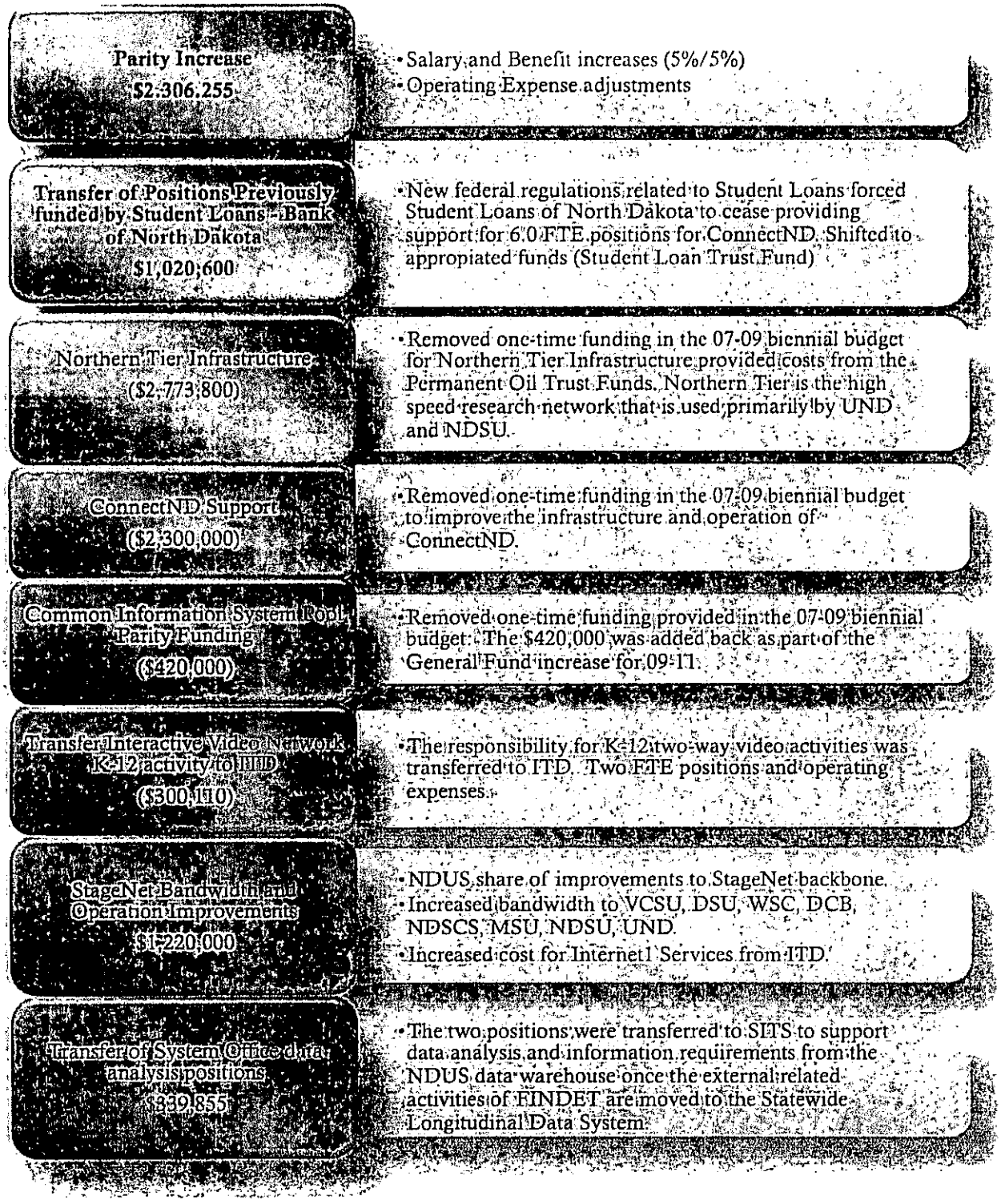
07-09 Appropriation Increase $10,870,001



- Thanks to the funding provided by the legislature the NDUS was able to stabilize and improve ConnectND services in line with the recommendations made to the SBHE, Governor and Legislature.
- ConnectND Student Fee of $82 has not been increased since 2006.

State Allocation Changes

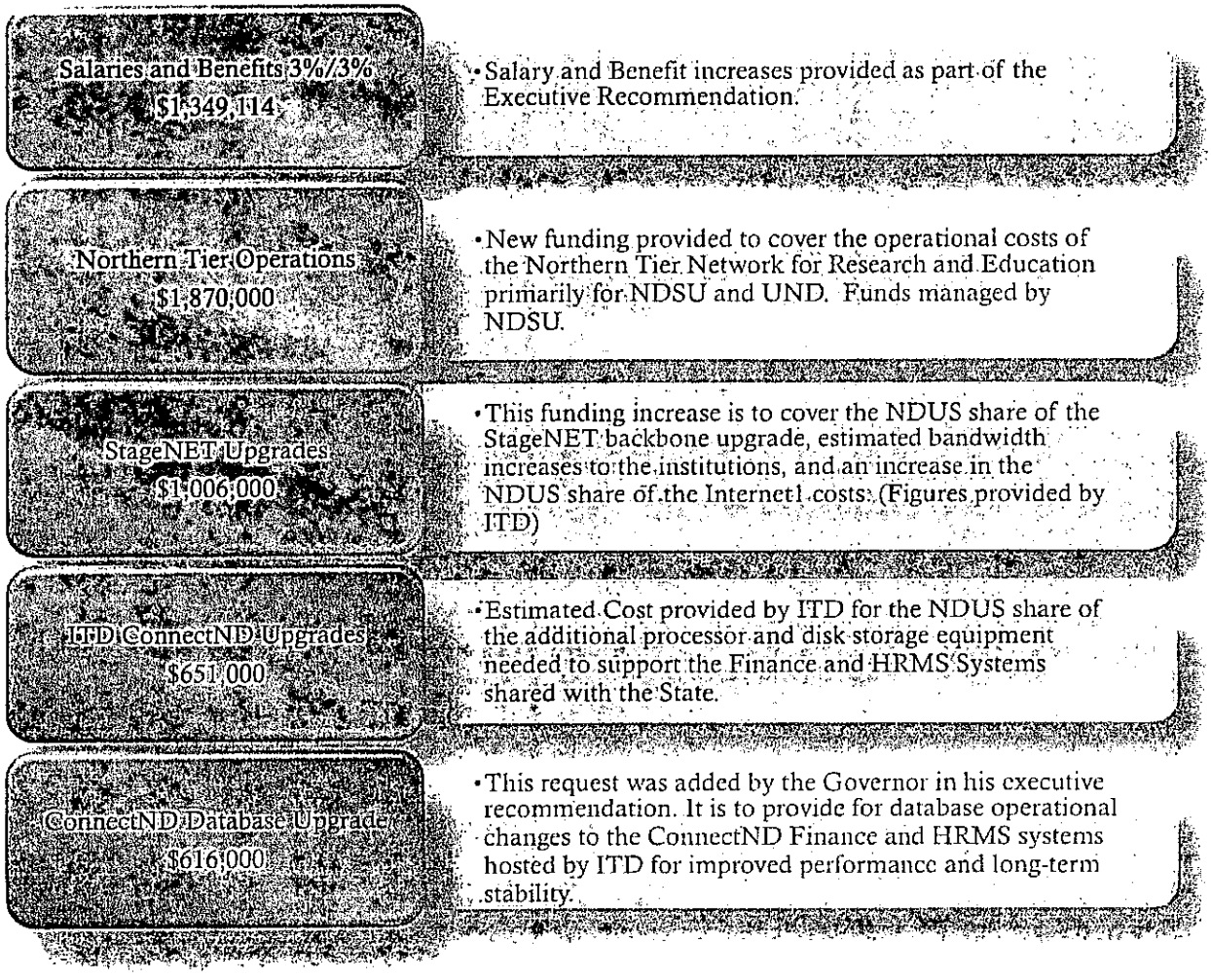
09-11 Appropriation Decrease ($907,000



- Funding decrease is a result of the removal of one-time funds.

State Allocation Changes

Increase 11-13 Executive Recommendation $5,492,114



- Funding was **NOT** provided for any operational increases for on-going operations in the Governor's recommended budget and this, along with the continued increase in software and hardware maintenance costs, will have an impact on the services provided to the NDUS.
- The estimated increase in operational costs for ongoing activities for the 09-11 biennium provided by ITD that are not associated with the items above is estimated at $240,000. The figure was provided by ITD and is to cover their increased cost for personnel, software and hardware maintenance increases, etc.
- The NDUS will have increased costs from hardware and software vendors for maintenance and those increases must be absorbed along with the increased costs from ITD. The overall estimate is between $450,000 and $600,000. This will necessitate some changes in services and will

impact current position funding levels and services from NDSU and UND. Without state funding the only alternative is to increase charges to the NDUS institutions to cover all or part of the difference or to modify services provided.

History of FTE Positions

Biennium	SITS		UND		NDSU		Total
	Appropriated	Non-Appr.	Appropriated	Non-Appr.	Appropriated	Non-Appr.	
05-07	40	25	23.5	5	20.5	1	115
07-09	48.5	26.5	26	4	20	1	126
09-11	57.5	20.5	26	4	20	0	128

07-09 Biennium (Increase of 11 FTE positions)

- A total of 11.5 new positions were authorized and funded to address needs in ConnectND.
  - The business analysts and developers were provided for under the SITS appropriation (9.0 FTE)
  - The data center positions were provided to UND to support (2.5 EFT)
- One .5 FTE position was moved from NDSU to the SITS budget. This position was the primary liaison for interaction with the institutions on services from HECN-S (NDSU). Within SITS the role of the position was refined and made a 1.0 FTE position that not only retained coordination responsibilities for services from HECN-S but also the position has responsibility for overall academic, research, and learning technology efforts.
- A position within the On-line Dakota Information Network (ODIN) library services unit, funded through local funds from member libraries, was moved from the data center budget at UND directly under the ODIN budget within SITS.
- Two positions (2.0 FTE) were transferred to ITD as part of the shift in K-12 video support from the NDUS SITS to ITD.
- Added 1.0 FTE position, half from ConnectND appropriated funds and half from local ODIN funds, to provide an administrative position for ConnectND and ODIN support in Grand Forks. Previously there was no office support for the twenty-one staff located in Leonard Hall.

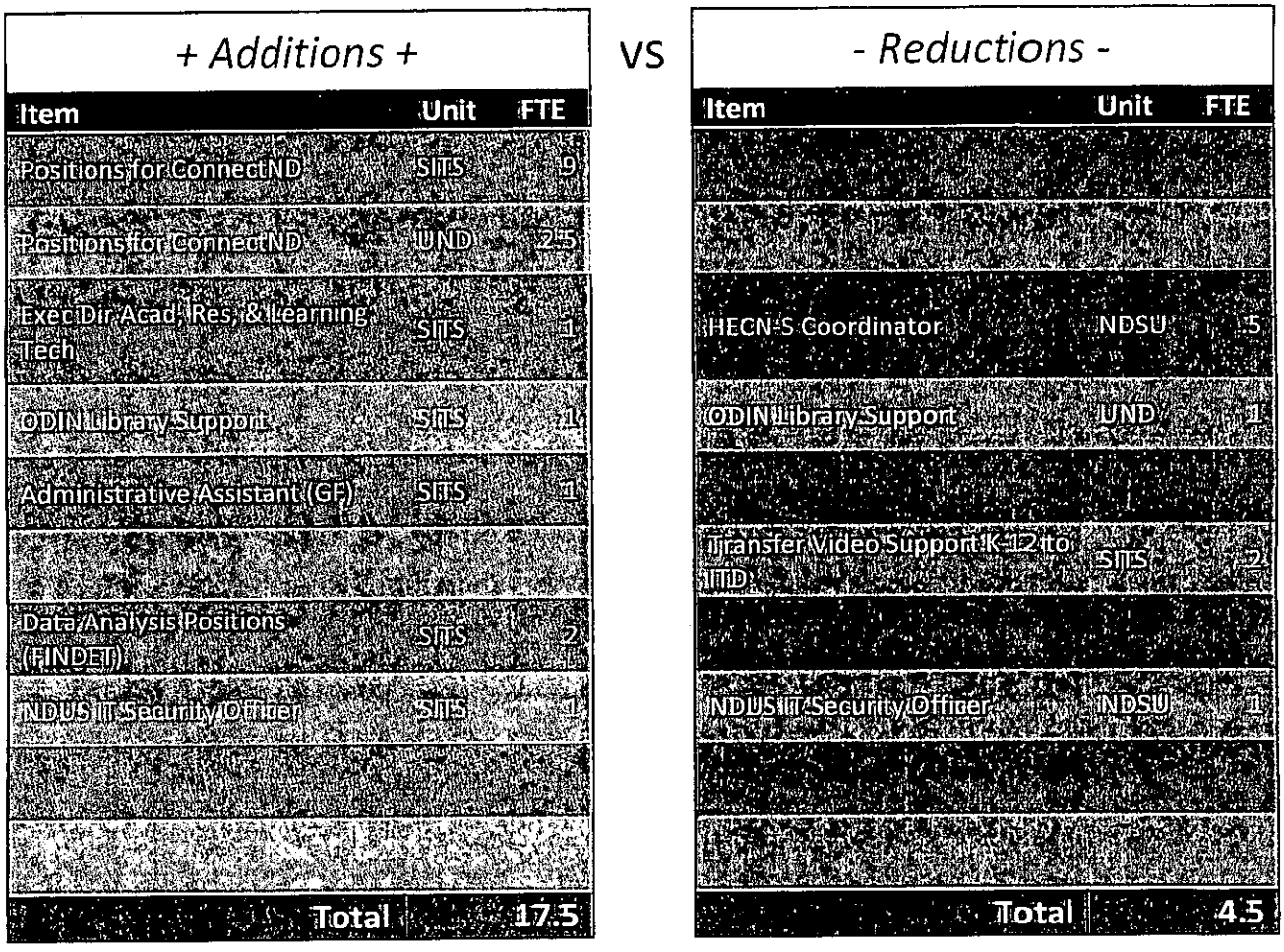
09-11 Biennium (Increase of 2.0 FTE positions)

- A total of 6.0 FTE previously funded through Student Loans of North Dakota (division of Bank of North Dakota) were replaced by funding from the Student Loan Trust Fund. This is a shift from non-appropriated to appropriated funds.
- Two positions associated with the FINDET office were transferred from the System Office budget to SITS. This was to begin shifting their responsibilities for data analysis from FINDET for internal and external purposes to the NDUS data warehouse as it became

operational and the external FINDET activities were shifted to the State Longitudinal Data System.

- One position, the NDUS Information Technology Security Officer, was moved from the NDSU budget to the SITS budget. NDSU has their own IT security officer. Bonnie Neas, VP for Information Services at NDSU, and I agreed that moving the position to SITS would more appropriately align the position with its system-wide responsibilities.

Change in FTE Positions 2007-2011



A total of thirteen new positions have been added to SITS since 05-07. Of those, 11.5 FTE were as a result of the ConnectND improvements funded by the legislature in 2007 and two were from moving positions to more strategically align them with the NDUS data warehouse rather than separate FINDET data collection and reporting systems. Another 2.5 FTE were reallocated in conjunction with discussions with NDSU and UND and two positions were transferred to ITD to better align services in support of K-12 two-way video.

Significant Improvements in Services

Significant improvement in services have taken place since the 05-07 biennium. With the exception of ConnectND funding and funding for Network Services these improvements have occurred through redirecting resources within SITS. We are constantly analyzing operations for ways we can make improvements by shifting resources from lower priority to higher priority projects. We seek input from the institutions on services to better align our operations with their needs.

Some of these are:

- Upgraded over thirty video units at the institutions to high definitions capability. A request was made for one-time funding to the governor and legislature in 07-09 to upgrade these units that were over five years old. The funding was not provided so resources were reallocated internally to cover the costs. Maintaining the operation of the two-way video units was critical to support of many programs.

- Implemented a Moodle (open-source) learning management service and established support for the project. To date four institutions have moved from proprietary systems to the SITS supported services. The students and faculty have access to a 24/7 outsourced help desk.

- Worked with the institutions to identify and contract for a collaborative communications suite (WIMBA) in support of academic classes across the NDUS. The funding was provided from the SITS pool funds and a 24/7 outsourced help desk was provided or the benefit of the students.

- Implemented HRMS Self-Service for faculty, staff and student employees.

- Implemented TouchNet credit card processing services paid for jointly by the institutions and SITS to provide secure credit card and echeck processing in compliance with Processing Card Industry regulations. Today almost all credit card processing is handled through TouchNet. Nearly forty percent of student registrations were paid using the system by the second semester of operation and most of those took place outside normal business hours.

- A project management function and project review was established as a result of the legislation passed in the 2007 legislative session providing oversight to the NDUS of its information technology activities.

- The Microsoft Campus Agreement was enacted to reduce cost of the purchase of Microsoft software and provide consistent levels of software across the NDUS. This agreement is funded one-half from SITS pool funds and one-half by the institutions. It covers operating systems, Word, Excel, Powerpoint, and other Microsoft desktop products.

- Migrated student email to the Microsoft's Live@edu service.

- The NDUS has established a system active directory for authentication to systems.

- We contracted for Microsoft Business On-Line Processing services for mail, calendar, sharepoint and office communicator functions. This allows the consolidation of email to

Microsoft Exchange by Fall 2011. This will replace six different email systems operated on more than twenty separate email servers. There will be four exchange environments and it is expected that all email services will be migrated to a single outsourced environment over the next two years.

- We have contracted for and are providing the Respondus LockDown browser that locks down the testing environment within the learning management system. Students are loced into the assessment and are unable to print, copy, go to another site, or access other applications.
- Several version upgrades to the Library System have been made.
- Expanded the desktop virus protection software license for faculty staff and students to include spyware.
- Conducted a network and systems penetration assessment of all institutions. The assessment was conducted through both internal and external means by an outside vendor.
- Implemented organizational charting in the HRMS. If one goes to the peoplesearch.ndus.edu site, results of this effort can be seen.
- Participating with the State in the upgrade of the Oracle/Peoplesoft HRMS to version 9.1 in the Spring of 2011.

Future Critical Issues

The approval of funding and construction of the shared IT facility for NDUS and UND staffs, operations, and data center are extremely important. This facility, including the data center, has an impact on all NDUS institutions and the System Office. Should a major failure at the current data center occur, almost all NDUS operations would be impacted as many of the applications, including ConnectND, are hosted from this location.

The need for additional bandwidth to support continued growth in on-line courses, student communications, access to rich video content, high definition video classrooms, expanded use of video services in lieu of travel to meetings, and a growing dependence in offsite service delivery is essential. This is impacting not only the NDUS but K-12 and state agencies.

Adapting to the rapidly changing technology environment; incorporating mobile devices such as smartphones, iPad tablet devices, social media, and new vendors and service offerings.

There is a need for flexibility in funding allocations to respond to the rapidly changing technology environments.

HB 1003
1/14/11
attachment #3
provided by Randall Thursby

NORTH DAKOTA
UNIVERSITY SYSTEM
The Vital Link to a Brighter Future

OFFICE OF THE CIO

BUSINESS CASE

Relocation of NDUS System Information Technology Services (SITS) and UND Core Information Technology Services into One Joint Facility

Presented by:

Randall Thursby, CIO, North Dakota University System
and
Joshua Riedy, CIO, University of North Dakota

TABLE OF CONTENTS

EXECUTIVE SUMMARY 3

PROJECT DESCRIPTION 5

BUSINESS NEED/PROBLEM 5

- NDUS SITS Business Need/Problem 5
- UND Core Information Technology Services Business Need/Problem 6

RECOMMENDED SOLUTION 8

CONSISTENCY/FIT with ORGANIZATION'S MISSION 9

COST BENEFIT ANALYSIS ANTICIPATED BENEFITS 10

IMPACT of NOT IMPLEMENTING the PROJECT 11

COST ESTIMATE 12

COST/BENEFIT ANALYSIS 14

PROJECT RISKS 15

CONCLUSION 15

BUSINESS CASE

Project Title:

Relocation of NDUS System Information Technology Services (SITS) and UND Core Information Technology Services into One Joint Facility

Short Name:

NDUS-SITS/UND-Core IT Services Joint Facility – Grand Forks Site

Agency:

North Dakota University System and the University of North Dakota

Business Unit/Program Area:

NDUS System Information Technology Services (SITS) and UND Core Information Technology Services

Type of Project:

New Initiative

Date:

May 21, 2008
Revised: May 26, 2010

Version:

1.0

EXECUTIVE SUMMARY

As the University of North Dakota's and the North Dakota University System's capabilities in information technology for education, research and enterprise increases exponentially, the lack of adequate facilities to house core IT infrastructure has become ever more egregious. At UND, they are presently housed in a variety of inadequate and scattered buildings, closets and basement spaces, vulnerable to even modest acts of nature or malicious acts of human beings. The scale of risk is almost unimaginable when considering devastating events such as floods and tornadoes that are all too common in North Dakota.

The University's computing infrastructure plays a critical role in support of the University's mission, now and into the future. A key element of that infrastructure is secure and reliable space to house the rapidly growing number of servers and core services. Timely action is especially important because the

lack of modern facilities is already affecting the University's ability to support academic, administrative and research needs. More immediate is the almost uncontrolled growth of data and new technologies. A good example is the future of unmanned aircraft in the State of North Dakota. According to General Norton A. Schwartz, the Air Force's Chief of Staff, "The model for dealing with the gush of data (in the unmanned aircraft industry) is computer automation. The amount of data delivered by unmanned aircraft today should increase by 10 to 12 times within the next several years."

There are two primary reasons driving the need for a shared North Dakota University System, System Information Technology Services (SITS) and a University of North Dakota, Core Information Technology Services facility. The first is co-location of staff and the second is to remedy problems with the condition and location of the current UND Data Center.

Staffs for the NDUS SITS and UND Core Information Technology Services are located in six different buildings spread across the UND campus and off campus making it difficult to readily coordinate, cooperate and share resources. Buildings are located as much as a mile apart making it inefficient and ineffective for critical "spur of the moment" communications to take place. There is a need for ongoing discussion, planning, troubleshooting, and interaction among staff on a daily basis. At present, staffs need to schedule times, often far in advance, to meet for discussion of projects, do planning, and discuss resolutions to problems. Having staffs co-located would be an ideal solution and the ability to bring others into the conversation could be quickly accomplished.

The UND Data Center which hosts critical NDUS, SITS, and UND services is faced with a number of problems. Since it is located in the basement of Upson II, it is vulnerable to water flooding/seeping events. All data servers, data storage systems, backup systems, and network management systems are located in this location. There have been water incidents during remodeling/construction projects in and around the building. Being located in the basement of an Engineering academic building with research laboratories, a recent event exposed another major risk. A chemical spill caused the fumes to migrate to the lower level and caused the facility to be evacuated. While this type of event is not a normal occurrence, it does point to the risk of having a data center located in this type of facility. Additionally, the data center is limited in its size and its ability to be configured properly for equipment. Also, electrical power is limited while energy efficient HVAC features and enhanced security features for growth are lacking. Currently, there is no capacity to add additional technology equipment because of electrical power constraints so one must be removed from service before another is added. Some electrical power is being added in the existing location but long-term projected space and power constraints will limit usefulness.

Constructing a building designed for use by NDUS SITS and UND Core Information Technology Services would eliminate current issues impacting the data center and by bringing all NDUS SITS and UND Core Information Technology Services staff under the same roof, eliminate the "silo" effect and enhance communications, collaboration, efficiency, and management of staff. These improvements not only are necessary for maintaining present needs but also the needs of the future.

Overall, the result will attract significantly more funding for research, serve the needs of the broader university community in the State of North Dakota, and ensure the University's competitiveness and leadership role in education, research and enterprise services.

PROJECT DESCRIPTION

The purpose of this project is to bring North Dakota University System, System Information Technology Services (SITS) and the University of North Dakota, Core Information Technology Services staffs located at Grand Forks and in several buildings on and off the UND campus under one roof and within one facility. Additionally, critical issues with the data center would be resolved. It will also provide for the data center to be used as a disaster recovery site for the institutions of the NDUS.

BUSINESS NEED/PROBLEM

NDUS SITS Business Need/Problem

Currently, the North Dakota University System, SITS staff is located in two different buildings on the University of North Dakota Campus and other members of SITS are located within the North Dakota Vision Services/School for the Blind building at Grand Forks.

ConnectND Campus Solutions consists of the student information system/staff and several third-party systems/staff. Third-party systems include Ad Astra room scheduling, FAMIS facilities management, Adirondack housing management, T2 parking management, and Hobsons online application and admissions/recruitment management systems to name a few.

Campus Solutions development staff in Grand Forks, their Assistant Director and ConnectND security staff, who all report to the ConnectND Campus Solutions Director, are located at Leonard Hall on the UND campus. The Online Dakota Information Network (ODIN) Director and staff are in this same campus building.

The Grand Forks offices for the Director and staff of the Advanced Learning Technologies (ALT), formerly known as the North Dakota Interactive Video Network (IVN), are located in a UND building at 314 Cambridge. Office space in these two buildings are at or nearing capacity.

Grand Forks staff for the ConnectND Finance system, the ConnectND Campus Solutions Director and the business analysts for Campus Solutions, the Assistant to the CIO, and Enterprise Project and Portfolio Management staffs are located in the North Dakota Vision Services/School for the Blind building that is off the UND campus but has communication services provided through UND. Leased space within the North Dakota Vision Services/School for the Blind is nearing capacity. The use of information technology has grown in every industry over the past twenty years and there's no reason to believe it will stop now. As NDUS seeks to gain efficiencies and allow campuses to focus on their primary missions, it could reasonably be the case that additional services, and staff to support services, will be needed.

These buildings are all many blocks from each other making it difficult to readily coordinate, cooperate and share resources. An additional concern is a potential building lock-down situation. At times, the North Dakota Vision Services/School for the Blind has students on-site and the Grand Forks Community High School occupies part of the building. To protect students in this school environment, when a dangerous situation arises (bomb threat, irate parent threat, weapons, illegal drugs, etc.) the

building may go into a soft or hard lock-down. A soft lock-down has been experienced in previous years. In a soft lock-down, the building's outside doors are locked and no one is supposed to enter or exit the building although normal operations can continue inside the building. For a hard lock-down, the outside doors are locked so no one can enter or exit, individuals inside are required to move to the nearest classroom where the classroom door is locked, lights are turned off, and individuals are to take cover under desks or some protection away from windows or the door. Since students may be on-site over night or on weekends, we could be impacted at any time, day or night. There isn't a separate entrance to the space leased, thus the potential exists that at a future time, the lease might not be renewed due to security issues.

Other shortfalls for the space leased by Campus Solutions are the training room lacks sufficient space to conduct training and is not ADA accessible. A properly designed training room would allow for sufficient space for the instructor conducting the training, sufficient space for the students to spread out their handbooks while still allowing room for their computer, sufficient space between rows of workstations, sufficient whiteboard space viewable by all the students, and a multimedia projector mounted at ceiling level to not block the pathways as currently happens. Heating and cooling is difficult to control depending on how the space is being used. Because space in the facility is limited when campuses are requested to send their personnel over for system testing or for business process evaluations, personnel are often "packed" into rooms. Parking is insufficient depending on how many individuals are brought on-site for different meetings or testing and this is compounded when either the Community High School or the North Dakota Vision Services/School for the Blind has activities that also bring additional traffic into the parking lot.

There are 47 staff members in the Grand Forks staff of SITS, ConnectND, ODIN, and ALT with needed space for additional staff that work at the Grand Forks site weekly from Fargo. There is a real need to bring individuals who are involved with ConnectND Campus Solutions (Business Analysts, System Developers, and Security staff) together in the same area to increase efficiency and communications. For example, when customers report a performance problem the business analysts, database administrators, server administrators and programmers can quickly meet in a team room to gather data, analyze the problem, find and test solutions. Currently, each area often looks at its own area of responsibility to see where the problem(s) may be, then if they do not find resolution, e-mail, then perhaps call others singly or through a conference call and if that doesn't work, schedule a meeting sometimes hours later. They have a need for ongoing discussion, planning, troubleshooting, and interaction on a daily basis. Bringing the remaining SITS staff under the same "roof" enhances the communications, efficiency, and management of System Information Technology Services staffs. By doing so, UND would gain space in the core of the campus for other uses.

UND Core Information Technology Services Business Need/Problem

Currently UND Core Information Technology Services staffs are spread among 4 campus buildings (Upson II, Carnegie, Dakota Hall and Robertson-Sayre) and 4 floors (Upson II basement and third floor). Business needs and problems with current space include:

- The Upson II basement data center location hosts critical NDUS, SITS and UND services including ConnectND, ODIN, and UND servers, storage and related network, HVAC and UPS equipment. While basements of buildings designed for other purposes (Upson II is an Engineering academic building) were often used for computing centers decades ago, this is no longer the case. Basements are vulnerable to water flooding and seeping from rain events,

flooding, or from activities in which liquids flow to the lowest point. There have been water incidents during remodeling/construction projects in and around the building.

- Since this building is an Engineering academic building with research laboratories, the potential exists that a toxic chemical spill could occur with fumes sinking to the lowest level of the building or traveling throughout the building and forcing evacuation of the building. This type event has happened and the potential exists for it to reoccur.
- Data center is limited in size and ability to be configured for equipment operating in it today using hot and cold aisles of equipment racks, electrical power is limited, energy efficient HVAC features and enhanced security features for growth and other requirements for SITS and UND services are lacking. Currently, there is no capacity to add additional technology equipment because of electrical power constraints. Equipment must be removed before other equipment may be added. While electrical power is being added in the existing location, long term projected space and power constraints will limit usefulness.
- Separate physical locations feed into the retention of "silo" rather than a "collaborative" working environment due to the time and scheduling effort to connect with colleagues in other buildings, in one case a mile separates the sites.
- Current office/working space doesn't provide staff with sufficient space and sound barriers to concentrate and minimize conflicts. In some cases there are 2 staff members in a 10X10 area, in other cases there are many small staff cubicles with no associated sound controlled space so ad hoc meetings cause work interruptions for others in the area.
- Space is inefficient for customers who may come to one location but need to be directed to another for the service they need.
- Physical constraints in older Carnegie and Robertson Sayre buildings result in some spaces that are too large to be efficiently used while other spaces are too small and inadequate for the service.
- The UND campus has alternate plans for Carnegie space and possible expansion of academic and research components in Robertson Sayre and Upson II at the core of the campus.
- Existing computer training space is not ADA compliant and, because of retrofitting of existing space, is not well-designed or effective as a learning space.
- Discussions of providing a data center site to back up SITS services at other locations break down because of limited data center space. Due to the lack of power capacity, HVAC, and physical space, it would be difficult to add the necessary hardware and associated equipment to provide backup for other services that are hosted on other NDUS campuses. There is also a need to provide backup services for institutions that cannot be provided by the current data center. The proposed facility not only serves the need for system-lead services but the needs of the institutions as well.

However, even with the new building, UND Core Information Technology Services needs to retain a central location for some campus services that they may be readily available to prevent delays in instruction and effective use of technology and staff time. Approximately 2,000 square feet of space for twelve UND Core Information Technology Services staff and a learning lab will be provided for a satellite space.

The following table is a recap of the current building locations, number of assigned staff to the space, and the square footage of space assigned. Figures for space assigned were provided by UND Facilities.

It should be noted that space is leased from the North Dakota Vision Services/School for the Blind at a rate of $38,771 for FY'09 and FY'11whereas all other space is provided by UND at no additional cost to the NDUS.

Organization	Location	FTE Count	Sq Ft Assigned
NDUS – Campus Solutions Developers & Security	Leonard Hall	17	3,881 See Note 1
NDUS – ODIN	Leonard Hall	8	2,667 See Note 2
NDUS – IVN	314 Cambridge	6 plus 3 on site part time	2,523 See Note 3
NDUS – Campus Solutions and SITS Staffs	ND Vision Services/School for the Blind	16 plus 3 teleworkers on-site part time. Also space needed for Fargo located staff when on-site.	4,431 See Note 4 Lease for FY'09 and FY'11 $38,771 per year
UND – Data Center	Upson II	53.5 plus 3 student assistants	11,579
UND – Data Center	Upson II		2,916 included in above figure
UND – Instructional Support	Robertson/Sayre Hall	7 plus 6 student assistants	6,315 See Note 5
UND – Telecommunications	Carnegie	11	4,527 See Note 6

NOTES:
1. Includes a conference room but not other space such as bathroom or break room, etc.
2. Includes a meeting room but not other space such as bathroom or break room, etc.
3. Includes common space of conference room, break room, bathroom, and some storage space.
4. Includes conference room and a small training room.
5. Includes training room, lab/workshop, and AV equipment storage for campus distribution.
6. Includes training room (1,085 sq ft) and break room.

RECOMMENDED SOLUTION

IT Facility and Data Center

Given the aforementioned business needs and problems of both the NDUS SITS and UND Core Information Technology Services entities, it is recommended that a shared IT facility be constructed adjacent to, or on, the UND campus. The proposed facility would encompass 52,500 square feet for data center, offices, training, meeting and research computing space.

The 10,000 square feet of data center (7,500 square feet dedicated for IT equipment and 2,500 square feet for electrical and mechanical infrastructure) will be a single story and includes space for the expansion of NDUS SITS and UND Core Information Technology Services IT systems. The data center space is designed to accommodate the expanding research computing needs at UND, as well as potential economic development partnerships. An important component is the ability of the space to be modularized to meet the evolving needs of researchers. Also included in the "COST ESTIMATE" section are two alternate proposals that allow for the development of 2,500 square feet of data center space to Tier III and/or Tier IV availability standards. For Tiers III and IV, redundancies for power, data and heating/cooling are required to ensure that systems within experience not more than 1.6 hours of down-time annually. While it is anticipated that NDUS/UND will require higher standards, estimates have been established should the need arise with either existing systems or new research initiatives.

The 42,500 square feet of office, training and meeting space will cover two stories and be located adjacent to the data center space. This space will include a limited number of offices, while the remaining office space is to be modular cubicles, a lower-cost solution to house staff, yet flexible to allow for the addition of staff and collaboration amongst personnel. This space will also include a break area, smaller team meeting rooms, a larger conference room, video conferencing rooms, as well as staging and storage areas.

CONSISTENCY/FIT with ORGANIZATION'S MISSION

The IT goals and strategy for the NDUS System Information Technology Services are:

1. Improve NDUS information technology-enabled business processes and services while providing and managing resources to align with strategic goals.
    - This goal is the core that supports business processes of the institutions and the University System. We strive to deliver the most cost effective technology within available resources.

2. Support NDUS infrastructure needs.
    - This goal is the foundation for information technology in support of NDUS business processes. Infrastructure holds information technology systems together and allows systems to communicate with each other over a network such as STAGEnet. It includes such things as security and access control that is called "middleware."

3. Improve and enhance NDUS collaborative efforts.
    - Working with the state, K-12, and other constituents we are able to bring and support new and existing technologies to the state of North Dakota. Communications with stakeholders is an important factor and we must work together in making necessary information available to every administrator, faculty, staff and student across the NDUS campuses.

4. Improve and enhance North Dakota University System student learning.
    - Empower student learning and development through the use of technology. Provide a near seamless environment for learning through boundless access to information, educational, and research resources both inside and outside the classroom for all types of students from undergraduates to the life-long learners.

5. Increase North Dakota University System customer focus.
    - The North Dakota University System encourages and supports an operational environment in which characteristics of its customers – student, faculty, staff, affiliates and the residents of North Dakota – are identified, their needs are understood, relationships and expectations are effectively managed, and quality assurance is fostered for high-quality services and support.

By bringing NDUS SITS and UND Core Information Technology Services staffs located in Grand Forks together in the same facility, communications between members will be greatly increased, efficiency in providing services to the institutions will be enhanced, and economy of scale can be achieved through effective shared use of available resources.

COST BENEFIT ANALYSIS ANTICIPATED BENEFITS

The following are benefits that will be realized by bringing the NDUS SITS and UND Core Information Technology Services staffs into one facility on UND property.

- ***Benefits for NDUS SITS at Grand Forks***
  - NDUS and UND Information Technology identity.
    - Proposed building site located on UND contiguous property allowing for certain services to be provided by UND.
    - Proposed building site located near major streets making it easy for guests to locate.
    - Proposed building site located near a hotel making it easy for guests to come in for training or for instructors to stay when on-site to conduct training.
    - Reduced issues with parking as would not be located on the main core of campus where there is a need to contend with student or staff vying for limited parking.
  - Improved working conditions.
    - Having a new facility where all can work together and having a NDUS presence will increase the chances of success in hiring and retaining staff.
    - Directors will have capability to collaborate and exchange ideas more readily.
    - Elimination of the potential lock-down concern.
  - Data center capacity, efficiency and security improvements.
    - The new facility would provide sufficient space for future SITS and campus service growth.
    - Building design could prevent water seepage and leakage and could incorporate response to other potential threats.
    - Progressive security and energy efficiency design would be incorporated to improve both over the current data center.

- ***Efficiency for SITS Staff***
  - Improved morale by having a new facility where all can work together.
  - Close proximity to each other allowing for daily dialog.
  - Spur-of-the-moment communications capability.
  - No need to travel between buildings for meetings with each other.
  - Reduction in lost time finding parking on campus when meeting with campus constituents or other staff on the UND campus.
  - Eliminate need for core campus staff parking.

- ***Shared Resources***
  - Conference rooms.
  - IVN type video conference room(s).
    - Fewer systems usable for all of SITS staff at Grand Forks.
  - Training Rooms.
    - Training room with laptop computers shared by all for training purposes.

        - Instructor presentation system per room vs one for each entity.
        - Ability to have two training rooms side-by-side with a movable wall so it can be opened into one large room when necessary.
        - Ability to have rooms configurable for different training functions.
    - Office equipment and supplies.
        - Two or three larger, multimedia printer systems could be used instead of a larger number of small printers.
        - Copier supplies could be reduced with fewer multimedia printers.

- ***Benefits for UND***

    - Potential to attract significantly more funding for research.
    - Enhance the university's national role in research and enterprise services.
    - Ability to house hardware for a modern research computing infrastructure.
    - Regain on-campus space within buildings that could be used for academic departments or other departments experiencing limited space for staff. Up to 29,500 sq ft freed up.
    - Regain on-campus parking spaces used currently by staff.
    - Improve collaboration and creativity and minimize "silos" and conflicts.
    - Gain efficiencies in "right sizing" space.
    - Customers have one location to seek services rather than being directed from building to building.
    - Many of the benefits listed for NDUS above would apply to UND, especially
        - Data center capacity, efficiency and security improvements.
        - Shared resources.
        - Efficiency for staff and breaking down "silos."

IMPACT of NOT IMPLEMENTING the PROJECT

The impacts of not implementing this project are many and affect constituents differently. A major impact on ConnectND will be not having the functional Campus Solutions business analysts, technical development and security staff located together where they can troubleshoot and diagnose trouble tickets sent by campuses quickly. Delays will continue with submitted trouble tickets, modifications/customizations/enhancements to existing functionality will continue to take longer since there wouldn't be the daily, on-going discussions.

As the administrative applications change, the ability to share state ITD resources may change and the NDUS would have fewer options to handle its administrative needs without sufficient capacity. Security threats grow and change but there are limitations in what security changes can be incorporated in the existing location. Water events could disrupt services and interrupt business for an unreasonable length of time.

Directors and staffs will not have the ability to collaborate with each other as readily as they will by being in the same facility. Overall efficiencies will not be gained from staff working together. The Fargo office location for NDUS SITS staff is located under one roof and it quickly became apparent how effective this is in team building and how staff are able to work together efficiently and effectively. The "water cooler" communications effect results in problems being resolved without the lost time having to schedule meetings with other staff. The effectiveness of building a SITS and or

SITS/UND Core Information Technology Services team will not be realized without this facility as each area will remain separated and distant from the other. This can have an impact on staff morale and impact efforts for recruitment of new staff or retention of existing staff.

Office space currently is at or nearing capacity for all SITS staff at Grand Forks and the potential exists that, at either the North Dakota Vision Services/School for the Blind or one of the sites on UND's campus, we will be asked to vacate space and these problems will not go away without moving to a new or different facility. The same holds true for the UND Core Information Technology Services staff.

Additionally, UND will not gain back the use of up to 29,500 sq ft of space for academic or other departmental use in the core of the campus that would be vacated, nor would they gain back limited parking spaces in the core of the campus.

The UND Data Center will continue to experience problems with having insufficient power and HVAC capacities along with the limited space constraints of the data center. Being susceptible to toxic chemical spills from the Engineering research labs will not be eliminated. Having separate locations will continue the "silo" effect instead of a "collaborative" environment. Training room ADA compliance will not be eliminated. And, staff will need to continue working in space that was not designed for the type of work that is being done today.

When staff at the UND Data Center was asked, what would you like to see in a new data center that you do not have today (in addition to those things already identified) the following items were mentioned.

- The data center should be two rooms. Most equipment would be in one room (lights out) and a few machines that actually need human intervention and the operators would be in another.
- The room should be built so that the electricity is "modular." Conduits and circuits are positioned around the room from the power panels so that each time a new piece of gear is installed, only need to determine the plug type and won't have to wait for an electrician to string wire, etc.
- Research/get advice on making the data center more energy efficient.
- Research feasibility of a different fire suppression system as the current one is a water-based sprinkler system that adds to the risk should a leak occur. Having a separated "lights out" data center would allow for a different fire suppression method to be installed for it as personnel would not normally be in the room.
- A loading dock so that equipment being delivered wouldn't require lift gate trucks.

COST ESTIMATE

Through the utilization of preplanning funds from North Dakota's Office of Management and Budget, the University of North Dakota's office of Campus Capital Planning & Projects has compiled the following cost estimate.

Description	unit	price	budget
Site Development			
Earthwork & Striping	87,120	$ 2	$ 174,240
Imported Fill & Compaction	6,944	$ 19	$ 131,944
Storm Water Detention & Quality Pond	38,720	$ 2	$ 77,440
Underground Utilities	1,150	$ 60	$ 69,000
Utility Redundancy (Fiber & Power)	1	$ 225,000	$ 225,000
Geo-thermal Well field	200 tons		$ 395,000
sub-total			$ 1,072,624
Site Construction			
Grading	5,926	$ 14	$ 82,963
Parking lots & Road	125	$ 1,500	$ 187,500
Sidewalks & Hardscaping			$ 75,000
Site Electrical			$ 91,000
Landscaping			$ 80,000
sub-total			$ 516,463
Owner Testing & Quality Control			
Soil, Concrete, Earthwork & sitework utilities			$ 45,795
Surveying & Layout			$ 19,664
Construction Phase Inspections			$ 39,900
sub-total			$ 105,359
General Conditions for Construction	45,000	$ 4	$ 180,000
sub-total			$ 180,000
Building Construction Costs			
Office Space			
General Construction	42,500	$ 105.00	$ 4,462,500
Mechanical Construction (20 zones of gshp)	42,500	$ 22.00	$ 935,000
Electrical Construction (Base)	42,500	$ 14.00	$ 650,000
Electrical Construction (Data Center Feed)	42,500	$ 7.06	$ 300,000
Security & Fire Alarm (head end)	42,500	$ 1.50	$ 63,750
Building Systems & Noise Masking		2%	$ 120,950
sub-total		$ 153.70	$ 6,532,200
Data Center Space - Tier II (7,500 s.f.)			
(Space Designed as Tier III Enabled)			
General Construction	10,000	$ 85	$ 850,000
Raised flooring option	7,500	$ 15	$ 112,500
Mechanical Construction	7,500	$ 174	$ 1,305,000
Chiller / Dry Cooler (2+1 - 240 ton units)	7,500	$ 96	$ 720,000
Electrical Construction (1400 amps -100 watts s.f.)	7,500	$ 54	$ 405,000
UPS Backup	7,500	$ 127	$ 952,500
Generator(s)	7,500	$ 147	$ 1,102,500
Security & Fire Alarm	7,500	$ 10	$ 75,000
sub-total		$ 736.33	$ 5,522,500
Building Fixtures, Furnishings & Equipment			
Site Fixtures			$ 30,000
Office Furniture			$ 715,000

Building Maintenance Equipment			$ 25,000
Audio / Visual Equipment			$ 150,000
sub-total			$ 920,000
General Contractor / Construction Management			inc. above
Total Base Hard Costs			$ 14,849,146
SOFT COSTS / PLANNING:			
Insurance Construction - Builder's Risk			$ 30,000
Architectural, Struct., Mech., & Elect. Engineering - Basic		7.5%	$ 1,044,686
Design - Specialty (IT, Interiors, FF&E, Reimb.)		1.25%	$ 185,614
Engineering - Site / Civil		0.50%	$ 74,246
Moving Expense			$ 100,000
University Fees		2.00%	$ 296,983
Data Center Racks - 1rack/25sf @$1800/rack		50%	$ 270,000
Data Center - Server Equipment			*not included*
Contingency		5%	$ 742,457
TOTAL Soft Costs			$ 2,743,986
GRAND TOTAL			**$ 17,593,132**
Cost Alternates			
Additional Data Center Space - Tier III 2(,500 s.f.)			
General Construction	5,000	$ 124	$ 620,000
Raised flooring option	2,500	$ 15	$ 37,500
Mechanical Construction (w/ tank loop)	2,500	$ 190	$ 475,000
Chiller / Dry Cooler (2 +1 - 80 ton units)	2,500	$ 96	$ 240,000
Electrical Construction (600 amps - 150watts s.f.)	2,500	$ 94	$ 235,000
UPS Backup (2 @ 300 kw)	2,500	$ 150	$ 375,000
Generator (2 @ 400 kw)	2,500	$ 154	$ 385,000
Security & Fire Alarm	2,500	$ 15	$ 37,500
sub-total			$ 2,405,000
Data Center - Tier IV (2,500 s.f.)			
(Additional expense above Tier III cost)			
General Construction			$ 300,000
Mechanical Construction			$ 570,000
Electrical Construction			$ 160,000
sub-total			$ 1,030,000

COST/BENEFIT ANALYSIS

The cost/benefit for this project is difficult to identify, as many of the benefits may be considered intangible. The cost/benefits will be realized in increased performance and efficiency of staff, better management of resources, reduced personnel time in resolving issues, improved communications, improved morale, and an identity as NDUS. The largest benefit will be the ability to maintain current operations while ensuring a foundation for the future.

Tangible benefits will be gained by UND in regaining office space and parking spaces in the core of the UND campus. Increased capabilities and reduction of risks for the data center and its operations will also be a benefit.

PROJECT RISKS

1. Value of intangible benefits not being recognized by approval authorities.
2. Insufficient funding to proceed.
    a. Need to be mindful of existing costs that are being absorbed by UND for existing space including common space used by staff.
3. Timing of project construction.
    a. Need to be mindful of time necessary for developer to get into the ground for the building season.
    b. If not able to proceed in a timely fashion, could end up losing the possible sites proposed for a building for NDUS SITS and UND Core Information Technology Services use to some other development.
4. At any time NDUS SITS staff may be asked to vacate leased office space and no backup plan is in place.

CONCLUSION

Quality and excellent IT facilities will enable UND faculty and staff to attract significantly more funding from agencies like the National Science Foundation and the National Institutes of Health, among others. Federal research funding is dependent on the ability to house computing systems securely in modern facilities. Modern facilities are critical to enhancing the university's and the State of North Dakota's competitiveness and national role in research and enterprise services.

The proposed facility will also serve the needs of the broader university community. For instance, it will be home to e-mail systems, digital student records, business data, library administrative units. It will protect the systems and data that enable the university to operate on a day-to-day basis, and it will serve every NDUS campus across the state. This facility will also serve as the hub for the UND Research Park.

The proposed IT Facility and Data Center will protect and preserve vital university resources and will carry the university system and State of North Dakota a gigantic step closer to the digital future. It will ensure that the digital artifacts of scholarship, research, and literary and artistic creations among the North Dakota University System campuses are carefully protected. It will ensure that the computational tools that our scientists and researchers need to uncover the secrets of medicine, space, and the mysteries of universe are always available to serve UND, the North Dakota University System and the State of North Dakota.

HB 1003
February 14, 2011
Attachment #4

62ND LEGISLATIVE ASSEMBLY

SCR 4003, Senate Appropriations Committee

Northern Tier Network—North Dakota

Marc Wallman

North Dakota State University

January 20, 2011

January 20, 2011

Mr. Chairman and members of the Committee. For the record, I am Marc Wallman, Assistant Vice President for Enterprise Computing and Infrastructure at North Dakota State University. On behalf of the Northern Tier Network—North Dakota (NTN-ND) members from ND ITD, UND and NDSU, I thank you for giving us this opportunity to update you on the Northern Tier Network as well as to respond to questions you may have. Bonnie Neas, NDSU's VP for IT, who usually gives this report sends her regrets.



Figure 1: National Research and Education Network (Internet2) Circa 2003. Founding Northern Tier Member States Highlighted.

First, I would like to begin with some background information on the Northern Tier Network. The Northern Tier Network Consortium (NTNC) was established in 2003. The founding member states, highlighted on the map in Figure 1, wished to address the fact that the nation's research and education network had for years bypassed our region of the country. This lack of service to our region of our region **(1)** threatened to disenfranchise Northern Tier states from research activities, including competing for grant money, **(2)** to prevent participation in the future development of the country's research and education network, which supports local to global economic vitality.

Shortly after being founded, the NTNC received a grant from the National Science Foundation to fund an analysis of existing high capacity broadband options in the Northern Tier states as well as an analysis of the options available for deploying a dark fiber network in these states. Following the completion of the study in 2006, Northern Tier states were able to secure sufficient funding to establish an east-west connection between Seattle and Chicago. In 2007, the North Dakota Legislature committed $2,773,800 in startup funds for North Dakota's portion of this network that were added to $3.2 million of equipment contributed by the federal government via the Department of Defense

The remainder of the report will consist of the following: (1) A review of how NTN-ND has met its initial goals, (2) A review of the FY07-09 report, (3) A review of the cost comparison requested by the Interim IT Council on October 14th, 2010. (4) NTN-ND is a snapshot as it exists today.

The initial goals of the NTNC were to (1) ensure competitiveness for the region's research activities in support of its economic vitality, and (2) ensure our region's participation in the ongoing development of the nation's research and education network, which supports economic vitality. How have we done?

With regard to competitiveness in research activities, while we have certainly made important strides, I believe that we are only beginning to see the impact of the Northern Tier Network. Computational research is a growing field at UND and NDSU and the demands we see today are expected to significantly expand in the future. In the Fall of 2010, Dr. Svetlana Kilina, a computational chemist at Los Alamos National Lab, joined the faculty at NDSU. She brought with her a substantial amount of data from her previous research activities. NTN-ND reduced the time to transfer her research data from what would have been a few days before NTN-ND down to a couple of hours. This ability to quickly transfer large data sets will provide Dr. Kilina with future opportunities to share her work with potential collaborators.

The economic impacts of research activities often take time before they are fully realized. We expect NTN-ND to enable research that will contribute to our states economic vitality. In the meantime, NTN-ND has created an immediate economic impact by driving demand for high performance network capacity. Upgrades to STAGEnet metro connections have already taken place in Fargo as a result of NTN-ND. Work on NTN-ND interconnects in Bismarck is underway. We expect this demand to not only continue, but to increase with time.

With regard to ensuring our region's participation in the ongoing development of the nation's research and education network, NTN-ND has been an unqualified success. In July of 2010, the National Telecommunications and Information Administration (NTIA) awarded Internet2 $62.5 million in funding to deploy a singificant enhancements to the nation's research and education network. The NTNC was a partner in this grant submission and will play a key role in the networks deployment and ongoing operation. Further, this partnership will provide NTN-ND with improved service and reduce operating costs by approximately $300,000 per biennium. NTN-ND is now, literally, on the map.

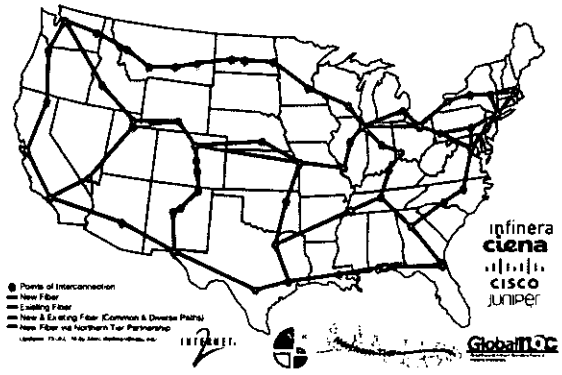


Figure 2: Internet2 Enhancements per NTIA Award

In January of 2009, NTN-ND submitted a preliminary report to the legislature, outlining activities and progress made during the 07-09 bienium. This report, along with an addendum detailing accomplishments between January 2009 and June 30, 2009 has been distributed with a copy of my testimony. Of the materials provided in this report, there are two items I would like to highlight. First is a map showing the deployment of NTN-ND and its relationship to STAGEnet, the state network operated by ND ITD. The map I have included as part of my testimony is derrived from one in the 07-09 report. It shows the routes for both the STAGEnet backbone and NTN-ND. Also included in this map is the South Dakota interconnect, which was funded by an NSF grant, jointly awarded to North Dakota and South Dakta in 2010. Returning to the relationship between STAGEnet and NTN-ND, there are several remarks I would like to make. First, the map in Figure 3 shows both STAGEnet and NTN-ND backbones. For NTN-ND, this is the whole story. It is only a backbone. STAGEnet is much more. It connects government and educational institutions across the state. There are many regional and local network links that are not pictured in this diagram. NTN-ND is part of a national backbone-only network. It does not and will not provide connectivity beyond points-of-presence indicated by the green dots on the map in Figure 3. North Dakota telecommunications companies have played and will continue to play a vital role in North Dakota's abilty to use NTN-ND.

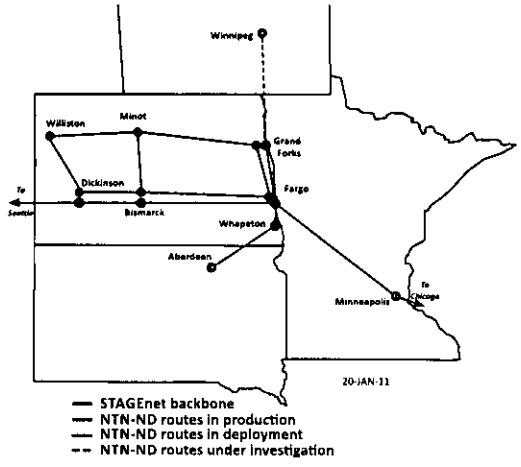


Figure 3: NTN-ND and STAGEnet

The second item that I would like to highlight from this report is the FY08 and FY09 expenditures. I have included charts illustrating FY08 and FY09 expenditures with my testimony. Most of the expenditures in 07-09 came in FY09. That year saw the transition from deployment to production. Expenses during this year included both deployment and operating costs. They were primarily for hardware and telecommunications services. No additional positions have been created at ND ITD, UND, or NDSU with NTN-ND money.

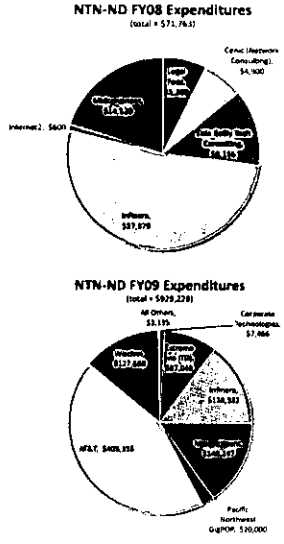


Figure 4: 07-09 Expenditures

At the October 14th, 2010 meeting of the Legislature's Information Technology Committee, there was a request that NTN-ND estimate the cost to acquire equivalent services, if the existing network were not funded. A report has been included with my testimony with this estimate. The report provides a cost comparison with a services bid submitted for an RFI in 2007. It was compared with NTN-ND annual operating costs as submitted to the State Board of Higher Education for inclusion in the University System's appropriation request for this session. This particular cost comparison suggests a tenfold increase would be required to purchase equivalent services to what currently exists in NTN-ND.

Finally, I would like to conclude with a few remarks on the current state of NTN-ND. In October 2010, Bonnie Neas submitted testimony to the Information Technology Committee that included new developments. These include the Internet2 NTIA grant, the NSF grant to connect North and South Dakota, and an NSF award to NTN-ND and the University of Washington to improve network services between Seattle and Chicago. We continue to make progress on these initiatives and expect to have substantial completion on them within 18 months.

NTN-ND Cost Comparison

Prepared January 4, 2011

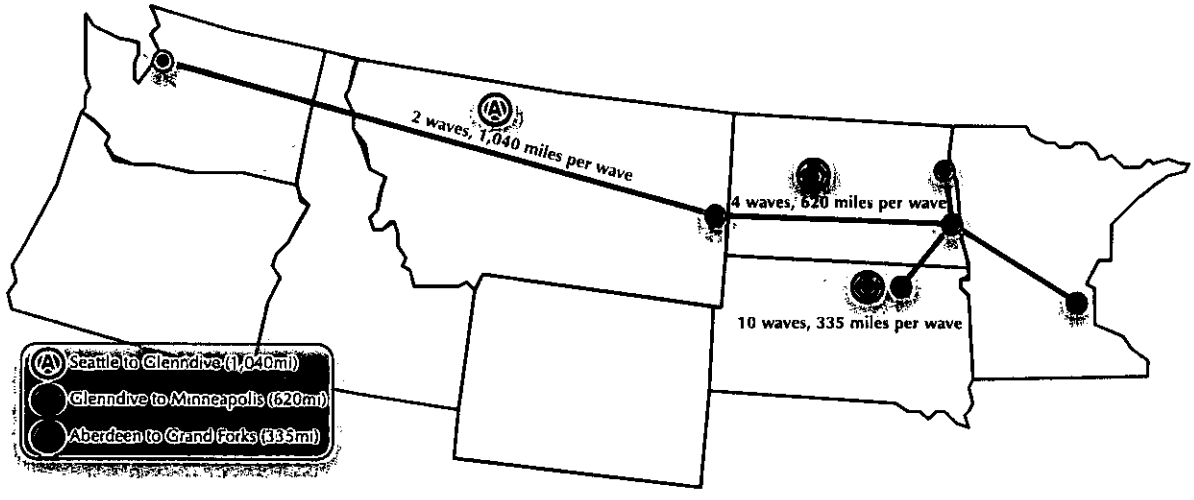
This report is provided at the request of the North Dakota Legislature's Information Technology Committee. As reflected in the minutes of the October 14, 2010 committee meeting in Bismarck, there was discussion of the possible effects of NTN-ND not receiving ongoing funding. As part of this discussion, Ms. Bonnie Neas, Vice President for Information Technology at North Dakota State University, offered to provide a report estimating costs that would be incurred by the North Dakota University System to purchase services equivalent to existing NTN-ND services.

This report provides an estimate of what would be required by the North Dakota University System to purchase services equivalent to what NTN-ND offers. The table below compares current NTN-ND operating costs as of Fall 2010, to a vendor response to an RFI for dark fiber between Fargo and Grand Forks. While the RFI was for dark fiber between Fargo and Grand Forks, one vendor provided a services based response. While dated, this was the most reliable cost data that was available.

Solution	Cost per wave mile	Wave Miles	Annual Cost
Current NTN-ND w/o Internet2 Partnership	$ 118	7,910	$ 935,700
Current NTN-ND with Internet2 Partnership	$ 99	7,910	$ 786,100
Services Model (2007 RFI Response)	$ 1,239	7,910	$9,800,490

Method of Comparison

In order to make a more accurate comparison, the costs from the 2007 vendor response were converted to the cost of one mile of a 10Gb data wave (i.e., a one 10Gbps data link). This figure was then used to calculate the cost equivalent of purchasing 7,910 miles of 10Gb links (i.e., purchasing services that are equivalent to what NTN-ND currently offers). Current NTN-ND services are also shown in the diagram below.



North Dakota University System
NDUS/UND IT Facility Program - Space Comparison
21-Jan-11

Type Space	Included in $17.6M Preplanned Site Budget & 52,500 SF	Included in $14.3M Revised Budget & 39,288 SF	Included in $11.2M Governor's Budget & 19,500 SF (See Note#1 below)	Comments: Square footage are preplanning estimates and may vary during design phase.
Office, Sheetrock Wall	16	16		Floor to ceiling sheetrocked office. Most at 150 SF per office
Office Cubicle - Leads	6	6		120 SF per cubicle
Office Cubicle - Staff	127	99 (See Note#2)		100 SF per cubicle
Data Center Tier II	7,500 SF	7,500 SF	7,500 SF	
Data Center Mech/Elec	2,500 SF	2,500 SF	2,500 SF	
SHARED SPACES				
Conference Rooms	2	0		Seating for 10 with one per floor - 350 SF per conference room
Training Rooms	2	0		Seating for 16 with removable wall between rooms - 900 SF per training room
Team Rooms 1	6	6		Hard walls, seating for 10 - 320 SF per team room
Team Rooms 2	6	6		Hard walls, seating for 4 - 140 SF per team room
Video Conference Room	1	0		Seating for 25 - 600 SF
Media Center	2	2		Area for mail, printers, supplies, etc. One per floor - 150 SF per room
Break Room	1 @ 1,400 SF	1@ 500 SF		1,400 SF reduced to 500 SF. Was to double as conferenc space
Serving Kitchen	1	0		For refrig, microwave, etc out of the way of sit down area - 150 SF
Vending	2	0		One per floor @ 100 SF for staff convenience.
Phone Room	2	0		Private calls for staff with one per floor - 50 SF
Telecom Equipment Storage	1	0		Telecom equipment and wire storage - 400 SF
Data Center Equipment Storage	1	1		Data Center storage in association with Data Center - 600 SF
Desktop Eq Storage/Staging	1	1		Desktop Computing storage/staging - 1,500 SF
Work Rooms - Setup & Configuration	2	0		IVN & Network Services eq configuration/testing prior to being installed. - 300 SF
Loading Dock/Receiving	1	1		300 SF
Custodial Rooms	4	2		One per 15,000 SF in $14.3 budget - 60 SF
Communications Wiring Rooms	2 @ 280 SF ea	1 @ 250 SF		Were 280 SF each reduced to one 250 SF
Restrooms	2 Pair	2 Pair		Code would drive quantity - 360 SF
New Mother's Room	1	0		60 SF
General Storage	3	3		160 SF per room
Mechanical/ Electrical	1	2		240 SF per room, additional one will double as part communications wiring room

Notes:

#1: Governor's budget includes 19,500 SF of space. 7,500 SF for data center and 2,500 SF for data center mechanical/electrical eq. Remaining 9,500 SF space to be determined.

#2: Numbers in RED indicate reductions from the $17.6M budget.

HB 1003
February 14, 2011
Attachment # 5

Prepared by the Legislative Council staff
for House Appropriations - Education and
Environment Division
February 11, 2011

LISTING OF PROPOSED CHANGES TO HOUSE BILL NO. 1003
(Approved by House Appropriations - Education and Environment Division on February 11, 2011)

Department - North Dakota University System

Proposed funding changes:

	FTE	General Fund	Special Funds	Total
University System Office Ongoing Funding Changes				
1 Remove funding included in the executive budget recommendation related to 2007-09 carryover amounts for the following programs:				
System governance		($276,862)		($276,862)
Student financial assistance grant program		(553,546)		(553,546)
Scholars program		(343,242)		(343,242)
Native American scholarship program		(1,175)		(1,175)
Education incentive program		(89,650)		(89,650)
Professional student exchange program		(244,398)		(244,398)
System information technology services		(55,332)		(55,332)
Total		($1,564,205)	$0	($1,564,205)
2 Remove increased funding for the EPSCOR program to provide total funding of $7,050,000		($1,650,000)		($1,650,000)
3 Remove funding to be distributed to institutions based on performance		($5,000,000)		($5,000,000)
4 Remove funding for tribal college assistance grants and adjust Section 11 accordingly (funding is provided from the permanent oil tax trust fund)			($1,000,000)	($1,000,000)
University System Institutions Ongoing Funding Changes				
5 Remove funding to limit tuition increases		($6,640,563)		($6,640,563)
6 Remove equity funding distributions to campuses		($10,000,000)		($10,000,000)
7 Remove funding included in the executive recommendation for STEM teacher education enhancement that was originally added by the 2009 Legislative Assembly		($1,500,000)		($1,500,000)
Total proposed ongoing funding changes		($26,354,768)	($1,000,000)	($27,354,768)

413 10.0-3
Attachment #6
Handout #1
2/14/11

One-Time Funding Changes			
8 Remove funding of $4,302,624 provided to campuses to pay off special assessment balances and provide funding of $787,231 to campuses for estimated 2011-13 special assessment payments	($3,515,393)		($3,515,393)
9 Remove funding for the Dickinson State University Stoxen Library project	($8,800,000)		($8,800,000)
10 Add funding for the State College of Science diesel technology building project	$10,500,000		$10,500,000
11 Remove funding for the Valley City State University Rhoades Science Center project	($7,971,000)		($7,971,000)
12 Add funding for the Williston State College workforce training building project	$225,000	$2,000,000	$2,225,000
Total proposed one-time funding changes	($9,561,393)	$2,000,000	($7,561,393)
Total proposed funding changes	($35,916,161)	$1,000,000	($34,916,161)

Other proposed changes:

1 Add a section to allow the Department of Commerce to continue up to $4,335,000 of unspent 2009-11 biennium funding for the Great Plains Energy Research Center into the 2011-13 biennium and transfer the funding to Bismarck State College for the National Energy Center of Excellence 4th floor remodeling project. This will not have an appropriation effect. (approved by committee on February 10)

2 Authorize Williston State College to issue $2 million of revenue bonds for the workforce training building project.

HB1003
February 14, 2011
Attachment #3

Current FTE Positions by Function	
Unit	**FTE**
SITS	
Office of the CIO	3.0
Acad, Res, & Learn Tech	3.0
Advanced Learning Tech	10.0
ODIN (Library Services)	8.5
CND - Exec Dir	1.0
CND - Student System	30.5
CND - Financials	9.0
CND - HRMS	10.0
CND - Security	3.0
Total	**78.0**
UND	**30.0**
NDSU	**20.0**
Total	**128.0**

HB1003
NDUS
2/14/11
Handout

NORTH DAKOTA
UNIVERSITY SYSTEM

Access - Technology

December 2010

System Information Technology Services (SITS)

System Information Technology Services provides secure information management and technology services to North Dakota University System students, faculty, staff, and state residents. SITS links academic and business services with the NDUS community, connecting users to the information and educational resources they need to accomplish their goals.

System Information Technology Services is responsible for a wide portfolio of technology activities in support of the North Dakota University System. During the 2009-11 biennium, that portfolio was aligned to meet the goals of the State Board of Higher Education and the needs of the institutions. A strategic vision for the future was plotted, recognizing that services must be connected and integrated to meet the needs in an Internet-connected world.

The SITS office is led by the NDUS Chief Information Officer (CIO), who is responsible for providing overall leadership, vision, strategy, management and accountability for system-wide information technology services. Working with the institutions, the CIO is responsible for carrying out the following NDUS information technology goals:

- Support University System infrastructure needs
- Improve information technology-enabled business processes and services while providing and managing resources to align with University System goals
- Improve and enhance student learning and customer focus
- Improve and enhance collaborative efforts

SITS departments include:

- **Office of the CIO:** Provides administrative support to SITS; leads enterprise project planning and portfolio management; and oversees contract management, software site licenses, and IT Security.
- **ConnectND:** ConnectND is a unit of System Information Technology Services that manages and operates enterprise administrative software for the University System. The core systems of ConnectND are Oracle PeopleSoft Enterprise Financials, Human Capital Management, and Campus Solutions (student administration); the first two managed jointly with state government. Additional systems and business functions supported by ConnectND include data warehousing, student housing, parking, room scheduling, on-line credit card payments, on-line student recruitment/admission

For More Information Contact:
Randall Thursby, *Chief Information Officer*
701.231.6326 Randall.Thursby@ndus.edu

System Information Technology Services (cont.)

applications, facilities management, timekeeping, international tax treaty compliance, organizational charting and emergency notification.

- **Academic, Research and Learning Technologies (ARLT):** Encompasses IT services that support the academic, research and learning missions of the NDUS institutions via the following areas:
  - **Advanced Learning Technologies (ALT):** Provides support for the Interactive Video Network and other video and audio conferencing services, WIMBA web conferencing collaborative software, Moodle learning management software, and other related academic technologies.
  - **Online Dakota Information Network (ODIN):** Provides library automation services to the NDUS institutions, the State Library, and numerous state agency, K-12 and public libraries.
  - **Higher Education Computer Network (HECN):** Provides system-wide support and infrastructure services, including help-desk, wide-area networking in conjunction with the State ITD, and other academic and research support services via service level agreements with North Dakota State University and the University of North Dakota.
- **North Dakota University System Online (NDUSO):** Reporting to the NDUS Vice Chancellor for Academic and Student Affairs, NDUSO is a system-wide collaboration, providing access to all online degree and certificate programs that are available from the NDUS institutions.

The responsibilities and activities of each SITS department are explained more fully on separate pages of the Resource Guide.

For More Information Contact:
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Attachment #2
2/14/11
HB1003
From Randall Thursby

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

Budget History
System Information Technology Services
Prepared By Randall Thursby
Chief Information Officer

System Information Technology Services

Budget History

Prepared for House Appropriations Education and Environment Committee

February 14, 2011

Overview

The information contained in this document is intended to provide a snapshot of the budget history of the System Information Technology Services (SITS) and notes to help explain the changes. Also included are the System Information Technology Services NDUS legislative guide pages as background on the activities and services of the office.

Some key points for consideration are:

- The 07-09 biennial budget reflects a substantial increase thanks to the funding provided by the governor and the legislature to address critical problems in the ConnectND system including the addition of 11.5 FTE positions from appropriated funds. A total of only thirteen positions have been added overall since 05-07.

- The 09-11 biennial budget reflects an overall decrease due to the expiration of one-time funds that were provided in conjunction with the ConnectND improvement plan.

- System technology services are provided by North Dakota State University and the University of North Dakota through service level agreements (SLA),and directly by SITS. The services provided by NDSU and UND were, until the past few years, known as the Higher Education Computer Network (HECN) services. The service level agreements began with the current biennium.

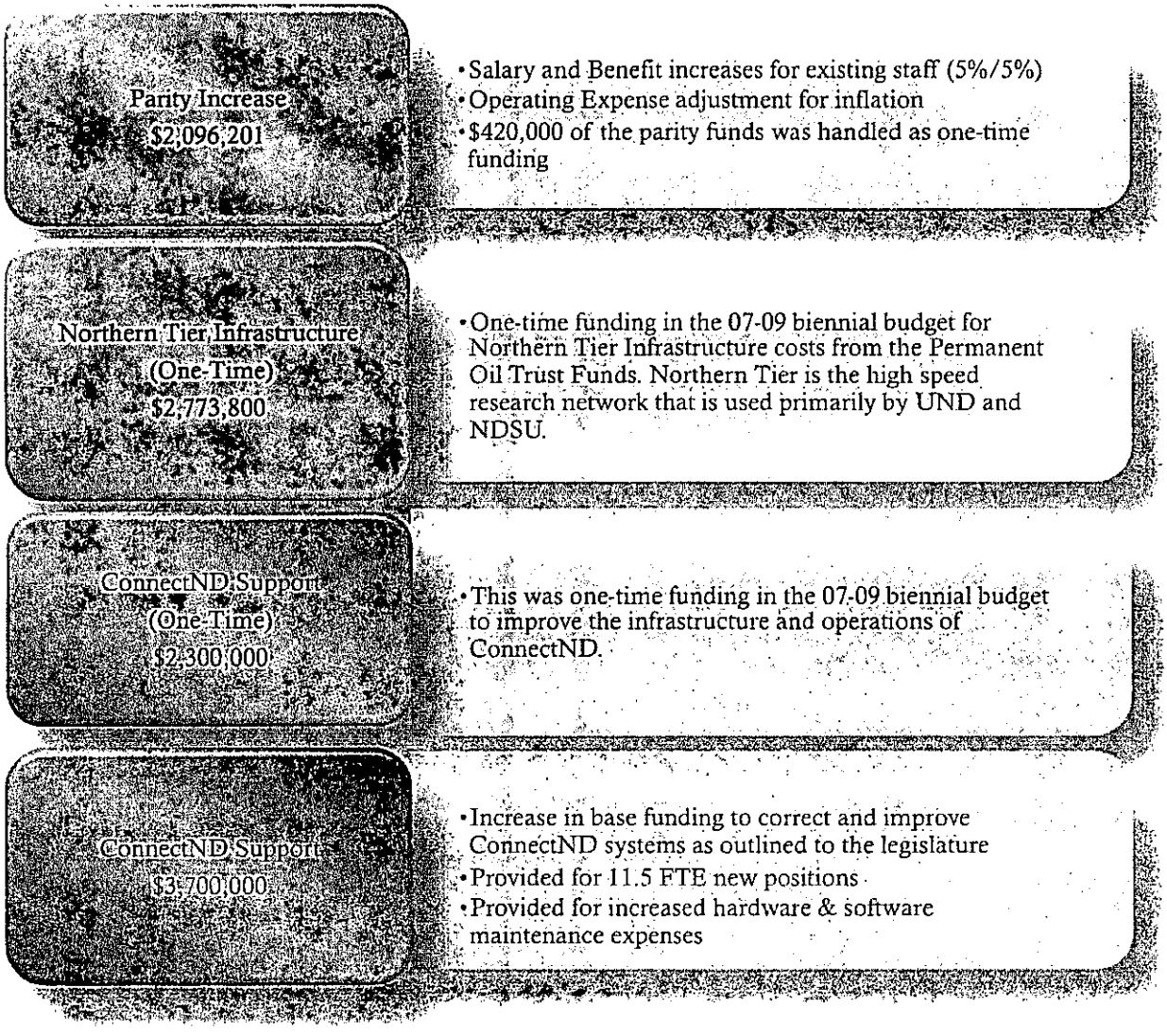
- In this biennium all SITS staff were consolidated in the budget at NDSU so that all employees follow the same personnel guidelines, receive the same benefits, and have the same guidelines for salary increases. Previously managers had personnel under budgets at two different institutions that required different processes based upon the personnel policy and salary guideline differences. The personnel processes are provided by NDSU through a service level agreement.

- Significant improvement to services have occurred outside ConnectND and these have been accomplished by directing resources from lower priority activities to higher priority activities, operating more efficiently, and leveraging the talent at the institutions through committee and pilot projects. Some of these improvements will be highlighted later.

- We are continuing to explore and plan for consolidation and efficiency in technology operations. Key areas being reviewed are: 1.) telecommunicatons; learning management systems; virtualized servers and desktop support; document imaging; and identity management.

State Allocation Changes

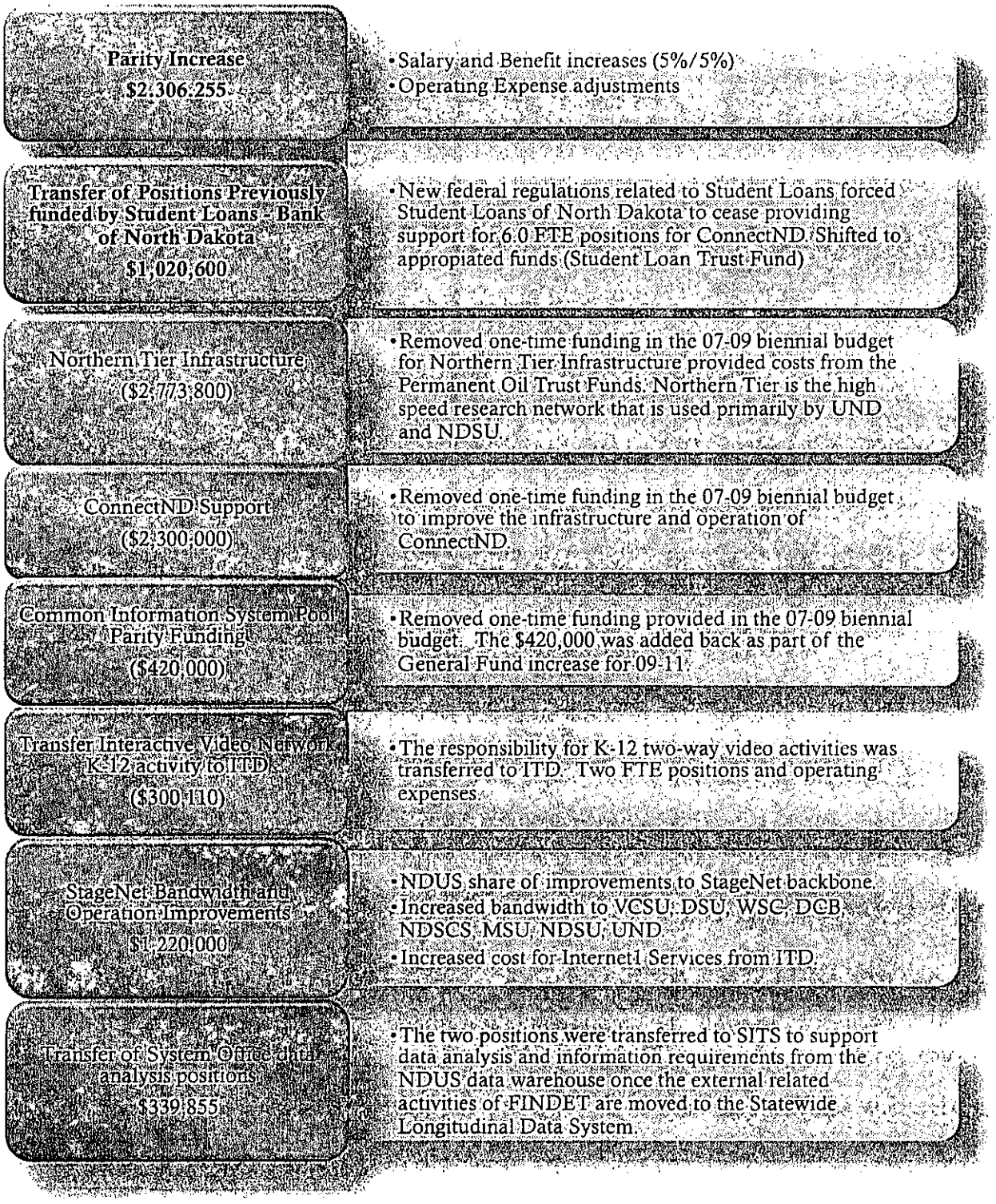
07-09 Appropriation Increase $10,870,001



- Thanks to the funding provided by the legislature the NDUS was able to stabilize and improve ConnectND services in line with the recommendations made to the SBHE, Governor and Legislature.
- ConnectND Student Fee of $82 has not been increased since 2006.

State Allocation Changes

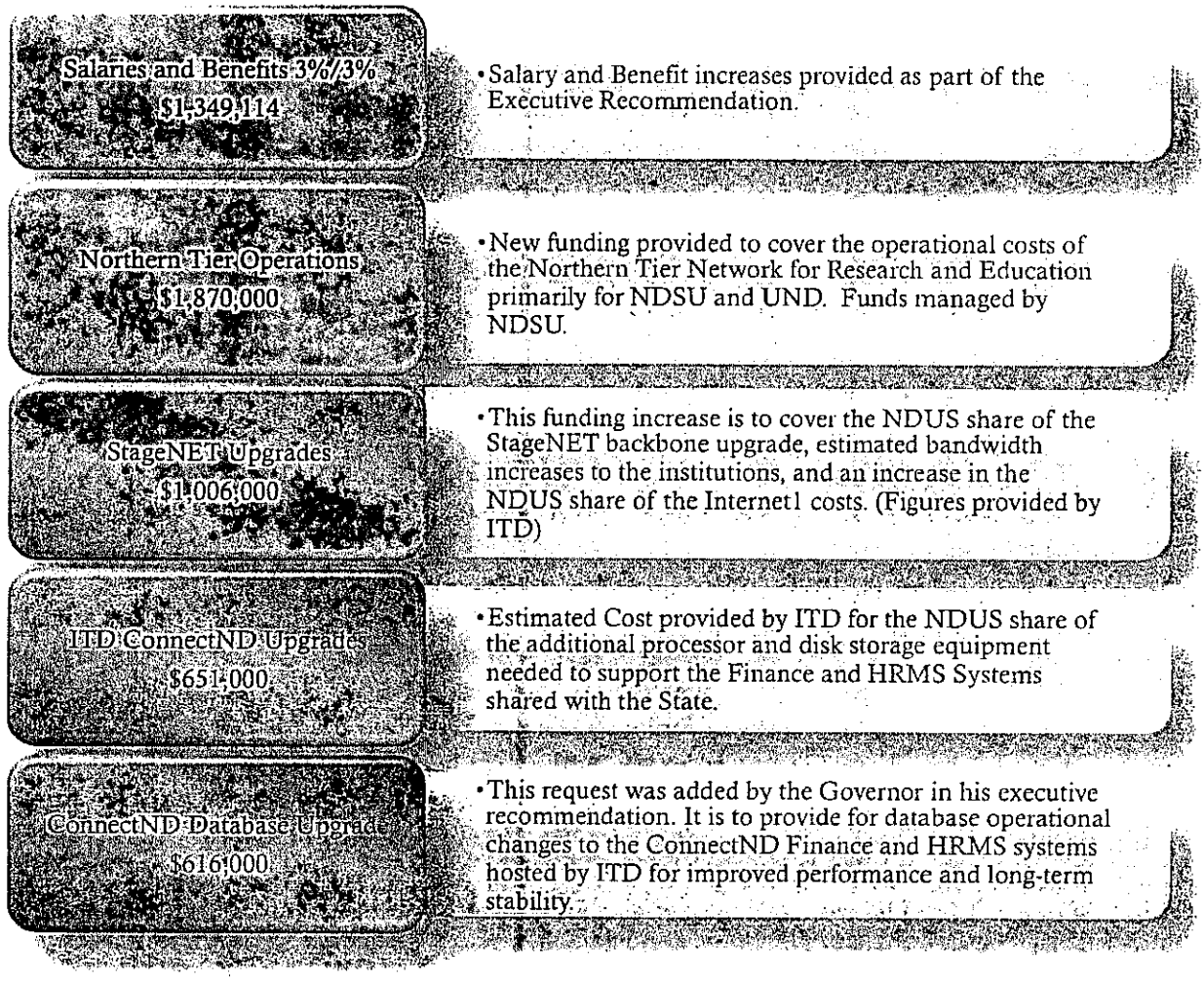
09-11 Appropriation Decrease ($907,000



- Funding decrease is a result of the removal of one-time funds.

State Allocation Changes

Increase 11-13 Executive Recommendation $5,492,114



- Funding was **NOT** provided for any operational increases for on-going operations in the Governor's recommended budget and this, along with the continued increase in software and hardware maintenance costs, will have an impact on the services provided to the NDUS.
- The estimated increase in operational costs for ongoing activities for the 09-11 biennium provided by ITD that are not associated with the items above is estimated at $240,000. The figure was provided by ITD and is to cover their increased cost for personnel, software and hardware maintenance increases, etc.
- The NDUS will have increased costs from hardware and software vendors for maintenance and those increases must be absorbed along with the increased costs from ITD. The overall estimate is between $450,000 and $600,000. This will necessitate some changes in services and will

impact current position funding levels and services from NDSU and UND. Without state funding the only alternative is to increase charges to the NDUS institutions to cover all or part of the difference or to modify services provided.

History of FTE Positions

Biennium	SITS		UND		NDSU		Total
	Appropriated	Non-Appr	Appropriated	Non-Appr	Appropriated	Non-Appr	
05-07	40	25	23.5	5	20.5	1	115
07-09	48.5	26.5	26	4	20	1	126
09-11	57.5	20.5	26	4	20	0	128

07-09 Biennium (Increase of 11 FTE positions)

- A total of 11.5 new positions were authorized and funded to address needs in ConnectND.
  - The business analysts and developers were provided for under the SITS appropriation (9.0 FTE)
  - The data center positions were provided to UND to support (2.5 EFT)
- One .5 FTE position was moved from NDSU to the SITS budget. This position was the primary liaison for interaction with the institutions on services from HECN-S (NDSU). Within SITS the role of the position was refined and made a 1.0 FTE position that not only retained coordination responsibilities for services from HECN-S but also the position has responsibility for overall academic, research, and learning technology efforts.
- A position within the On-line Dakota Information Network (ODIN) library services unit, funded through local funds from member libraries, was moved from the data center budget at UND directly under the ODIN budget within SITS.
- Two positions (2.0 FTE) were transferred to ITD as part of the shift in K-12 video support from the NDUS SITS to ITD.
- Added 1.0 FTE position, half from ConnectND appropriated funds and half from local ODIN funds, to provide an administrative position for ConnectND and ODIN support in Grand Forks. Previously there was no office support for the twenty-one staff located in Leonard Hall.

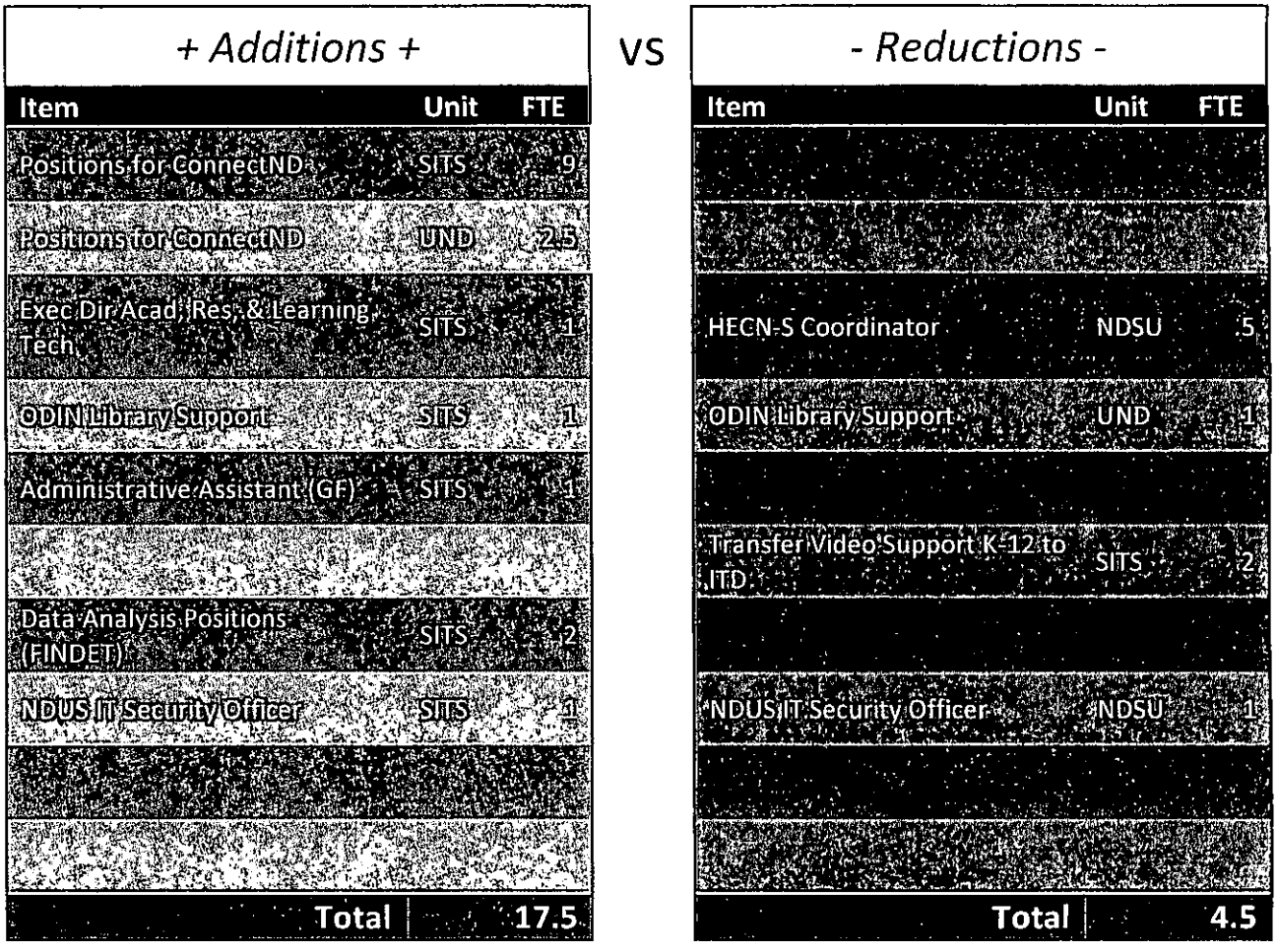
09-11 Biennium (Increase of 2.0 FTE positions)

- A total of 6.0 FTE previously funded through Student Loans of North Dakota (division of Bank of North Dakota) were replaced by funding from the Student Loan Trust Fund. This is a shift from non-appropriated to appropriated funds.
- Two positions associated with the FINDET office were transferred from the System Office budget to SITS. This was to begin shifting their responsibilities for data analysis from FINDET for internal and external purposes to the NDUS data warehouse as it became

operational and the external FINDET activities were shifted to the State Longitudinal Data System.

- One position, the NDUS Information Technology Security Officer, was moved from the NDSU budget to the SITS budget. NDSU has their own IT security officer. Bonnie Neas, VP for Information Services at NDSU, and I agreed that moving the position to SITS would more appropriately align the position with its system-wide responsibilities.

Change in FTE Positions 2007-2011



+ Additions +		
Item	Unit	FTE
Positions for ConnectND	SITS	9
Positions for ConnectND	UND	2.5
Exec Dir Acad, Res, & Learning Tech	SITS	1
ODIN Library Support	SITS	1
Administrative Assistant (GF)	SITS	1
Data Analysis Positions (FINDET)	SITS	2
NDUS IT Security Officer	SITS	1
Total		17.5

VS

- Reductions -		
Item	Unit	FTE
HECN-S Coordinator	NDSU	5
ODIN Library Support	UND	1
Transfer Video Support K-12 to ITD	SITS	2
NDUS IT Security Officer	NDSU	1
Total		4.5

A total of thirteen new positions have been added to SITS since 05-07. Of those, 11.5 FTE were as a result of the ConnectND improvements funded by the legislature in 2007 and two were from moving positions to more strategically align them with the NDUS data warehouse rather than separate FINDET data collection and reporting systems. Another 2.5 FTE were reallocated in conjunction with discussions with NDSU and UND and two positions were transferred to ITD to better align services in support of K-12 two-way video.

Significant Improvements in Services

Significant improvement in services have taken place since the 05-07 biennium. With the exception of ConnectND funding and funding for Network Services these improvements have occurred through redirecting resources within SITS. We are constantly analyzing operations for ways we can make improvements by shifting resources from lower priority to higher priority projects. We seek input from the institutions on services to better align our operations with their needs.

Some of these are:

- Upgraded over thirty video units at the institutions to high definitions capability. A request was made for one-time funding to the governor and legislature in 07-09 to upgrade these units that were over five years old. The funding was not provided so resources were reallocated internally to cover the costs. Maintaining the operation of the two-way video units was critical to support of many programs.

- Implemented a Moodle (open-source) learning management service and established support for the project. To date four institutions have moved from proprietary systems to the SITS supported services. The students and faculty have access to a 24/7 outsourced help desk.

- Worked with the institutions to identify and contract for a collaborative communications suite (WIMBA) in support of academic classes across the NDUS. The funding was provided from the SITS pool funds and a 24/7 outsourced help desk was provided or the benefit of the students.

- Implemented HRMS Self-Service for faculty, staff and student employees.

- Implemented TouchNet credit card processing services paid for jointly by the institutions and SITS to provide secure credit card and echeck processing in compliance with Processing Card Industry regulations. Today almost all credit card processing is handled through TouchNet. Nearly forty percent of student registrations were paid using the system by the second semester of operation and most of those took place outside normal business hours.

- A project management function and project review was established as a result of the legislation passed in the 2007 legislative session providing oversight to the NDUS of its information technology activities.

- The Microsoft Campus Agreement was enacted to reduce cost of the purchase of Microsoft software and provide consistent levels of software across the NDUS. This agreement is funded one-half from SITS pool funds and one-half by the institutions. It covers operating systems, Word, Excel, Powerpoint, and other Microsoft desktop products.

- Migrated student email to the Microsoft's Live@edu service.

- The NDUS has established a system active directory for authentication to systems.

- We contracted for Microsoft Business On-Line Processing services for mail, calendar, sharepoint and office communicator functions. This allows the consolidation of email to

Microsoft Exchange by Fall 2011. This will replace six different email systems operated on more than twenty separate email servers. There will be four exchange environments and it is expected that all email services will be migrated to a single outsourced environment over the next two years.

- We have contracted for and are providing the Respondus LockDown browser that locks down the testing environment within the learning management system. Students are loced into the assessment and are unable to print, copy, go to another site, or access other applications.
- Several version upgrades to the Library System have been made.
- Expanded the desktop virus protection software license for faculty staff and students to include spyware.
- Conducted a network and systems penetration assessment of all institutions. The assessment was conducted through both internal and external means by an outside vendor.
- Implemented organizational charting in the HRMS. If one goes to the peoplesearch.ndus.edu site, results of this effort can be seen.
- Participating with the State in the upgrade of the Oracle/Peoplesoft HRMS to version 9.1 in the Spring of 2011.

Future Critical Issues

The approval of funding and construction of the shared IT facility for NDUS and UND staffs, operations, and data center are extremely important. This facility, including the data center, has an impact on all NDUS institutions and the System Office. Should a major failure at the current data center occur, almost all NDUS operations would be impacted as many of the applications, including ConnectND, are hosted from this location.

The need for additional bandwidth to support continued growth in on-line courses, student communications, access to rich video content, high definition video classrooms, expanded use of video services in lieu of travel to meetings, and a growing dependence in offsite service delivery is essential. This is impacting not only the NDUS but K-12 and state agencies.

Adapting to the rapidly changing technology environment; incorporating mobile devices such as smartphones, iPad tablet devices, social media, and new vendors and service offerings.

There is a need for flexibility in funding allocations to respond to the rapidly changing technology environments.

HB1003
ND University System
2/14/11
Handout

FTE Adjustments

The FTE positions listed for the following entities under the control of the State Board of Higher Education were adjusted in accordance with:

2009-11 Biennium

Section 8 of Senate Bill No. 2020 (2009): FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. The board of higher education may adjust or increase full-time equivalent positions as needed for the entities in section 1 of this Act, subject to availability of funds. The board shall report any adjustments to the office of management and budget prior to the submission of the 2011-13 budget request.

	2009-11 Legislative Authorization	Adjusted FTE Level	Variance
627 Upper Great Plains Transportation Institute	53.95	52.30	(1.65)
628 Branch research centers	97.26	95.49	(1.77)
630 North Dakota State University Extension Service	268.63	255.75	(12.88)
638 Northern Crops Institute	11.20	11.00	(0.20)
640 Main Research Center	352.39	329.26	(23.13)
649 Agronomy Seed Farm	3.00	3.00	0.00
Total	**786.43**	**746.80**	**(39.63)**

2007-09 Biennium

Section 6 of House Bill No. 1020 (2007): FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. The board of higher education is authorized to adjust or increase full-time equivalent positions as needed for the entities in section 3 of this Act, subject to availability of funds. The board shall report any adjustments to the office of management and budget prior to the submission of the 2009-11 budget request.

	2007-09 Legislative Authorization	Adjusted FTE Level	Variance
627 Upper Great Plains Transportation Institute	43.40	51.95	8.55
628 Branch research centers	97.86	95.56	(2.30)
630 NDSU Extension Service	260.46	266.33	5.87
638 Northern Crops Institute	11.20	10.20	(1.00)
640 Main Research Center	348.88	347.39	(1.49)
649 Agronomy Seed Farm	3.00	3.00	0.00
Total	**764.80**	**774.43**	**9.63**

2005-07Biennium

Section 6 of Senate Bill No. 2020 (2005): FULL TIME EQUIVALENT POSITION ADJUSTMENTS. The board of higher education is authorized to adjust or increase full-time equivalent positions as needed for the entities in section 3 of this Act, subject to availability of funds. The board shall report any adjustments to the office of management and budget prior to the submission of the 2007-2009 budget request.

	2005-07 Legislative Authorization	Adjusted FTE Level	Variance
627 Upper Great Plains Transportation Institute	48.50	41.40	(7.10)
628 Branch research centers	77.41	87.26	9.85
630 NDSU Extension Service	266.10	256.86	(9.24)
638 Northern Crops Institute	8.62	10.20	1.58
640 Main Research Center	340.05	345.08	5.03
649 Agronomy Seed Farm	2.97	3.00	0.03
Total	**743.65**	**743.80**	**0.15**

HB 1003
Feb. 18. 2011
Attachment 1

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

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TO: Chairman Jeff Delzer and members of the House Appropriations Committee

FROM: William Goetz, Chancellor

DATE: February 15, 2011

RE: Impact of Proposed Amendments to HB1003

Following the House Appropriations Education and Environment Division meeting yesterday on proposed changes to HB 1003, I asked staff to prepare a summary for me of the division's proposed changes and impacts. I thought it important to share the attached summary with the full committee prior to the committee reviewing and taking action on HB 1003. If committee members have questions, do not hesitate to give me a call at 328-2963.

Attachment

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House Appropriations E&E Proposed Changes to HB1003, February 14, 2011

Budget Initiative	House Proposed Action	Impact
	BASE FUNDING	
PSCoR	Remove $1.650 million increase (leaves $7.050 base)	Potential inability to access $2.23 million in external grant opportunities
Completion-based funding (performance)	Remove $5.0 million increase proposed by Governor	Delay implementation of budget allocations based on performance until at least the 2013-15 biennium
Tribal College Asst. Program	Remove $1.0 million from permanent oil tax trust fund ($700,000 09-11 base plus $300,000 11-13 increase)	Annual per pupil payment to tribal colleges for non-beneficiary students would be eliminated
College Affordability (limit tuition rate increases)	Remove increase of $6,640,563	Result in potential annual estimated tuition rate increases as follows: • BSC 1.7% ($731,556) • LRSC 1.7% ($200,540) • WSC 4.2% ($214,161) • UND 3.3% ($1,676,738) • SOMHS 4.1% ($571,224) • NDSU 3.5% ($1,858,284) • NDSCS 3.7% ($604,037) • DSU 2.3% ($48,128) • MaSU 3.0% ($41,839) • MiSU 3.8% ($439,621) • VCSU 3.8% ($148,884) • DCB 2.6% ($105,550)
Equity Funding	Remove increase of $10 million	Eliminate funding in campus budgets to be allocated for institutional needs and priorities; and, eliminate ability to move campuses closer to their peer benchmark target. • BSC $543,985 • LRSC $219,139 • WSC $166,667 • UND $2,459,984 • SOMHS $591,552 • NDSU $4,698,999 • NDSCS $166,667 • DSU $472,867 • MaSU $166,667 • MiSU $180,142 • VCSU $166,667 • DCB $166,667
Teacher STEM Education Funding Enhancement	Remove base funding of $250,000 allocated to each teacher ed program in 2009-11: UND, NDSU, DSU, MaSU, VCSU and MiSU	Eliminate programs and initiatives already in place to enhance STEM teacher education and competitiveness, including: • DSU: STEM Coordinator, math/science tutors, K-12 outreach activities, summer STEM camp, workshops for teachers and teacher ed candidates • MaSU: Asst. STEM Coordinator, K-12 and community outreach activities , STEM College for

		Kids (K-8th grade), teacher workshops • MiSU: STEM website and other resources for K-12 teachers teachers (STEM content materials, best practices) • NDSU: Engineering/Education faculty position, STEM Graduate Fellows to work with K-12 teachers in schools, expanded summer camps (grades 4-6) • UND: GeoDome theater, a portable dome, used for K-12 outreach ; preparation of teachers and teacher candidates to use GeoDome in the classroom • VCSU: K-12 workshops, outreach and certification , professional development (including LEGO teaching curriculum) for K-12 teachers, higher education faculty, and teacher candidates
NDUS Office Carryover		
Student Financial Asst. Grant (needs-based aid)	Remove base funding from 07-09 carryover of $553,546	Reduce the number of projected new grants awarded from 7,300 to 7,100 per year, @ $1,500 each; or from 9,100 to 8,900 @$1,200 each
Student Financial Asst. Grant (needs-based aid)	Remove base funding from 07-09 carryover of $553,546 and estimated 09-11 carryover of $2 million	Reduce the number of projected new grants awarded from 7,300 to 6,500 per year, @ $1,500 each; or from 9,100 to 8,075 @$1,200 each
Scholars Program	Remove base funding from 07-09 carryover of $343,242	Reduce the number of projected new freshmen scholarships awarded from to 65 to 53 per year
Scholars Program	Remove base funding from 07-09 carryover of $343,242 and estimated 09-11 carryover of $358,600	Reduce the number of projected new freshmen scholarships awarded from to 65 to 36 per year
Native American Scholarship Program	Remove base funding from 07-09 carryover of $1,175	No material effect. Also, no anticipated carryover from 09-11
Education Incentive Program (Teacher Ed Loan Forgiveness, STEM Loan Forgiveness and Doctoral Programs)	Remove base funding from 07-09 carryover of $89,650	No effect due to mandated built-in carryover from 09-11, as required in Sec 29 of SB2003 (2009)
Education Incentive Program (Teacher Ed Loan Forgiveness, STEM Loan Forgiveness and Doctoral Programs)	Remove base funding from 07-09 carryover of $89,650 and estimated 09-11 carryover of $330,697. Section 29 of SB2003 (2009) required that the NDUS Office make new STEM loan forgiveness awards in 09-11 to ensure adequate carryover to 2011-13 to continue the	Estimated overall program shortfall of $298,000 to continue funding the existing cohorts and to add the same number of new cohorts that were added in 09-11. Furthermore, unable to meet mandates as required per Sec. 29 of SB2003 (2009) related to the STEM Loan Forgiveness Program slot requirements, unless funding is shifted from the Teacher Shortage or Doctoral programs. If programs are reduced on a prorated basis: Teacher Shortage Loan Forgiveness-131 new slots instead of 158 per year @ $1,000; STEM Loan Forgiveness-150

House Appropriations E&E Proposed Changes to HB1003, February 14, 2011

	program with approximately the same number of new awards in 2011-13.	new slots instead of 193 per year, @ $1,500 and doctoral program-$237,000 instead of $260,000
Professional Student Exchange	Remove base funding from 07-09 carryover of $244,398	No effect on 11-13 awards, as not all of the 11-13 appropriation was anticipated to be spent based on about the same number of new slots as 09-11
Professional Student Exchange	Remove base funding from 07-09 carryover of $244,398 and estimated 09-11 carryover of $464,900	Reduce the number of projected new freshmen slots per year as follows: Vet Med from 7 to 5; Dentists from 7 to 4; Optometrists from 8 to 4
ONE-TIME FUNDING		
Special Assessments	Remove increase of $4.3 million to pay off special assessments	• BSC $900,000 • UND $281,013 • NDSU $2,319,700 • NDSCS $125,851 • MaSU $392,493 • VCSU $283,567
Special Assessments	Add funding of $787,231 for 11-13 principal and interest payments	• BSC $225,000 • UND $97,146 • NDSU $272,683 • NDSCS $59,473 • MaSU $84,513 • VCSU $48,416
SU Stoxen Library-*ot on SBHE priority list for 11-13*	Remove funding increase of $8.8 million	Delay completion of Phase I addition to Stoxen Library
VCSU Rhoades Science Center	Remove funding increase of $7.971 million	Delay completion of renovation and addition to Rhoades Science Center
NDSCS Bisek Hall (diesel technology bldg.)—*not on SBHE priority list for 11-13*	Add $10.5 million	Proceed with addition project
WSC Workforce Training Center Addition	Add $225,000 in general fund and $2.0 million in revenue bond authority	Proceed with completion of project
BSC National Energy Center of Excellence, Fourth Floor Completion	Add $4,335,000 previously allocated to Dept. of Commerce in 09-11 biennium for Bismarck Great Plains Applied Energy Technology Center, not utilized	Proceed with completion of project
UND/NDUS Joint IT Building Construction	Add $3.1 million in general fund (total of $14.3 million)	Proceed with completion of project at reduced level recommended by SBHE

Does not include the loss of $276,862 in base funding from 07-09 carryover in the NDUS Office or $55,332 in SITS carryover.

A

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TO: Members, Senate Appropriations Committee

FROM: William Goetz, Chancellor, North Dakota University System

DATE: March 17, 2011

RE: Additional Follow-up to the Senate Appropriation hearings

As indicated in correspondence to committee members March 14, the office was finalizing information on "What is the total research dollars contributed to UND and NDSU?" That information is now available and being provided to committee members, see attachment #1

Committee members are also being provided information from Lake Region State College in follow-up to their hearing with the committee on a prioritized list of the Small to Medium Capital Projects, see attachment #2.

And, lastly, Senator Holmberg requested information on the STEM Initiative, see attachment #3.

If there are additional questions, give me a call at 328-2963.

xc: Members, State Board of Higher Education
Members, Chancellor's Cabinet

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The following schedules include all awards sponsored by external entities, and would include research, public service and some instructional programs. Approximately 75-80% of UND's totals, and about 75% of NDSU's were categorized as "research."

UND's Summary of External Restricted Awards by Source
FY2005 - FY2009

Source of Funding	FY05 Amount	%	FY06 Amount	%	FY07 Amount	%	FY08 Amount	%	FY09 Amount	%
Federal	$57,247,631	84.03%	$63,410,392	76.51%	$71,210,466	79.86%	$64,579,829	73.58%	$64,725,890	72.43%
State/Local (all states i.e. MN, SD, MT, ND)	$2,367,217	3.47%	$7,645,146	9.22%	$5,045,409	5.66%	$10,714,017	12.21%	$8,450,214	9.46%
Foundation/Non-Profit	$466,901	0.69%	$1,507,949	1.82%	$2,650,921	2.97%	$3,435,093	3.91%	$3,587,760	4.01%
International Sponsors		0.00%	$15,000	0.02%	$513,225	0.58%	$1,070,380	1.22%	$1,930,835	2.16%
Private Industry	$6,643,368	9.75%	$10,028,385	12.10%	$9,709,260	10.89%	$7,916,896	9.02%	$10,670,515	11.94%
Voluntary Health Sponsors		0.00%	$275,000	0.33%	$44,000	0.05%	$54,800	0.06%	$2,800	0.00%
Other	$1,405,572	2.06%		0.00%		0.00%		0.00%		0.00%
Total	$68,130,689	100.00%	$82,881,872	100.00%	$89,173,281	100.01%	$87,771,015	100.00%	$89,368,014	100.00%

	FY2005	FY2006	FY2007	FY2008	FY2009
Federal	$57,247,631	$63,410,392	$71,210,466	$64,579,829	$64,725,890
Non-Federal	$10,883,058	$19,471,480	$17,962,815	$23,191,186	$24,642,124
	$68,130,689	$82,881,872	$89,173,281	$87,771,015	$89,368,014

NDSU's Summary of External Restricted Awards by Source
FY2005 - FY2009

Source of Funding	FY05 Amount	%	FY06 Amount	%	FY07 Amount	%	FY08 Amount	%	FY09 Amount	%
Federal	$64,238,851	85.13%	$49,274,892	71.00%	$54,154,449	81.12%	$53,076,489	78.05%	$57,604,675	78.52%
State/Local (all states i.e. MN, SD, MT, ND)	$3,445,506	4.57%	$12,376,469	17.83%	$7,239,240	10.84%	$9,419,667	13.85%	$8,140,807	11.10%
Foundation/Non-Profit	$1,518,008	2.01%	$3,552,459	5.12%	$1,593,844	2.39%	$1,133,667	1.67%	$2,265,290	3.09%
Business/Industry	$3,736,226	4.95%	$1,198,920	1.73%	$1,079,086	1.62%	$858,089	1.26%	$1,639,322	2.23%
Commodity	$2,117,902	2.81%	$2,143,995	3.09%	$2,387,304	3.58%	$3,377,863	4.97%	$3,569,249	4.86%
Other	$399,039	0.53%	$853,403	1.23%	$301,597	0.45%	$135,267	0.20%	$147,323	0.20%
Total	$75,455,532	100.00%	$69,400,138	100.00%	$66,755,520	100.00%	$68,001,042	100.00%	$73,366,666	100.00%

	FY2005	FY2006	FY2007	FY2008	FY2009
Federal	$64,238,851	$49,274,892	$54,154,449	$53,076,489	$57,604,675
Non-Federal	$11,216,681	$20,125,246	$12,601,071	$14,924,553	$15,761,991
Total	$75,455,532	$69,400,138	$66,755,520	$68,001,042	$73,366,666

Note: Multi-year awards are recorded in the year they are received.

Attachment #1

The following schedules include all awards sponsored by external entities, and would include research, public service and some instructional programs. Approximately 75-80% of UND's totals, and about 75% of NDSU's were categorized as "research."

UND's Summary of External Restricted Awards by Source
FY2005 - FY2009

Source of Funding	FY05 Amount	%	FY06 Amount	%	FY07 Amount	%	FY08 Amount	%	FY09 Amount	%
Federal	$57,247,631	84.03%	$63,410,392	76.51%	$71,210,466	79.86%	$64,579,829	73.58%	$64,725,890	72.43%
State/Local (all states i.e. MN, SD, MT, ND)	$2,367,217	3.47%	$7,645,146	9.22%	$5,045,409	5.66%	$10,714,017	12.21%	$8,450,214	9.46%
Foundation/Non-Profit	$466,901	0.69%	$1,507,949	1.82%	$2,650,921	2.97%	$3,435,093	3.91%	$3,587,760	4.01%
International Sponsors		0.00%	$15,000	0.02%	$513,225	0.58%	$1,070,380	1.22%	$1,930,835	2.16%
Private Industry	$6,643,368	9.75%	$10,028,385	12.10%	$9,709,260	10.89%	$7,916,896	9.02%	$10,670,515	11.94%
Voluntary Health Sponsors		0.00%	$275,000	0.33%	$44,000	0.05%	$54,800	0.06%	$2,800	0.00%
Other	$1,405,572	2.06%		0.00%		0.00%		0.00%		0.00%
Total	$68,130,689	100.00%	$82,881,872	100.00%	$89,173,281	100.01%	$87,771,015	100.00%	$89,368,014	100.00%

	FY2005	FY2006	FY2007	FY2008	FY2009
Federal	$57,247,631	$63,410,392	$71,210,466	$64,579,829	$64,725,890
Non-Federal	$10,883,058	$19,471,480	$17,962,815	$23,191,186	$24,642,124
	$68,130,689	$82,881,872	$89,173,281	$87,771,015	$89,368,014

NDSU's Summary of External Restricted Awards by Source
FY2005 - FY2009

Source of Funding	FY05 Amount	%	FY06 Amount	%	FY07 Amount	%	FY08 Amount	%	FY09 Amount	%
Federal	$64,238,851	85.13%	$49,274,892	71.00%	$54,154,449	81.12%	$53,076,489	78.05%	$57,604,675	78.52%
State/Local (all states i.e. MN, SD, MT, ND)	$3,445,506	4.57%	$12,376,469	17.83%	$7,239,240	10.84%	$9,419,667	13.85%	$8,140,807	11.10%
Foundation/Non-Profit	$1,518,008	2.01%	$3,552,459	5.12%	$1,593,844	2.39%	$1,133,667	1.67%	$2,265,290	3.09%
Business/Industry	$3,736,226	4.95%	$1,198,920	1.73%	$1,079,086	1.62%	$858,089	1.26%	$1,639,322	2.23%
Commodity	$2,117,902	2.81%	$2,143,995	3.09%	$2,387,304	3.58%	$3,377,863	4.97%	$3,569,249	4.86%
Other	$399,039	0.53%	$853,403	1.23%	$301,597	0.45%	$135,267	0.20%	$147,323	0.20%
Total	$75,455,532	100.00%	$69,400,138	100.00%	$66,755,520	100.00%	$68,001,042	100.00%	$73,366,666	100.00%

	FY2005	FY2006	FY2007	FY2008	FY2009
Federal	$64,238,851	$49,274,892	$54,154,449	$53,076,489	$57,604,675
Non-Federal	$11,216,681	$20,125,246	$12,601,071	$14,924,553	$15,761,991
Total	$75,455,532	$69,400,138	$66,755,520	$68,001,042	$73,366,666

Note: Multi-year awards are recorded in the year they are received.

Attachment #1

Meyer, Terry

›m: McDonald, Cathy
Sent: Monday, March 14, 2011 4:18 PM
To: Meyer, Terry
Subject: FW: Small to Medium Capital Projects - priority order

Terry,

This is from LRSC, regarding a request during their hearing. Please include with the packet of information for Senate Appropriations. Thanks.

Cathy

From: Kenner, Corry
Sent: Monday, March 14, 2011 2:56 PM
To: McDonald, Cathy
Cc: Bower, Mike; Lunday, Bobbi; Jorgenson, Donald
Subject: Small to Medium Capital Projects - priority order

Hi Cathy,
The Senate Appropriations Committee (Sen. Robinson, I believe) asked LRSC to provide a prioritized list of the Small to Medium Capital Projects (all roofing projects in LRSC's case). Here is the prioritized list:

1) Library roof $120,000
2) Support Services roof $162,464
3) Student Union roof $152,033
4) Erlandson Technical Center roof $200,880 (see note below)
5) North Hall roof $128,464
6) Business & Science Wing roof $207,824
7) Academic Wing roof $103,912

Total = $1,075,577

NOTE: $200,880 for the Erlandson Technical Center roof was the amount submitted to the SBHE and included in the request to the Legislature. However, I just noticed the amount in Tab 11 of our presentation to the Appropriations Committee lists an amount of $200,000 in error. The total of $1,075,577 for all roofing projects is the correct amount that was submitted to the Legislature and was also the total listed in our presentation materials. The $200,000 for the Erlandson Technical Center roof was a typo in our presentation materials.
Corry

Corry G. Kenner, CPA
VP for Administrative Services
Phone: 701-662-1505
Fax: 701-662-1591
PLEASE NOTE NEW EMAIL ADDRESS:
Corry.Kenner@lrsc.edu

STEM

Prepared by the North Dakota university System Office
March 2011

Background Regarding STEM Initiative

The State Board of Higher Education's original 2009-11 budget request included $4 million to support initiatives targeted to enhancing instruction in Science, Technology, Engineering, and Mathematics (STEM). In the final version of SB 2003 (Higher Education Budget Bill, 2009), $1.5 million was allocated to the State Board of Higher Education for this purpose:

> **SECTION 28. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS TEACHER EDUCATION ENHANCEMENT.** The sum of $1,500,000 included in the science, technology, engineering, and mathematics teacher education line item in subdivision 1 of section 1 of this Act must be used for the benefit of institutions under the control of the state board of higher education, as determined by the board. Funding allocations are to be used to enhance the use of science, technology, engineering, and mathematics in existing teacher education program curriculums and may not be used for infrastructure projects.

Process

As a result of this legislative provision, the State Board of Higher Education invited the six eligible institutions (Dickinson State University, Mayville State University, Minot State University, NDSU, UND, and Valley City State University) to submit proposals outlining a STEM initiative based upon criteria consistent with the legislative language. The criteria required: enhancing existing teacher education programs in Science, Technology, Engineering, and/or Mathematics; developing and/or enhancing partnerships with K-12 schools; and defining quantifiable objectives and measurable outcomes.

Each institution was informed that it would be eligible to receive up to $250,000 in STEM teacher education enhancement funding for its proposed initiative provided its written proposal clearly addressed all criteria. All six institutions submitted proposals which were reviewed and determined to meet the criteria. Each of the requests was for approximately $250,000.

The State Board of Higher Education approved the allocation of $250,000 to each of the six universities on September 17, 2009, following submission of relevant and satisfactory proposals. The Board's motion also stated that "Funding must be used as described in campus proposals, and investments in facilities are prohibited. Furthermore a progress report, including implementation status and accomplishments to date, must be submitted to the NDUS office by Fall 2010."

Results

All institutions submitted a preliminary progress report as of June 30, 2010 to the NDUS office. This was followed by a more complete report in November 2010. The attached document offers a detailed outline of each institution's project goals and results to date. The results include: increased collaboration among P-16 schools, educational agencies, pre-service teachers and businesses (DSU); participation of over 900 area youth in STEM events at MaSU; development of an interactive website with STEM content as a resource for K-12 teachers (MiSU); 200 middle and high school level students directly impacted by graduate/undergraduate STEM majors serving in the classroom as STEM Fellows (NDSU); summer workshops and classroom use of the GeoDome for astronomy instruction involving

local teachers, students, and teacher candidates (UND); and 360 K-12 educators, 470 K-12 students and over 100 pre-service teachers involved in STEM educational experiences (VCSU).

Current Status

All six institutions are continuing their initiatives involving K-12 schools, students, and teacher professional development through June 30, 2011. The attached document is a compilation of project updates along with presentations given by the institutional representatives at a statewide STEM Conference sponsored by the NDUS on November 19, 2010. In addition to college and university personnel, this event included representation from K-12 education as well as from businesses that have been involved with these STEM activities. "Next steps for the project" and "Outcomes available this time next year" are addressed by each institution in its project update.

Continued funding at the same level is needed to realize the full benefits of the outstanding STEM work that has begun during the current biennium and to sustain the difference these programs are making in the education of North Dakota's students and teachers. Today's investment in STEM education will reap future benefits as students gain the critical thinking and creative skills that will help North Dakota's businesses remain globally competitive.

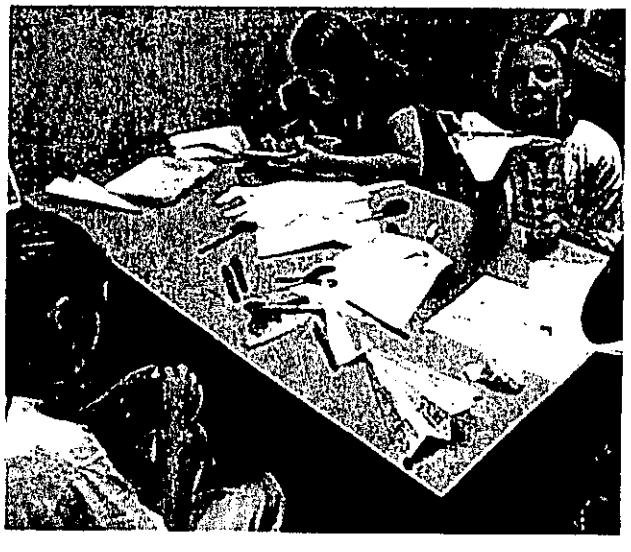
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STEM Synergy: Enhancing STEM Education and Engaging Stakeholders

Conference Summary

November 19, 2010



NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

Table of Contents

STEM Synergy: Agenda 1

STEM Synergy: Background 2

Dickinson State University 3

Mayville State University 9

Minot State University 20

North Dakota State University 25

University of North Dakota 34

Valley City State University 36

North Dakota University System

STEM Synergy: Enhancing STEM Education and Engaging Stakeholders

November 19, 2010

8:30 a.m. – 4:30 p.m.

North Dakota Heritage Center, Lecture Rooms A & B

GOALS:

- Encourage cross-communication and discussion of STEM education among the six universities and with K-12 and CTE educators and representatives of business/industry
- Identify substantive results/outcomes to date from each STEM project, including emerging best practices and lessons learned
- Recognize how each project is leading to better STEM education and preview outcomes that will be available to educators (K-12 and higher education)
- Strengthen connections among STEM initiatives and consider development of networks supporting STEM education across North Dakota

8:30 a.m. - 8:45 a.m.	Welcome by NDUS Chancellor William Goetz
8:45 a.m. – 9:30 a.m.	Keynote Speaker – Caroline McEnnis, Teaching Institute for Excellence in STEM (TIES)
9:30 a.m. – 10:15 a.m.	STEM Teacher Education Project Updates by: Valley City State University – Don Mugan North Dakota State University – Donald Schwert Minot State University – Stephen Hayton
10:15 a.m. – 10:30 a.m.	Dialogue with Audience
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 11:30 a.m.	STEM Teacher Education Project Updates by: Dickinson State University – Karen Nelson University of North Dakota – Mark Guy, Timothy Young, Cindy Grabe Mayville State University – Sarah Konschak
11:30 a.m. – 11:45 a.m.	Dialogue with Audience
11:45 a.m. – 12:30 p.m.	Networking Lunch
12:30 p.m. – 1:45 p.m.	Engaging Stakeholders: A Conversation with Education and Business Leaders – Amy Axtman, RESP (Roughrider Educational Services Program) Director Kris Keller P.E., Endeavor Engineering LLC Tabatha Joyce, STEM Center Assistant Principal, West Fargo School District
1:45 p.m. – 2:00 p.m.	Break
2:00 p.m. – 4:00 p.m.	Sustaining the Momentum: Developing a Plan to Move STEM Education Forward in North Dakota – Caroline McEnnis, TIES
4:00 p.m. – 4:30 p.m.	Concluding Comments

STEM SYNERGY: ENHANCING STEM EDUCATION AND ENGAGING STAKEHOLDERS

Background

SENATE BILL 2003 (2009 SESSION)

SECTION 28. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS TEACHER EDUCATION ENHANCEMENT. The sum of $1,500,000 included in the science, technology, engineering, and mathematics teacher education line item in subdivision 1 of section 1 of this Act must be used for the benefit of institutions under the control of the state board of higher education, as determined by the board. Funding allocations are to be used to enhance the use of science, technology, engineering, and mathematics in existing teacher education program curriculums and may not be used for infrastructure projects.

§

As a result of this legislative provision, the State Board of Higher Education approved the allocation of state general funds to the six NDUS institutions with teacher education programs on September 17, 2009 following submission of acceptable proposals: Dickinson State University, Mayville State University, Minot State University, North Dakota State University, University of North Dakota, and Valley City State University.

In developing these STEM initiatives, the universities focused on the following criteria:

- Enhance existing teacher education programs in Science, Technology, Engineering and/or Mathematics
- Develop and/or enhance partnerships with K-12 schools
- Include measurable, quantifiable objectives and outcomes
- Report on progress in Fall 2010
- Participate in a STEM Best Practices conference in Fall 2010 that leads to preparation of a system report

Representatives of all six NDUS universities joined colleagues representing North Dakota K-12 education, Career and Technical Education, and the business community for the STEM Synergy Conference held on November 19, 2010. The following pages present the project updates and accomplishments described by each of the institutions at that event.

North Dakota University System

STEM Teacher Education Enhancement Grants

Dickinson State University

November 2010

1. What are the goals of your STEM Project?

a. Provide support and opportunities for current and future educators to strengthen content knowledge in math and science so that they may better prepare their students for whichever path they may choose. Emphasis is placed on providing real-world applications to classroom concepts.
b. Excite and engage students in the areas of science, technology, engineering and math so that they may pursue further study and careers in those areas.
c. Align mathematics and science curriculum across grade levels and districts to better prepare students for post high school endeavors. (Mathematics – 2010/11, Science – 2011/13)

2. What individuals/organizations/groups/businesses external to the university are your key partners?

a. RESP – Roughrider Educational Services Program
b. Schools/Districts: Billings County, South Heart, New England, Dickinson Public, Glen Ullin, Hettinger, Mott/Regent, Richardton-Taylor, Marmarth and Central Elementary (Slope County), Belfield, Beach, Hebron, Dickinson Catholic Schools, Hope Christian Academy, Halliday, Killdeer, Lone Tree (Golva), and Twin Buttes.
c. RACTC – Roughrider Area Career and Technology Center
d. Endeavor Engineering – Kris Keller and Chuck Olsen
e. NDSU Extension Center
f. Early Childhood Center
g. Other businesses and individuals who participated in providing STEM offerings: Shawn Soehren from the City of Dickinson, Ashwin Ramamurthy from MI Swaco, Killdeer Mountain Manufacturing, SolarBee, Fisher Industries, Steffes Corporation, Southwest Water Authority, Kadrmas Lee and Jackson, Red Trail Energy, US Army Corps of Engineers, Dakota Westmoreland, Great Plains Synfuels, Great River Energy

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

a. Relationships and/or partnerships between P-16 schools and between schools and businesses will be forged and strengthened enabling a sustainable support system or network that provides educators with the most current information and methods to implement improvements.
b. P-16 curriculums will be more closely aligned between schools, grades and the business industry needs to better prepare students for which ever path they may chose.
c. P-16 students and educators will have an increased number of quality opportunities resulting in increased participation and engagement. Examples: Professional development opportunities centered on the most current STEM content and research-based methodology, upper level STEM classes for high school students and exploratory opportunities for all.
d. P-12 teachers and pre-service teachers will have the content knowledge and support needed to better engage and prepare students for continued study and careers in STEM fields.
e. The number of students pursuing STEM related fields of study and careers, including science and math educators, will increase.
f. The need for remediation will decrease and the number of students enrolling in upper level

STEM courses will increase.

g. The teacher education student's experience will be improved by incorporating additional real-world opportunities both in and out of the classroom.
h. Students will have an increased awareness of STEM careers; especially STEM careers available in this area.

4. What are the most significant results/outcomes to date?

a. Increased opportunities for collaboration between P-16 schools, educational agencies, pre-service teachers and businesses.

A committee composed of twenty-three P-16 educators from across southwest North Dakota came together to: 1. Share what districts are currently doing with mathematics curricula, 2. Offer insight to other districts from their curriculum work, 3. Identify common needs and determine if there are across-district line efforts that might be beneficial for educators and students. The committee identified several opportunities in mathematics education. Many districts have the same identified needs in mathematics including common areas of concern and an overall need for advanced mathematics programming for students who excel. Dickinson State University submitted a Math-Science Partnership grant proposal based largely on the research and findings of the committee. The proposal which was approved in October will greatly expand quality professional development opportunities for K-16 educators and pre-service teachers.

DSU, RESP, RACTC and local schools districts are combining resources to better provide needed professional development events that are complementary. A January in-service day for southwest North Dakota will focus on the productive use of technology in the classroom.

Local professionals from the community have contributed to delivering professional development for educators and presentations for K-16 students. This participation initiated relationships which resulted in additional presentations to schools by local businesses outside of the STEM Initiative.

b. Increased opportunities in STEM education.

Since January 2010, the DSU STEM Initiative offered: eight short workshops for teachers and pre-service teachers, 3 two-day seminars, 3 six-day institutes, 11 in-class presentations for P-16 students, a 6th-9th grade summer engineering camp, and science day on campus for high school students.

1st Annual Engineering Camp - Dickinson vocational technology educators Erwin VanVeldhuizen and Scott Hoffmann along with mechanical engineer Kris Keller and RESP's Sandy Bertelsen guided 36 students in engineering challenges July 19-20, 2010. Students also explored engineering in our community at SolarBee, Steffes, Southwest Water Authority's water treatment plant and Fisher Industries. Guest speakers included City of Dickinson civil engineer, Shawn Soehren and MI Swaco chemical engineer, Ashwin Ramamurthy.

c. Increased P-16 student and teacher participation: -270 educators, 164 DSU students and 792 southwest North Dakota K-12 students participated in the STEM funded activities.

5. What best practices for STEM teaching and learning are emerging?

a. Providing hands-on activities and trans-disciplinary problem solving challenges not only engages students but experienced educators as well.
b. Collaborative opportunities are critical in identifying and implementing new methods. The best resources and programs will fail without the needed support for educators.
c. Real-world examples and work with professionals provides students and educators a sound application for concepts learned in the classroom.

6. What are some lessons learned as a result of your work this past year?

a. The possibilities are only limited by resources. Collaboration between entities and combining resources has the potential to expand the possibilities exponentially.
b. A reliable and effective method to disseminate information is critical to the success of any program.
c. There are countless resources available in STEM education. A program to identify which are most appropriate and relevant for this area would be beneficial.
d. Everyone struggles for time. There is little room in the school day to incorporate more into the curricula. Educators are in need of proven programs that better engage students and yield higher achievement.

7. What are the next steps for your project?

a. Continue to build and strengthen the network of educators and business professionals to better provide continued quality STEM professional development to P-16 educators and to provide expanded STEM related opportunities to P-16 students.
b. Continue to provide collaborative opportunities to educators, students and the business community.
c. Articulation and alignment of science curriculum in southwest North Dakota.
d. Create professional development opportunities centered on ongoing STEM research and field experiences. Programs will be connected to current ND K-12 standards and benchmarks. These programs will be designed to enhance the teaching of problem solving skills and higher order thinking skills needed in STEM fields of study and careers.
e. Offer STEM summer camps for elementary students.
f. Create opportunities for STEM focused activities and competitions for high school students that include business professionals as well as quality educators.
g. Develop expanded availability of support (tutoring) services to local and distance learners through the use of technology.
h. Address the needs identified by the math committee and other research efforts by implementing the Mathematics and Sciences Partnership (MSP) programs. The programs will provide resources, enhanced content knowledge and ongoing support to better equip educators to prepare students in mathematics and other STEM areas.

8. What outcomes will be available this time next year?

a. A well-developed network composed of K-16 schools, businesses and other agencies will be established.
b. The number of schools, P-16 educators and students that participate in quality STEM programs will increase.
c. Mathematics and Science curricular exit and entrance expectations will be more closely articulated and aligned between high school exit and university entrance levels.

d. DSU faculty and students will offer at least eight STEM learning activities for P-12 teachers and students during the year.
e. Participating educators will strengthen their content knowledge as measured by self-evaluation and/or other instruments.

Dickinson State University STEM Initiative

October 2009 – December 2009

Science Wonders Classroom Presentations – 2 sessions for Jefferson Elementary classes

Bungee Jumping Classroom Presentations – 3 sessions presented to classes at Lincoln Elementary classes

2010 Events

January

90 minute educator workshops:

Take the Plunge

20 Hands-On Science Experiments

Exploring Glaciers

February

Bungee Jump Exploration class presentation – New England Public School

STEM Education Challenge – special presentation for Teacher Education students

Science Meets the Winter Olympics class presentation - Trinity Elementary East and Trinity Elementary West

March

Math Curriculum Articulation and Alignment Committee 1st meeting

Dr. P's Science Show class presentation – Lincoln Elementary

DSU Science Olympiad – 15 schools from southwest North Dakota

April

Dr. P's Science Show class presentation – Lincoln Elementary

STEM Education Challenge Part II – special presentation for Teacher Education students

Math Curriculum Articulation and Alignment Committee 2nd meeting

June

Exploring, Digging Deeper, and Interacting with Mathematics - 4 day institute for educators and pre-service teachers

K-8 Science Institute – 6 day institute for educators and pre-service teachers

July

Math Curriculum Articulation and Alignment Committee 1st and 2nd workdays

Learning Beginning Programming with Alice – 2 day educator seminar

2010 DSU Engineering Camp – 2 day camp for 6th – 9th grade students

K- 6 STEM Institute – 6 day institute for educators and pre-service teachers

Chernobyl – 2 day seminar for educators (held in conjunction with the DSU/Ukrainian Cultural Institute Chernobyl Symposium

August

Understanding Electricity - 2 day educator seminar

Energy Resources of North Dakota - 2 day educator seminar

October

Math Curriculum Articulation and Alignment Committee 3rd meeting

Electricity and Magnetism – afternoon activity series and presentations for all Dickinson Public Schools 6th graders

November

Science Collegial Study Group 1st meeting

Math Collegial Study Group 1st meeting

Golden Eagle Presentation by Dr. Anne Marguerite Coyle, DSU Assistant Professor of Biology

DSU STEM & MSP Upcoming Activities

On-Demand Classroom Presentations

1. *Science Wonders* by DSU science students and Dr. Ken Pierce, Associate Professor of Chemistry
2. *Raptors* presented by Tabitha Berglund, Wildlife Biologist and senior teacher education student

December

8 - Science Collegial Study Group
15 - Math Collegial Study Group

January

12 - Science Collegial Study Group
17 - RESP/WRTC Spring In-service
19 - Math Collegial Study Group
26 - Math Curriculum Committee Meeting

February

9 - Science Collegial Study Group
16 - Math Collegial Study Group

March

1 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #1 Number Sense with Addition and Subtraction
2 - ***Supporting Teachers for Classroom Success: Coaching*** 1st session
8 - ***DSU Science Olympiad***
9 - Science Collegial Study Group
16 - Math Collegial Study Group
30 - Math Curriculum Committee Meeting

April

12 - Math Curriculum Committee Meeting
13 - Science Collegial Study Group
20 - Math Collegial Study Group

May

10 - ***Building the Foundation for Success in Algebra—Grades 4-9 :*** #2 Number Sense with Multiplication and Division
11 - ***Supporting Teachers for Classroom Success: Coaching*** 2nd session
12 - Science Collegial Study Group
18 - Math Collegial Study Group

June

2011 STEM Engineering Camp
1 - Math Curriculum Committee Workday
7 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #3 Models for Fractions
8 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #4 Operations with Rational Numbers
9 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #5 Ratios and Proportional Thinking
14 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #6 Proportional Reasoning with Geometric Contexts
15 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #7 Percent
16 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #8 Patterns and Relations

Summer 2011

Geographic Information Systems (five day workshop)
Teaching with Google in the Classroom (five day workshop)
Integrating Technology in the Mathematics Classroom (Beginners and Cutting Edge – two days each)
Foundation for Success in Teaching Mathematics Summer Camp (10 day institute)

September

7 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #9 Collaborative Lesson Plan with Cognitive Tasks
8 - ***Supporting Teachers for Classroom Success: Coaching*** 3rd session
9 - ***Supporting Teachers for Classroom Success: Coaching*** onsite coaching

October

11 - ***Building the Foundation for Success in Algebra—Grades 4-9:*** #10 Share Collaborative Lesson Plans
12 - ***Supporting Teachers for Classroom Success: Coaching*** 4th session

North Dakota University System

STEM Teacher Education Enhancement Grants

November 2010 Update

Mayville State University

1. What are the goals of your STEM Project?

- Enhance the existing teacher educations program STEM disciplines.
- Work collaboratively with P-12 institutions.
- Increase excitement and engage youth in STEM.
- Encourage STEM participation in rural, lower socioeconomic, and female populations.

2. What individuals/organizations/groups/businesses external to the university are your key partners?

- Heart of the Valley Interactive Television Consortium (HOV-ITV)
- Red River Valley Education Cooperative (RRVEC)
- Mayville State University Child Development Programs (Head Start, Early Head Start, and Pre-K)
- Eastern North Dakota Area Health Education Center
- University of North Dakota School of Engineering and Mines
- West Fargo STEM Center

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

- The generation of excitement for teaching STEM among MaSU education majors and in-service teachers through professional development events has been our most notable impact.
- Our outreach will continue to foster STEM engagement as evidenced by our numerous and increasing requests for curriculum supplements.
- Apple iPad lessons have innovated the delivery of STEM education to area students.

4. What are the most significant results/outcomes to date?

- As a result of increased STEM curriculum and access to these resources, MaSU education majors and in-service teachers have strengthened both their content knowledge and confidence in teaching STEM.
    - Supplemental Curriculum Kits
- Professional development participants have received resources to supplement their district STEM curriculum.
    - STEM Boot Camp for Educators
- Over 900 area youth have attended STEM events on the MaSU Campus.
    - Health Career Fair
    - Parent-Child STEM Carnival
    - STEM College for Kids
- Apple iPad lessons have created an environment of differentiated instruction while generating an atmosphere of excitement and creativity within the P-12 population.

5. What best practices for STEM teaching and learning are emerging?

We feel the best practice in STEM education is teaching students to follow the engineering design process which will enable students to better solve real-world problems. This process can be utilized in all disciplines to enhance critical thinking, problem-solving abilities, and communication skills.

6. What are some lessons learned as a result of your work this past year?

- There is a vast interest in STEM education among teachers and administrators.
- It is difficult to determine what STEM activities are appropriate for our institution and those we service.
- The excitement we see in students has validated that the timing of this initiative is correct.

7. What are the next steps for your project?

- We will continue our P-12 outreach though curriculum supplements, iPad lessons, and hosting of STEM events.
- We will continue with in-service professional development as outlined in our proposal with addition of an Educational Engineering Academy funded through the DPI Mathematics and Sciences Partnership (MSP) grant.
- We will continue to work with our MaSU education majors to better prepare them to teach STEM in their future classrooms.

8. What outcomes will be available this time next year?

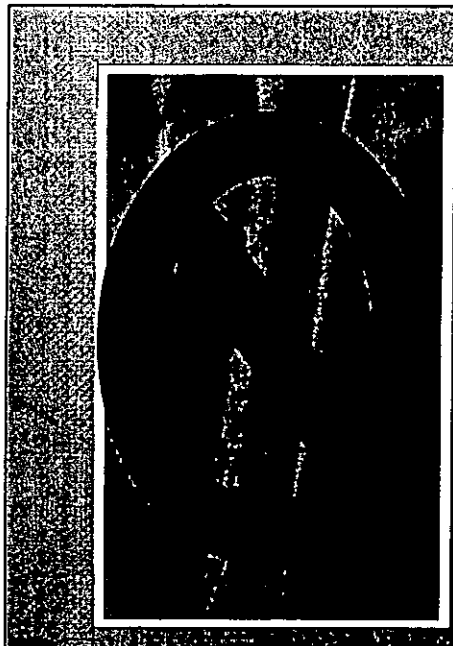
- Quantitative data will be available regarding enrollment in MaSU courses within the STEM disciplines.
- Qualitative data will be available depicting the effectiveness of our professional development activities.
- Year-end outreach surveys will be compiled detailing P-12 students and teachers' perceptions of our involvement in their STEM education.

Mayville State University

STEM Synergy

MaSU STEM Education Project Update

November, 19th 2010



Science

Technology

Engineering

Mathematics

Mayville State University
STEM Education

Sarah Konschak
Coordinator



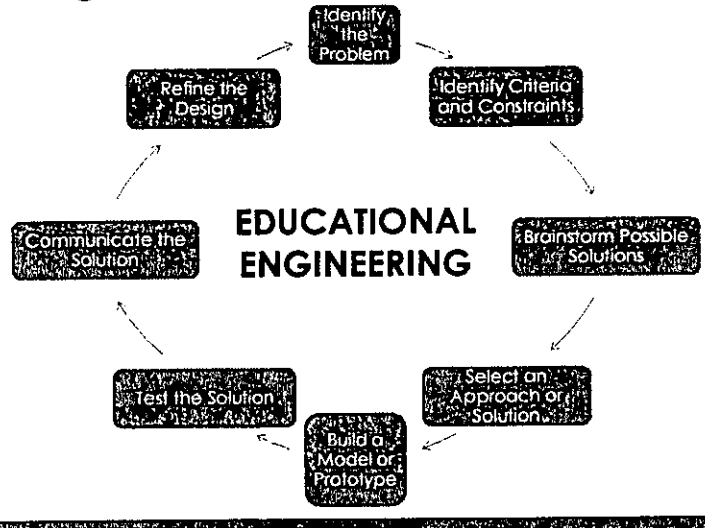
Missy Hutter
Asst. Coordinator



Ashley Roeske
Student Worker



Engineering Design Process



Identify the ~~Problem~~ OPPORTUNITY

- The need to address national STEM disparity populations including rural students, those in lower socioeconomic status, and females
- Funds to promote STEM Education in North Dakota

Identify Criteria and Constraints

- Teacher Education Programs
- $250,000 over two years
- Create collaborative partnerships

Brainstorm Possible Solutions

- Enhance the existing teacher educations program STEM disciplines.
- Work collaboratively with P-12 institutions.
- Increase excitement and engage youth in STEM.
- Encourage STEM participation in rural, lower socioeconomic, and female populations.

Select an Approach or Solutions

- 7 Key Activities
  - In conjunction with our partners:
    - Red River Valley Education Cooperative (RRVEC)
    - Heart of the Valley Interactive Television Consortium (HOV-ITV)
    - Mayville State University Child Development Programs (Head Start, Early Head Start, and Pre-K)
    - Eastern North Dakota Area Health Education Center
    - West Fargo STEM Center
    - University of North Dakota School of Engineering and Mines

Build a Model or Prototype

ENHANCE PRE-K, ELEMENTARY, AND SECONDARY TEACHER EDUCATION CURRICULUM IN STEM

- STEM Supplemental Curriculum Kits



Build a Model or Prototype

DEVELOP AND IMPLEMENT COMPREHENSIVE STEM ENRICHED PROFESSIONAL DEVELOPMENT PROGRAMS FOR TEACHERS

- STEM Boot Camp for Educators



Build a Model or Prototype

DEVELOP AND PUT INTO PLACE A STEM CAREER DAY FOR HIGH SCHOOL STUDENTS

- Eastern ND Area Health Education Center (AHEC) Health Career Fair



Build a Model or Prototype

DEVELOP AND IMPLEMENT THE STEM COLLEGE FOR KIDS SUMMER EXPERIENCE FOR ELEMENTARY STUDENTS

- STEM College for Kids



Build a Model or Prototype

DEVELOP AND IMPLEMENT A CHILD-PARENT STEM CARNIVAL TO SHOWCASE STEM SKILLS

- Child-Parent STEM Carnival



Build a Model or Prototype

DEVELOP AND IMPLEMENT AN ONLINE STEM CAREER AWARENESS COURSE FOR HIGH SCHOOL JUNIORS AND SENIORS AND COLLEGE FRESHMAN

- Currently in planning stages with MaSU counseling personnel



Build a Model or Prototype

CREATE IPAD LESSONS FOR P-12 STUDENTS AS A WAY TO INTEGRATE TECHNOLOGY INTO THE CLASSROOM

- iPad lessons as a supplement to current curricula





Test the Solution

- Feedback from teachers (qualitative)
- Feedback from students (qualitative)
- Enrollment data from MaSU (quantitative)

Communicate the Solution

- Monthly Newsletters
- Campus Talks
- Radio/Newspaper Interviews
- Networking
- STEM Meetings
- www.mayvillestate.edu/STEM

Refine the Design

PLANS FOR THE FUTURE

- Build on and improve what we have done to make our events stronger in 2011
- Received ND Department of Public Instruction Mathematics and Science Partnerships (MSP) grant for 2011 professional development program
- Monitor our goals and outcomes

North Dakota University System

STEM Teacher Education Enhancement Grants

November 2010 Update

Minot State University

1. What are the goals of your STEM Project?

- Provide a repository of lesson plans and content material developed, tested and/or approved by and for ND teachers.
- Develop a site which is owned by the State of North Dakota (ND) and not associated with any text or specific vendor.
- Develop a one-stop web site, which allows the sharing of best teaching practices, lessons, content and related STEM material.
- Develop a web site to engage and keep K-12 students interested and excited about STEM disciplines.
- Build a prototype web site.

2. What individuals/organizations/groups/businesses external to the university are your key partners?

- The project has eight (8) teacher leaders who are key consultants and contributors to the project.
    - Ron Chittum, Math - High school
    - Sue Kjos, Math/Science - Elementary school
    - Mary Eldredge-Sandbo, Science - High school
    - Joan Braun, Math – Middle school
    - JoAnn Schapp, Science - Middle school
    - Mike Kelly, Science - High school
    - David Hoff, Math - High school
    - Melissa Stanely, Math/Science - Elementary school
- ND community colleges: Faculty from Sitting Bull College, Cankdeska Cikana Community College, and Williston State Community College are contributing to the project.
- We are working with personnel from ND Department of Career and Technical Education – Information Technology, North Dakota Council of Teachers of Mathematics (NDCTM), North Dakota Science Teachers Association (NDSTA), and North Dakota Council of Technology Leaders (NDCTL) to
    - Discuss lesson content and priority
    - Determine needs
    - Explore opportunities for collaboration
- Notes
    - The project has had extensive input from Minot State University faculty and students from the Division of Science, Department of Biology, Department of Math and Computer Science, and supporting input from the Department of Teacher Education.
    - Students in the Master of Arts in Teaching (MAT) program, in both Mathematics and Science are in the process of contributing.

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

- Provide K-12 teachers with a one-stop location for quality STEM lessons and content.
- Provide educators with an innovative content rich bank of standards based lessons.
- Help ND teachers lead and guide student learning in STEM subjects.
- Increase the frequency of use of STEM related lessons that involve the use of hands-on, student centered, inquiry based activities which engage STEM students.
- Provide a place where ND teachers can easily obtain and share STEM lessons and content. Also, address the feeling of isolation in small rural schools, concerns about overwhelming workloads in these schools, and to gain a different perspective on how to teach a lesson.
- Give students access to a site which has quality and screened content.
- Provide a web site where students can "show case" their STEM activities.
- Students may access the site to enhance their learning and practice skills for mastery.

4. What are the most significant results/outcomes to date?

- Developed a ND State owned dynamic interactive prototype website to support ND STEM K-12 teachers and students. To date we have over 50,000 lines of code. The code and logic engine written for this project is competitive to any equivalent commercial product.
- The initial content focus has been on science and mathematics lessons. Twenty three (23) mathematics and/or science lessons have been fully screened, edited, peer reviewed and posted to the site. Eleven (11) other lessons are in the process of being prepared for posting to the site. Furthermore, all of the lessons are being converted into five (5) different computer formats (Apple Compatible, HTML, PDF, Rich Text Format, and Word) to increase accessibility of site content.
- Developed content lessons in the area of computer technology. Thirty three (33) computer technology content lessons are in the process of being prepared for posting to the site.
- The lessons developed incorporate best practices in the application of content and pedagogy.
- Established a carefully detailed lesson plan template.
- Held discussions about how to engage students in STEM activities.
- Established a peer review process to proof and screen lessons for content, standards alignment, pedagogy, quality, and student engagement.
- Set up a consistent process to screen, proof, and edit lessons and content material.
- Recruited and established a team of teacher leaders who are very motivated to build a useful web site.
- Developed integrated lessons.
- Established a K-12 STEM student engagement competition. This included planning and developing documents for registration, participation, and evaluation of student competition.

5. What best practices for STEM teaching and learning are emerging?

- We are using the web site to provide teachers with quality lessons which have been tested and meet ND standards.
- We are providing teachers with integrated lessons which use time efficiently.
- We are placing screened lessons for teachers and students on our web site.
- We have developed lessons using low cost locally available resources.
- The project will enable teachers and students to move from a paper and pencil/talk and chalk lesson environment to a more interactive style of learning.
- Efforts have been made to make the lessons adaptable to various grade bands.

6. What are some lessons learned as a result of your work this past year?

- Good site development takes time and resources.
- It is difficult to find a single comprehensive source of quality STEM teaching material.
- Much of the information on the web must be screened for validity, usefulness, and appropriateness before it can be used in the classroom. Furthermore, the evidence of a formal peer review process of the materials on the web seems non-existent.
- There is a need for sequential lesson sets which build to-and-from the standards (scaffolding).
- Engaging teachers in the peer review process is necessary.
- Some standards have few lessons supporting them.
- Team work has been critical to our STEM project.

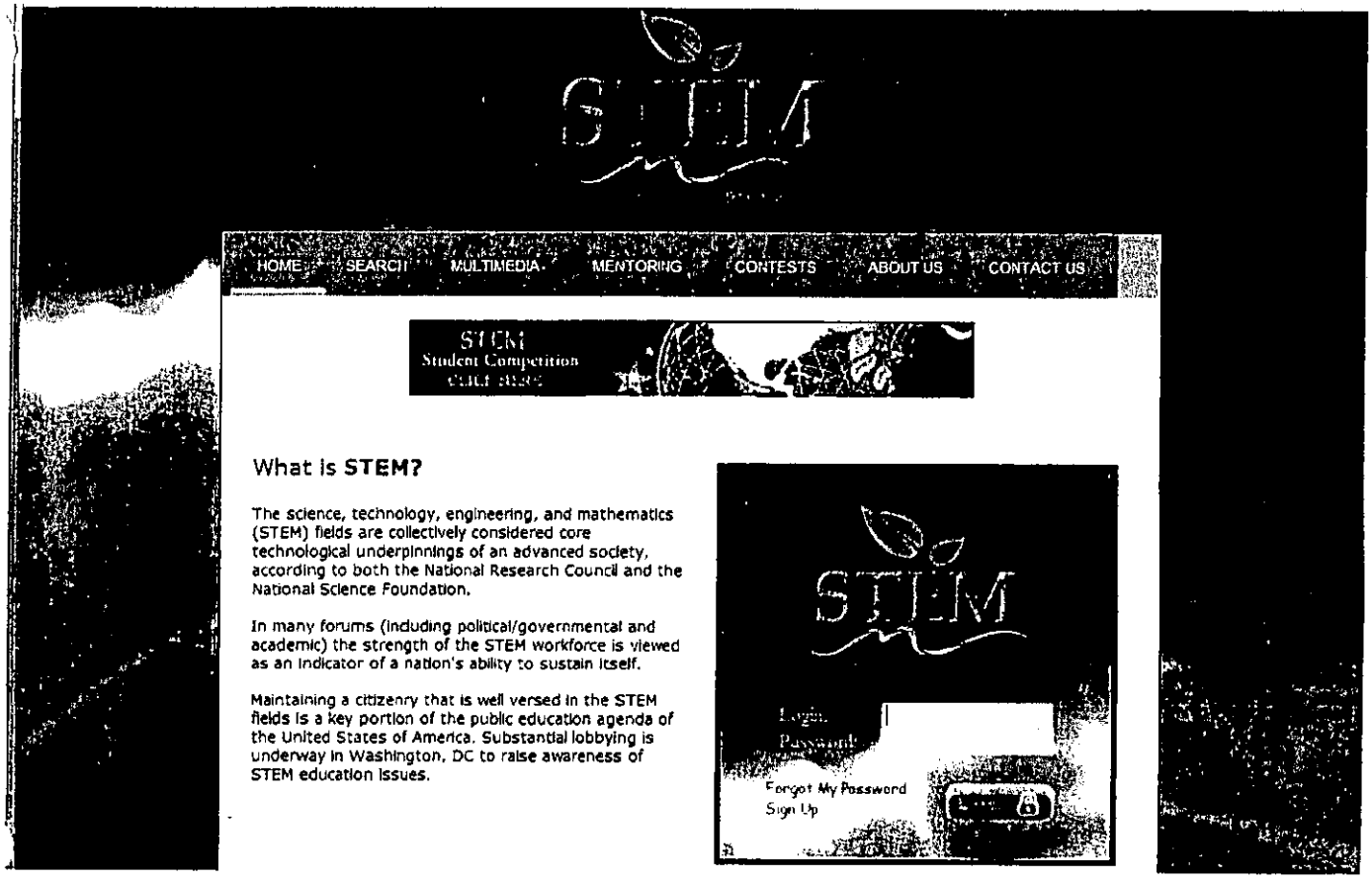
7. What are the next steps for your project?

- Continue to grow, manage, and update the site.
- Make the site available to ND teachers and their students.
- Continue to look for methods to keep K-12 students engaged and excited about STEM topics.
- Continue to develop and foster support for ongoing collaboration and partnerships with additional K-16 stake-holders.
- Develop a mechanism to evaluate the quality and usage of the lessons, and the usefulness of the project.
- Seek funding through state and other sources to develop and expand the project from the prototype level.
- Explore working with the ND Curriculum Initiative (NDCI).

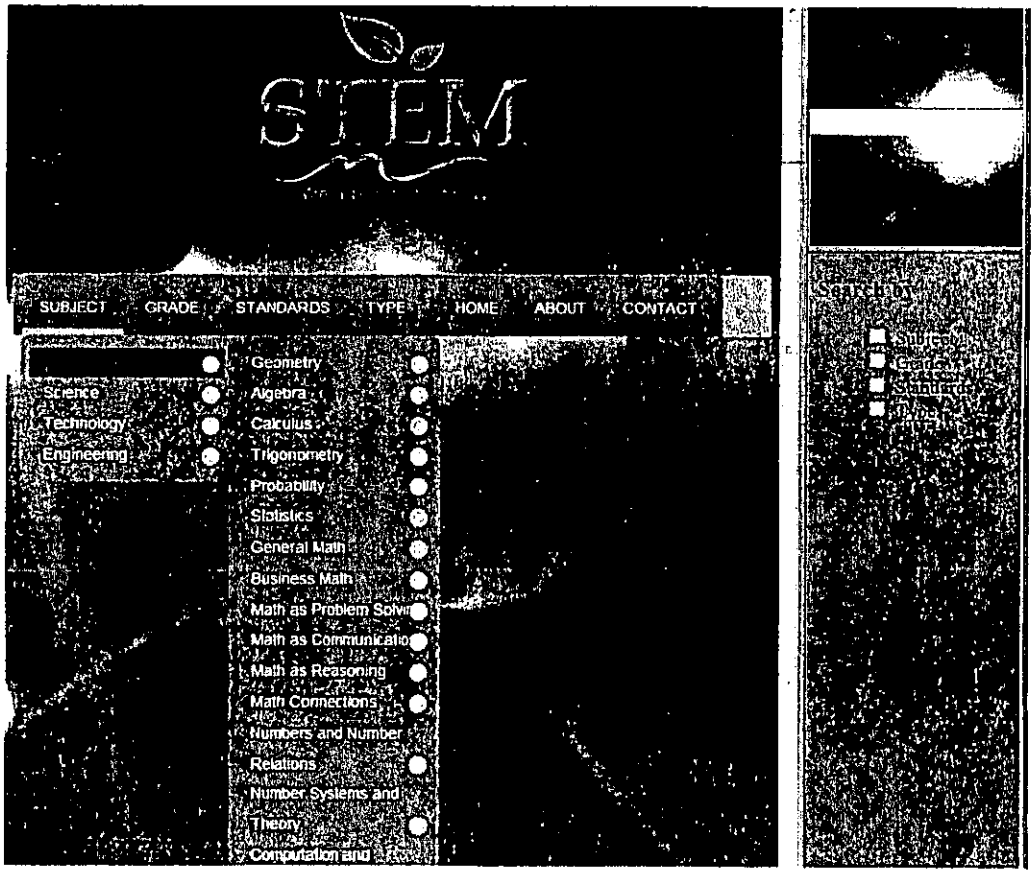
8. What outcomes will be available this time next year?

- The project will be advertised and/or presented at NDCTM, NDSTA, NDCTL, NDEA, and other K-16 stake-holder meetings, seminars, etc.
- We will be soliciting lessons from teachers.
- We will begin the process to research data related to the state of ND STEM education (ND STEM teacher and student issues, pass rates, test scores, needs, etc.)
- Information and results of the STEM student competition will be disseminated and made available.

Home Page with Login



Taking advantage of Dynamic Menu



Search Results

Relationship between Volume and Mass
348 visit(s)

Students will be able to draw conclusions about the relationship between volume and mass

Modeling the Solar System
76 visit(s)

Students will create a scale model to help visualize the relative size of the planets and their relative distance from the Sun.

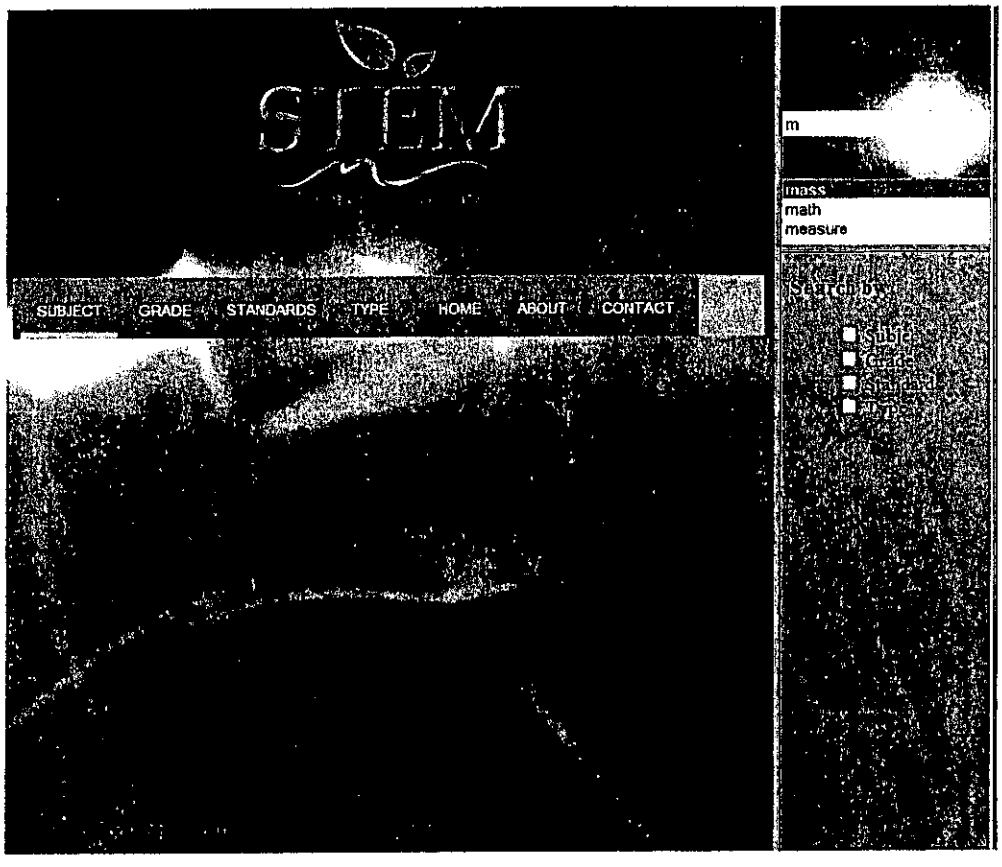
Perimeter #1 - concrete manipulative use
65 visit(s)

Students will use tiles to calculate the perimeter of a rectangle.

Perimeter #3 - real world application
60 visit(s)

Students will solve real world perimeter calculations

Taking Advantage of Dynamic Search Engine



Search Results

Relationship between Volume and Mass
371 visit(s)

Students will be able to draw conclusions about the relationship between volume and mass

Chemical Hazards: A Risk Assessment
148 visit(s)

This activity gives students an opportunity to get involved in risk assessment using possibe real-life situations.

Modeling the Solar System
76 visit(s)

Students will create a scale model to help visualize the relative size of the planets and their relative distance from the Sun.

Perimeter #1 - concrete manipulative use
65 visit(s)

Students will use tiles to calculate the perimeter of a rectangle.

Lesson Explorer Page with Various File Formats

Perimeter #1 - concrete manipulative use

Information

Description:	Students will use tiles to calculate the perimeter of a rectangle.
Subject:	Math
Subtopic:	Geometry
Type:	Lesson Plans
Grade Level:	3rd-5th
Standards:	4.4.6 Units for measuring perimeter
Date Added:	2010-10-08 10:20:05
Creator:	Melissa Stanley

Filename Extension	Download
pdf	perimeter #1 concrete use FINAL.pdf
docx	perimeter #1 concrete use FINAL.docx
pages	perimeter #1 concrete use FINAL.pages
rtf	perimeter #1 concrete use FINAL.rtf
doc	perimeter #1 concrete use FINAL.doc

Note: The teacher will be able to download the lesson in various file formats. (Apple compatible - pages, PDF, Rich Text Format, Word, PowerPoint, Keynote)

North Dakota University System

STEM Teacher Education Enhancement Grants

November 2010 Update

North Dakota State University

1. What are the goals of your STEM Project?

a. Development and implementation of a STEM Education-Engineering option at NDSU, centered on the creation and assessment of new middle and secondary school curricula focused on Engineering.
b. Implementation of a summer professional development program targeted at incorporation of Engineering-centered activities into middle and secondary science and mathematics classrooms.
c. Expansion of NDSU's "STEM Kids" summer program for Grades 4-6, whose focus is on informal engineering, science, and mathematics enrichment.
d. Institutionalization of an existing, highly-successful program (GraSUS), whose future focus will be on the placement of STEM (particularly Engineering) graduate/undergraduate students into middle and high school science and mathematics classrooms.

2. What individuals/organizations/groups/businesses external to the university are your key partners?

a. West Fargo Public Schools (STEM Center)
b. Northern Cass Public School
c. NASA Ames Research Center

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

a. Immersion of a fellow into the classroom has multiple benefits. Teachers report an immediate impact in ease of conducting labs and hands-on activities because they have a qualified partner working with them to respond to student questions and guide the exploration. These results in an increase in the number, variety, and quality of inquiry-based activities offered to students which results in deeper understanding and interest on the part of the students in the classroom. In addition, the fellow in the classroom becomes a "mentor-professional" who functions as an ambassador of their STEM discipline. Classroom students report learning a great deal about unique STEM fields because of the regular interaction with the STEM professional.
b. Direct participation of STEM teachers into field research of NASA scientists, with each teacher having "ownership" of some component of data collection relevant to NASA's planning of planetary exploration.

4. What are the most significant results/outcomes to date?

a. Hiring of Bradley Bowen (EdD, 2010, North Carolina State University) to Engineering Education position: dual appointment in NDSU Teacher Education (55%) and Construction Management (45%). Appointment began October, 2010.
b. Expansion of NDSU's "STEM Kids" summer program for Grades 4-6 through inclusion of new modules in mathematics, earth/space science, and food science.
c. Leveraged STEM Initiative funding to support a week-long field course for STEM teachers in conjunction with a NASA-supported field research project in southeast North Dakota.
d. A successful first year for the institutionalization of GraSUS, post-NSF funding.

5. What best practices for STEM teaching and learning are emerging?

a. GraSUS/STEM fellows approach topics in a way that promotes integrated learning, investigation, and questioning with an emphasis on design and problem-solving. An example might be a class-wide inquiry project that poses a problem; requiring students to do original research where they use technology to gather and analyze data, design, test, and improve upon a proposed solution, and then communicate their findings.
b. An increase in the imposition of greater rigor in content is also seen with the placement of university-level students as team teachers. They regularly expose students in the classrooms to content and technological tools which will be required in certain fields of study as the students move on to college.
c. Pre and post assessments are regularly implemented to provide feedback on the effectiveness of lessons and guide instruction.
d. All lessons developed by fellows are aligned to state and national standards.

6. What are some lessons learned as a result of your work this past year?

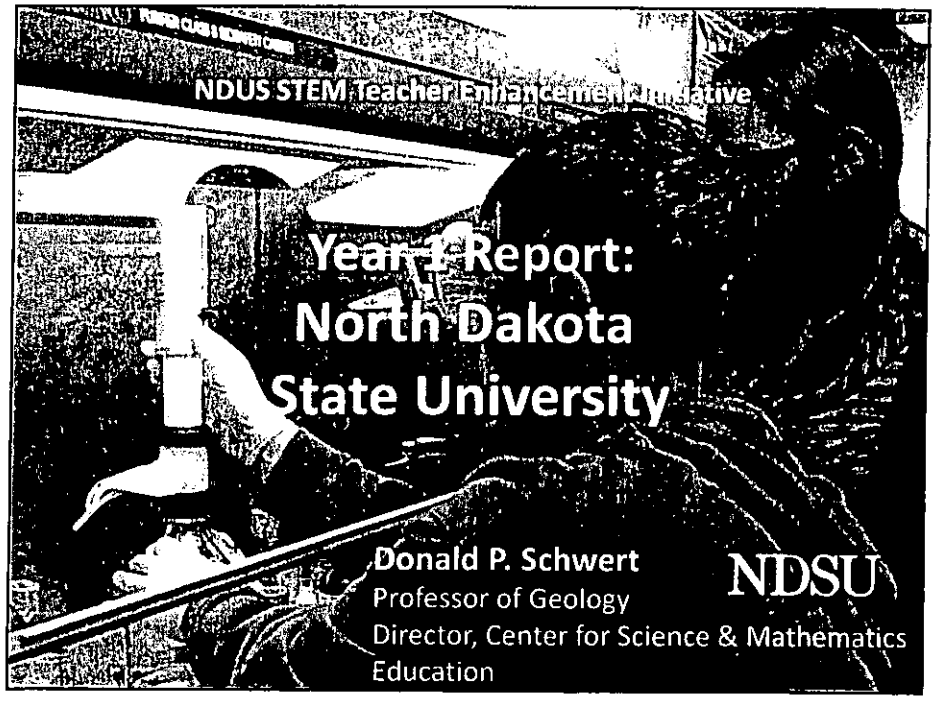
a. We have learned that there is a high demand for enrichment opportunities for elementary school students, but marketing those opportunities well can be a challenge. It is important to identify effective, cost-effective strategies for delivering information regarding enrichment opportunities. We have found that one of the most effective means to do this is through outreach presentations that bring fun and engaging activities out to classrooms during the school year is on e of the most effective means of doing this. The teachers truly appreciate our presence, and they encourage students to seek the enrichment opportunities.

7. What are the next steps for your project?

a. Solidify funding sources which will allow GraSUS/STEM fellows to continue their important work in the schools.
b. Continue to foster the current partnerships with area schools by providing resources and expertise in STEM disciplines.
c. Implement direct work with STEM teachers on engineering-relevant curricula for use in their classrooms.

8. What outcomes will be available this time next year?

a. We will have data collected through the use of surveys which will reflect the impact of the fellows in the classroom
b. We expect to expand enrollments in the Summer Enrichment "STEM Kids" Camp by expanding to new offerings and strengthening our current course offerings.



THE "PLAN"

1. Faculty line in STEM Education - Engineering
   - Focus on K-12 curricula.
   - Module implementation/assessment.
   - Work toward state standards for learning for Engineering.

NDSU

THE "PLAN"

2. Professional development for STEM teachers.
   - Implementation of Engineering-relevant curriculum modules.
   - Assessments.
   - Conceptualizing statewide learning standards in Engineering.

NDSU

THE "PLAN"

3. Graduate student support for STEM teachers.
   - Institutionalization of GraSUS model.
   - Middle & high school STEM classrooms.
   - Implementation of Engineering-relevant curriculum modules.
   - Initial partnerships: STEM Center (West Fargo), South East Education Cooperative.

NDSU

THE "PLAN"

4. Supplemental funding support for *"STEM Kids"*
   - Summer program, Grades 4 to 6.
   - Informal science education.
   - Goal: *excite* kids about STEM.



NDSU



YEAR 1 RESULTS:

STEM – Engineering

- Bradley Bowen, Ed.D North Carolina State
- Appointment began in October, 2010.
- School of Education + College of Engineering & Architecture

NDSU

YEAR 1 RESULTS:

INSTITUTIONALIZATION OF GRaSUS

- NDSU STEM + Fargo Public Schools + West Fargo Public Schools
- STEM-Initiative $$$ toward W. Fargo STEM Center + Northern Cass



NDSU

YEAR 1 RESULTS:

NDSU STEM•KIDS 2010

Science
Technology
Engineering
Mathematics

EXPANSION OF "STEM Kids"

- Increased program length by 1 week.
- Increased program modules from 3 to 5.
- Added "Environmental Science" and "Gear Heads" program modules.



NDSU

YEAR 1 RESULTS:

INTEGRATED STEM FIELD COURSE FOR TEACHERS

- May 30 to June 4, 2010.
- Focused on integrated methodologies for teaching biology, earth sciences, and mathematics.



NDSU

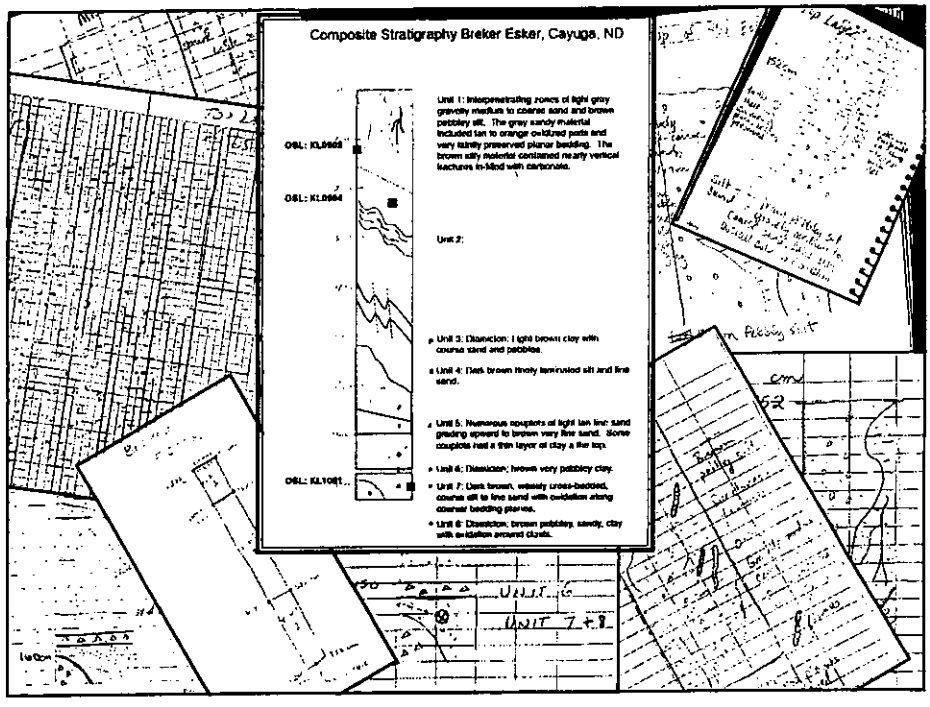
YEAR 1 RESULTS:

INTEGRATED STEM FIELD COURSE FOR TEACHERS

- Partnered with NASA Ames Research Center.
- 3 NASA scientists; site at Cayuga, ND.
- Teachers directly involved in survey/sampling.



NDSU



YEAR 1 RESULTS:

- 200 students directly impacted by STEM Fellows.
- 200 more by disseminated activities.
- 70 students (Grades 4-6) in STEM Kids.

- 12 teachers directly participating (all programs).
- Potentially many more through horizontal dissemination.

NDSU

YEAR 1 RESULTS:

CARRYOVER USE OF UNSPENT YEAR 1 FUNDS?



- One-week fossil dig, targeting ND earth/life science teachers, June, 2011.
- John Hoganson, State Paleontologist, NDGS

NDSU

North Dakota University System

STEM Teacher Education Enhancement Grants

November 2010 Update

University of North Dakota

1. What are the goals of your STEM Project?

a. Increase the number of K-12 students, teacher education candidates and teachers engaged in inquiry-based, high quality simulations related to multiple concepts across science disciplines.
b. Increase K-12 students and teacher education candidates' understanding of concepts within the science disciplines and the role of technology and simulations in science learning.
c. Improve the connections between the teacher education unit at the University of North Dakota and local K-12 schools.
d. Systematically document practices that effectively integrate technology-based simulations into teacher education.

2. What individuals/organizations/groups/businesses external to the university are your key partners?

Grand Forks Public Schools

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

a. Both Teacher candidates and classroom teachers experience a powerful simulation learning environment to teach core science concepts (aligned with standards).
b. Dual method of immersion – inside the dome and outside the dome to foster conceptual understanding.
c. Multiple technology tools including iPads to supporting student and teacher learning.

4. What are the most significant results/outcomes to date?

April 2010: GeoDome Showcase – attracted 35 local teachers grades 3-12.
May 2010: GeoDome presentation to over 200 8th grade students at South Middle School.
August 2010: Summer Workshop to prepare 14 local teachers in using the GeoDome and iPads.
August 2010: Recruitment of UND teacher candidates into project – 18 candidates enrolled.
October - November 2010: Classroom implementation – 3 Schools – 5 teachers – 215 students received standards-based astronomy instruction supported with GeoDome immersion.
November 2010 – 62 teacher candidates experience the simulations of the GeoDome with teaching implications.

5. What best practices for STEM teaching and learning are emerging?

a. Visual stimulation to engage learners.
b. Active learning – manipulation of visual 3D graphics.
c. Innovative and multiple ways to learn content.
d. Access to multi-media tools – applications on iPads.

6. What are some lessons learned as a result of your work this past year?

a. Provide more structured support and guidelines for teacher candidates.
b. Seek an accessible location for the GeoDome on campus for teacher candidates.

7. What are the next steps for your project?

a. Establish a new undergraduate STEM course for teacher candidates.
b. Implement GeoDome experiences in 5 schools with 8 new teachers (grades 3-8).
c. Recruit 20 new teachers for the 2011-2012 school year.
d. Prepare and implement Summer 2011 Workshop for new and returning teachers.

8. What outcomes will be available this time next year?

a. Pre-Post science learning of participating students.
b. Survey data from students, teachers, and teacher candidates.
c. Interview data from students, teachers, and teacher candidates.

North Dakota University System

STEM Teacher Education Enhancement Grants

November 2010 Update

Valley City State University

1. What are the goals of your STEM Project?

- Increase the number of undergraduate pre-service teachers with STEM coursework or certificates. One hundred STEM and elementary majors will graduate from VCSU each year with STEM methodology in their undergraduate methods courses and/or STEM certificates.
- Increase the number of in-service teachers with STEM expertise through STEM coursework added to VCSU's M.Ed. and graduate STEM certificates. Each year, an expected 20-30 classroom teachers should enroll in these offerings.
- Increase the number of teachers with STEM experience through STEM professional development workshops. The STEM educator hired through this grant will develop and offer workshops throughout the region and state. At least 400 teachers will receive STEM training through these workshops.
- Increase the number of faculty on VCSU's campus who apply STEM methodologies in their teaching by providing internal workshops and seminars throughout the year. At least 80% of the Math, Science, and Technology faculty will attend and 25-30 faculty from across the curriculum will participate in workshops or seminars.

2. What individuals/organizations/groups/businesses external to the university are your key partners?

- National partners include:
  - The Museum of Science, Boston
  - Lego Education
  - The International Technology and Engineering Educators Association
  - The Teaching Institute for Excellence in STEM. We hope to expand this relationship and to include the Partnering Anthropology with Science and Technology (PAST) Foundation
- Local partners include:
  - We are working hard to develop relationships with corporations, economic development organizations such as the Fargo Moorhead Economic Development Corporation, and the Red River Valley Research Corridor as well as other stakeholders such as educational cooperatives, school districts, and public and private colleges and universities

3. What innovations and impact do you expect your project will have on STEM teaching and learning?

- The STEM Education methods and curriculum described herein and developed and documented by partners, have had a dramatic effect in terms of failing school turnaround, student attitudes and success. Nationwide, millions of students have been affected. With persistence, we can duplicate these results in North Dakota.
- Time, patience, numerous stakeholders, a network plan and additional resources will be required.

4. What are the most significant results/outcomes to date?

- Relationships with national organizations with expertise to guide our efforts
- Approval of STEMED course prefix
- Approval of Graduate STEM Education Certificate
- STEM Endorsement (in process)
- Significant professional development delivery
- Curriculum development
- Preliminary engagement of stakeholders
- Numbers touched by activities, October 2009 – October 2010
    - K-12 Educators: 360
    - Postsecondary faculty: 60+
    - 7 NDUS campuses and 2 private
    - Pre-service teachers: 100+
    - K-12 students (direct): 470

5. What best practices for STEM teaching and learning are emerging?

- Make student engagement priority #1
- Trans-disciplinary methods (see PowerPoint Slide #10)
- Utilize the Engineering Design Process
- Utilize the Scientific Inquiry Process
- Include elements of competition
- Focus on active learning
- Collaboration and teamwork
- Practical problem solving (project-based learning)
- Connect the abstract to the lives of students
- Standards-based
- Career connections - Provide students a reason to invest in rigorous subjects

6. What are some lessons learned as a result of your work this past year?

- Isolated efforts are likely to be disappointing in terms of the big picture of educational reform. Collaboration of all stakeholders leverages results.
- Systemic change demands many stakeholders and sustained efforts over time.
- To engage parents, students, schools, events must be planned many months in advance.
- Transformation at K-12 level cannot be fully achieved without change at the university level, because of the many points of contact:
    - Future Teachers Model Professors (Lecture Method)
    - Strict Disciplinary Model must change at the University
    - Teacher Preparation must match effective K-12 methods
    - Isolation of Methods and Content

7. What are the next steps for your project?

- Participate and facilitate a state STEM learning network
- Engage many more partners and stakeholders
- Develop a plan for expanding and sustaining efforts
- Continue to develop organizational components

8. What outcomes will be available this time next year?

- Professional Development
  - Certificates
  - Endorsements
  - Scholarships
  - Online classes
- Support additional student co-curricular STEM events
- Provide resources through large website (coming soon)
- Inform and engage numerous stakeholders
- Facilitate formation of STEM Education Network

"*NDUS STEM Synergy Conference*"

Valley City State University

Great Plains STEM Education Center

November 19th, 2010

Heritage Center, Bismarck

VALLEY CITY STATE UNIVERSITY

Vision and Goals

Our Vision is to assist North Dakota in moving to the forefront of STEM Education.

Goals (Fall, 2009)

1.VCSU will increase the number of undergraduate pre-service teachers with STEM coursework or certificates. One hundred STEM and elementary majors will graduate from VCSU each year with STEM methodology in their undergraduate methods courses and/or STEM certificates.

2. VCSU will increase the number of in-service teachers with STEM expertise through STEM coursework added to its M.Ed. and graduate STEM certificates. Each year, an expected 20-30 classroom teachers should enroll in these offerings.

VALLEY CITY STATE UNIVERSITY

Vision and Goals

3. VCSU will increase the number of teachers with STEM experience through STEM professional development workshops. The STEM educator hired through this grant will develop and offer workshops throughout the region and state. At least 400 teachers will receive STEM training through these workshops.

4. VCSU will increase the number of faculty on its campus who apply STEM methodologies in their teaching by providing internal workshops and seminars throughout the year. At least 80% of the Math, Science, and Technology faculty will attend and 25-30 faculty from across the curriculum will participate in workshops or seminars.

VALLEY CITY STATE UNIVERSITY

Numbers touched by our Activities (Oct 09-Oct 10)

Unduplicated Numbers

K-12 Educators 360

Post secondary faculty over 60
(7 NDUS campuses, 2 private)

Preservice teachers, over 100

K-12 students (direct) 470

VALLEY CITY STATE UNIVERSITY

Key Partners

What individuals/organizations/groups/businesses external to the university are your key partners?

National partners include:

- **The Museum of Science, Boston**
- **Lego Education**
- **The International Technology and Engineering Educators Association**
- **The Teaching Institute for Excellence in STEM. (consulting contract) We hope to expand this relationship, and to include the PAST Foundation**
- **(Partnering Anthropology with Science and Technology)**

VALLEY CITY STATE UNIVERSITY

Key Partners

What individuals/organizations/groups/businesses external to the university are your key partners?

Local partners.

We are working hard to develop relationships with corporations, economic development organizations such as the Fargo Moorhead Economic Development Corporation, and the Red River Valley Research Corridor as well as other stakeholders such as educational cooperatives, school districts and public and private colleges and universities.

VALLEY CITY STATE UNIVERSITY

Innovations and Impact

What Innovations and impact do you expect your project will have on STEM Teaching and Learning?

The STEM Education methods and curriculum described herein and developed and documented by partners, have had a dramatic effect in terms of failing school turnaround, student attitudes and success. Nationwide, millions of students have been affected. With persistence, we can duplicate these results in North Dakota.

Time, patience, numerous stakeholders, a network plan and additional resources will be required.

VALLEY CITY STATE UNIVERSITY

Most Significant Results

What are the most significant results/outcomes to date?

- **Relationships with national organizations with expertise to guide our efforts**
- **Approval of STEMED course prefix**
- **Approval of Graduate STEM Education Certificate**
- **STEM Endorsement (in process)**
- **Significant professional development delivery**
- **Curriculum development**
- **Preliminary engagement of stakeholders**

VALLEY CITY STATE UNIVERSITY

Emerging Best Practices

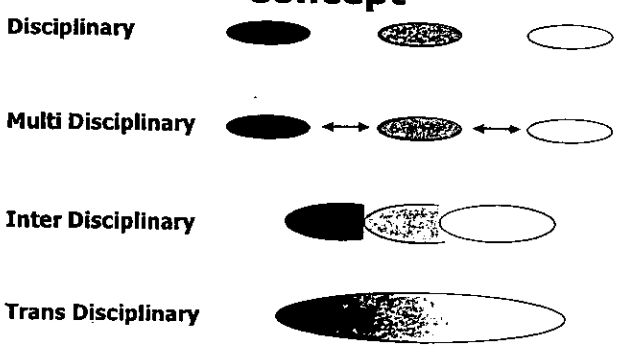
What best practices for STEM teaching and learning are emerging?

- ***Make student engagement priority #1***
- ***Trans-disciplinary methods (see visual)***
- ***Utilize the Engineering Design Process***
- ***Utilize the Scientific Inquiry process***
- ***Include elements of competition***
- ***Focus on active learning***
- ***Collaboration and teamwork***
- ***Practical problem solving (project-based learning)***
- ***Connect the abstract to the lives of students***
- ***Standards-based***
- ***Career connections - Provide students a reason to invest in rigorous subjects***

VALLEY CITY STATE UNIVERSITY

Understanding Trans Disciplinary

Concept



Collins,J. Arizona State University
Presentation 2010 Keck/PKAL National Colloquium

VALLEY CITY STATE UNIVERSITY

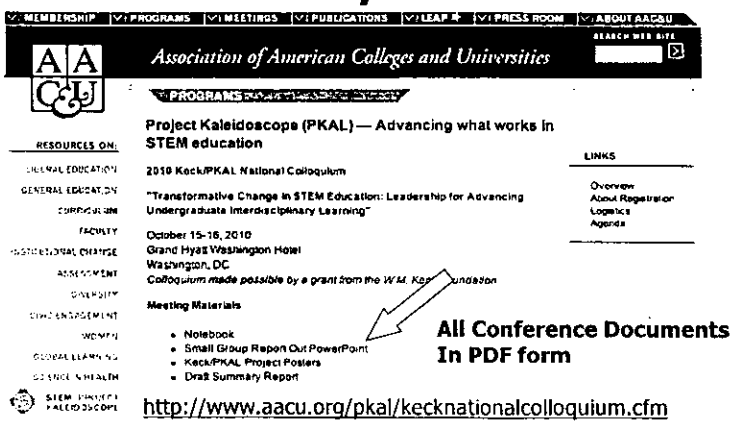
Lessons Learned

What are some lessons learned as a result of your work this past year?

- **Isolated efforts are likely to be disappointing in terms of the big picture of educational reform. Collaboration of all stakeholders leverages results.**
- **Systemic change demands many stakeholders and sustained efforts over time.**
- **To engage parents, students, schools, events must be planned many months in advance.**
- **Transformation at K-12 level cannot be fully achieved without change at the university level, because of the many points of contact:**
  - ✓ **FUTURE TEACHERS MODEL PROFESSORS (LECTURE METHOD)**
  - ✓ **STRICT DISCIPLINARY MODEL must change at the University**
  - ✓ **TEACHER PREPARATION must match effective K-12 methods**
  - ✓ **ISOLATION of METHODS and CONTENT**

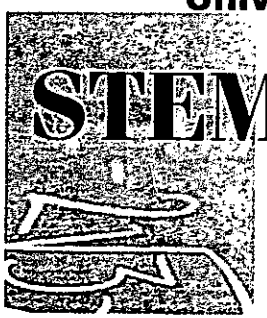
VALLEY CITY STATE UNIVERSITY

Transforming STEM Education at the University Level



VALLEY CITY STATE UNIVERSITY

Transforming STEM Education at the University Level



Reversing STEM's Slide

by Wayne D'Orio

Students are avoiding math, science and engineering, just when the country's need is most dire. Here are three ways you can reverse this trend on your campus.

D' Orio, W. (2010) *Reversing STEM's Slide.* Public Purpose, American Association of State Colleges and Universities.

http://www.aascu.org/media/public_purpose/2010/10_summerstem.pdf

VALLEY CITY STATE UNIVERSITY

Next Steps

What are the next steps for your project?

Participate and facilitate a state STEM learning network

Engage many more partners and stakeholders

Develop a plan for expanding and sustaining efforts

Continue to develop organizational components

VALLEY CITY STATE UNIVERSITY

Outcomes Next Year

What outcomes will be available this time next year?

Professional Development

- **Certificates**
- **Endorsements**
- **Scholarships**
- **Online classes**

Support additional student Co-curricular STEM events

Provide resources through large website (coming soon)

Inform and engage numerous stakeholders

Facilitate formation of STEM Education network

VALLEY CITY STATE UNIVERSITY

Why ARE WE DOING THIS? *Urgent!*

World Economic Forum

(WEF is Based in Switzerland)



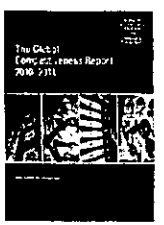
2008 US Competitive Ranking: #1

2008 Quality of Math & Science Education Ranking #48



2009 US Competitive Ranking: #2

2009 Quality of Math & Science Education Ranking #48



2010 US Competitive Ranking: #4

2010 Quality of Math & Science Education Ranking #52

VALLEY CITY STATE UNIVERSITY

There are dozens of problems
in society and in our schools
but
there is one thing that we as
educators have under our control:

The way we engage students in
our classrooms



B

11.8155.02004
Title.

Prepared by the Legislative Council staff for
Senator O'Connell
March 14, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 6, replace lines 3 through 5 with:

"Operations	$5,862,372	$604,183	$6,466,555
Capital assets	109,725	1,290,782	1,400,507
Total all funds	$5,972,097	$1,894,965	$7,867,062"

Page 6, replace line 7 with:

"Total general fund	$5,972,097	$1,894,965	$7,867,062"

Page 7, replace line 3 with:

"Grand total all funds	$539,059,338	$167,966,659	$707,025,997"

Page 7, replace line 5 with:

"Grand total general fund	$533,312,894	$83,475,899	$616,788,793"

Page 7, replace line 17 with:

"Capital projects - General fund	39,008,248	35,940,000"

Page 7, replace line 20 with:

"Special assessments payments	0	837,231"

Page 7, replace line 23 with:

"Total all funds	$257,001,168	$123,668,231"

Page 7, replace line 25 with:

"Total general fund	$59,983,248	$37,183,231"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds funding from the general fund for Dakota College at Bottineau for the following:

Parking lot repairs	$900,000
Special assessments payments	50,000
Thatcher Hall heating pipe replacement	265,000
Interactive video classroom project	70,000
Restores funding removed by the House for student affordability	105,550
Total	$1,390,550

Section 2 is also amended to provide that the funding for the parking lot repairs, special assessments payments, Thatcher Hall heating pipe replacement project, and interactive video classroom project is one-time funding.

C

11.8155.02005
Title.

Prepared by the Legislative Council staff for
Senator O'Connell
March 14, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 6, replace lines 4 through 6 with:

"Capital assets	109,725	3,630,782	3,740,507
Total all funds	$5,972,097	$4,129,415	$10,101,512
Less estimated income	0	3,625,000	3,625,000"

Page 7, replace lines 3 and 4 with:

"Grand total all funds	$539,059,338	$170,201,109	$709,260,447
Grand total special funds	5,746,444	88,115,760	93,862,204"

Page 7, replace lines 18 and 19 with:

"Capital projects - Other funds	166,958,000	84,227,500
Capital projects - Permanent oil tax trust fund	10,400,000	5,882,500"

Page 7, replace lines 23 and 24 with:

"Total all funds	$257,001,168	$126,008,231
Total other funds	197,017,920	90,110,000"

Page 8, after line 9, insert:

"**SECTION 5. PERMANENT OIL TAX TRUST FUND - DAKOTA COLLEGE AT BOTTINEAU.** The estimated income line item in subdivision 12 of section 1 of this Act includes $3,562,500 from the permanent oil tax trust fund for a dormitory renovation project and student center improvement project at Dakota college at Bottineau for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 10, line 12, after "4" insert ", 5"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds funding for the following projects at Dakota College at Bottineau:

- One-time funding of $3.5 million from the permanent oil tax trust fund for a dormitory renovation project.
- One-time funding of $62,500 from the permanent oil tax trust fund and $62,500 from other local funds for a student center renovation project.

D

11.8155.02001
Title.

Prepared by the Legislative Council staff for
Senator Robinson
February 25, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 5, replace lines 24 and 25 with:

"Capital assets	258,416	11,849,319	12,107,735
Total all funds	$16,626,417	$12,697,346	$29,323,763"

Page 5, replace line 27 with:

"Total general fund	$16,626,417	$11,882,346	$28,508,763"

Page 7, replace line 3 with:

"Grand total all funds	$539,059,338	$177,412,109	$716,471,447"

Page 7, replace line 5 with:

"Grand total general fund	$533,312,894	$92,921,349	$626,234,243"

Page 7, replace line 17 with:

"Capital projects - General fund		39,008,248	45,541,000"

Page 7, replace line 23 with:

"Total all funds		$257,001,168	$133,219,231"

Page 7, replace line 25 with:

"Total general fund		$59,983,248	$46,734,231"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds $10,836,000 from the general fund for the Valley City State University Rhoades Science Center project. The executive recommendation included $7,971,000 for the project which was removed by the House.

E

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

State Capitol - 600 E Boulevard Ave Dept. 215
Bismarck ND 58505-0230
Phone: 701.328.2960 Fax: 701.328.2961
E-mail: NDUS.office@ndus.edu Web: ndus.edu

TO: Members, Senate Appropriations Committee

FROM: William Goetz, Chancellor, North Dakota University System

DATE: March 22, 2011

RE: Follow-up to the March 17 Senate Appropriation Subcommittee meeting

In follow-up to committee members' questions asked during the March 17 subcommittee meeting, attached you will find information on the following:

Attachment #1: Equity
Attachment #2: Higher One
Attachment #3: Benefits of Nonresident Students to the State of North Dakota and the North Dakota University System
Attachment #4: Academic Programs Offered at Land Grant Campuses.
Attachment #5: Admission Standards

If there are additional questions, give me a call at 328-2963.

xc: Members, State Board of Higher Education
Members, Chancellor's Cabinet

g:\terry\1100\11ses\memo to senate appropriation committee members 3-21-11.docx

Equity:

Funds to move each campus closer to their peer benchmark to be used to support campus strategic plan priorities

Campus	Request	Exec. Rec.	Engr. HB	Peer position – after Engr. HB
BSC	$817,201	$543,985	$0	56%
LRSC	$329,202	$219,139	$0	51%
WSC 1/	$250,000	$166,667	$0	80%
UND, including SOMHS	$4,584,167	$3,051,536	$0	59%
NDSU	$7,059,068	$4,698,999	$0	43%
NDSCS 1/	$250,000	$166,667	$0	95%
DSU	$710,365	$472,867	$0	54%
MaSU 1/	$250,000	$166,667	$0	91%
MiSU	$250,000	$180,142	$0	80%
VCSU 1/	$250,000	$166,667	$0	101%
DCB 1/	$250,000	$166,667	$0	82%
TOTAL	$15 M	$10 M	$0	

1/ LTF Plan: Recognize smaller campuses lack economies of scale: minimum equity allocation of $100,000 or 10% of total equity funding, whichever is greater for any campus at less than 110% of benchmark. In $15 million request, minimum amount was $250,000.

NORTH DAKOTA UNIVERSITY SYSTEM

Attachment #1

Peer Selection Criteria

Some of the peer selection criteria were:

- Carnegie classification
- Degree Awarded (assoc., bacc., master's)
- Degree Program mix (natural science, education engineering)
- Total FTE students
- Total headcount enrollment
- Percent part-time enrollment
- Research expenditures
- Public institutions only (except VCSU and MaSU)
- City size
- No aspirational peers
- For NDSU, all land grant campuses
- For UND, include medical schools

Equity Allocations to Date

- $27.5 million over four biennia from 01-03 to 09-11 – nothing in 03-05 due to budget reductions
- Another $10 million proposed in 11-13 budget
- Cumulative total through 11-13: $37.5 million
- Discretionary funding to be used to support campus priorities
- Equity allocated based on weighted average dollar distance and percentage distance from peers, with each further weighted to provide more funding to those campuses furthest from their peer benchmark

Equity Allocations by Campus

01-03 through 11-13 proposed

Campus	Dollar Allocation	Percent of Total
BSC	$2.4 million	6%
LRSC	$1.1 million	3%
WSC	$0.6 million	2%
UND (including SOMHS)	$12.4 million	33%
NDSU	$15.8 million	42%
NDSCS	$0.5 million	1%
DSU	$1.9 million	5%
MaSU	$0.5 million	1%
MiSU	$1.3 million	3%
VCSU	$0.5 million	1%
DCB	$0.5 million	1%
TOTAL	$37. 5 million	

Changes in Peer Position Based on Equity Allocation 01-13 through 11-13

Campus	01-03 peer position *	11-13 peer position *	Enrollment Change
BSC	50%	58%	38%
LRSC	48%	54%	34%
WSC	72%	84%	-5%
UND(including OMHS)	66%	61%	16%
NDSU	55%	45%	32%
NDSCS	84%	97%	3%
DSU	69%	56%	21%
MaSU	93%	93%	28%
MiSU	74%	82%	5%
VCSU	97%	103%	6%
DCB	67%	86%	22%

* Institutional peers changed between 01-03 and 11-13 biennia

FY08 Peer Benchmarks

(Used for 11-13 budget request)

Campus	Per Student Peer Benchmark
BSC	$9,549
LRSC	$10,507
WSC	$10,722
UND (including SOMHS)	$21,480
NDSU (excluding Ag Res. and Ext.)	$18,235
NDSCS	$10,591
DSU	$12,189
MaSU	$14,408
MiSU	$11,890
VCSU	$13,948
DCB	$9,523

Before state/student shares applied

Factors Influencing Equity Position

- State invests significant new resources in equity (potentially $37.5 million in total from 01-03 through 11-13)
- Assuming 11-13 funded, as proposed, NDUS total funding gap to peers is still $374 million
- Each one percent improvement in the peer average for the System is $8 million, $3.0 million each for NDSU and UND

Factors Influencing Equity Position, cont'd

- Enrollment changes: Either at NDUS campus or peers
- Funding changes : Either at NDUS campus or peers
- Small campuses lack economy of scale and must spread fixed costs over fewer students
- Unusual high cost programs

Examples of Past Uses of Equity Funding

- New or expanded academic programs (e.g. BSC Mechanical Maintenance, BSC BAS in Energy Management, UND Distance Engineering, DSU Teacher Ed, DSU Business and Management, etc.)
- Student recruitment and retention programs and services
- Equipment
- Faculty and staff salary increases
- Library purchases
- Technology upgrades
- Address utility budget shortfalls
- Accreditation costs

NORTH DAKOTA
UNIVERSITY SYSTEM

NORTH DAKOTA UNIVERSITY SYSTEM
RESOURCE ALLOCATION MODEL
Equity Allocation (Line 11f)-Variable Weighting Based on Percentage Variance to Peer Benchmark
REVISED 10-7-10 AFTER FINAL HEALTH RATES

		BSC	LRSC	WSC	UND w/Medical	NDSU Excl Ag	NDSCS	DSU	MaSU	MiSU	VCSU	MiSU-BC	TOTAL
1	**2009-11 GF "Operating" base (excludes "Capital Assets, one-time & system" funding)**	**$24,223,505**	**$8,013,710**	**$7,754,499**	**$166,145,197**	**$108,708,872**	**$31,664,655**	**$20,431,237**	**$11,879,616**	**$34,931,207**	**$16,358,501**	**$5,919,872**	**$436,030,871**
2	Peer Benchmark (Fall 07 75% FTE, 25% Hdcnt, FY08 Rev)	$9,549	$10,507	$10,722	$21,480	$18,235	$10,591	$12,189	$14,408	$11,890	$13,948	$9,523	
3	NDUS Student Count (75% FTE, 25% Hdcnt -- Avg of Fall 2008 & 2009)	3,290	1,059	647	11,671	12,588	2,214	2,344	678	2,990	880	528	38,886
4	Calculated Benchmark Funding at 100% per year (line 2 x 3)	$31,412,554	$11,121,314	$6,937,386	$250,698,516	$229,542,521	$23,444,411	$28,564,655	$9,761,453	$35,546,762	$12,274,367	$5,023,545	644,327,485
5	% of total revenues to be paid by State of ND	75%	75%	75%	60%	60%	75%	70%	70%	65%	70%	75%	
6	Annual Peer Benchmark State Support (line 4 x line 5)	$23,559,416	$8,340,985	$5,203,039	$150,419,110	$137,725,513	$17,583,308	$19,995,259	$6,833,017	$23,105,395	$8,592,057	$3,767,659	$405,124,758
7	**Biennial Peer Benchmark State Support (line 6 x 2 years)**	**$47,118,832**	**$16,681,971**	**$10,406,078**	**$300,838,220**	**$275,451,025**	**$35,166,616**	**$39,990,517**	**$13,666,034**	**$46,210,790**	**$17,184,114**	**$7,535,318**	**$810,249,516**
8	Percent 09-11 GF Base of biennial peer benchmark state support (line 1 / Line 7)	51%	48%	75%	55%	39%	90%	51%	87%	76%	95%	79%	54%
	Reach 100%	$22,895,327	$8,668,261	$2,651,579	$134,693,023	$166,742,153	$3,501,961	$19,559,280	$1,786,418	$11,279,583	$825,613	$1,615,446	$374,218,645
9	Biennial State GF Appropriation Increase Needed to Reach 100% (Line 7 less line 1)	$22,895,327	$8,668,261	$2,651,579	$134,693,023	$166,742,153	$3,501,961	$19,559,280	$1,786,418	$11,279,583	$825,613	$1,615,446	$374,218,645
10 a	**20011-13 Revised Parity requested (1st Alloc)***	**2,148,878**	**660,674**	**590,601**	**12,995,488**	**9,819,173**	**2,011,823**	**1,719,974**	**709,888**	**2,478,552**	**1,103,607**	**373,115**	**34,611,773**
b	**Funding After Parity Allocation (Line 1+10a)**	**26,372,383**	**8,674,384**	**8,345,100**	**179,140,685**	**118,528,045**	**33,676,478**	**22,151,211**	**12,589,504**	**37,409,759**	**17,462,108**	**6,292,987**	**470,642,644**
c	**% of Peer Benchmark (Line 10b/line 7)**	**56%**	**52%**	**80%**	**60%**	**43%**	**96%**	**55%**	**92%**	**81%**	**102%**	**84%**	**58%**

* **Parity components funded = CTC FY11 Salary Increases, 4.5% annual salary increases for 2011-13, health insurance increases**

Part A - Equity = $15.0 Million. Allocate to campuses <100%, with variable weighting based on percentage variance to peer benchmark

11 a	**Total if funded at 100% of peer benchmark (line 7)**	47,118,832	16,681,971	10,406,078	300,838,220	275,451,025	35,166,616	39,990,517	13,666,034	46,210,790	17,184,114	7,535,318	**810,249,516**
b	Distance from peer benchmark (line 11a- 10b)	20,746,449	8,007,587	2,060,978	121,697,535	156,922,980	1,490,138	17,839,306	1,076,530	8,801,031	-	1,242,331	339,884,866
c	Weighted distance (See below)*	4.4	4.8	2.0	4.0	5.7	0.4	4.5	0.8	1.9	0.0	1.6	
d	Line 11b x 11c	91,284,374	38,436,417	4,121,957	486,790,138	894,460,988	596,055	80,276,879	861,224	16,721,960	-	1,987,730	1,615,537,722
e	Percent of weighted distance on Line 11d	5.65%	2.38%	0.26%	30.13%	55.37%	0.04%	4.97%	0.05%	1.04%	0.00%	0.12%	100.00%
f	**Allocation of $15 Million ($15.0M x line 11e)**	**847,560**	**356,876**	**38,272**	**4,519,766**	**8,304,922**	**5,534**	**745,358**	**7,996**	**155,261**	-	**18,456**	**15,000,000**
g	**Funding After Equity Allocation (Line10b+11f)**	**27,219,943**	**9,031,260**	**8,383,372**	**183,660,451**	**126,832,967**	**33,682,012**	**22,896,569**	**12,597,500**	**37,565,020**	**17,462,108**	**6,311,443**	**485,642,644**
h	**% of Peer Benchmark (Line 11g/line 7)**	**58%**	**54%**	**81%**	**61%**	**46%**	**96%**	**57%**	**92%**	**81%**	**102%**	**84%**	**60%**
12 a	**2011-13 Remaining parity after equity****	**727,863**	**118,744**	**195,770**	**2,478,108**	**2,244,247**	**324,180**	**236,080**	**117,958**	**375,517**	**246,070**	**34,944**	**7,099,481**
b	Equity after minimum distribution	817,201	329,202	250,000	4,584,167	7,059,068	250,000	710,365	250,000	250,000	250,000	250,000	**15,000,000**
c	**Funding After Parity and Equity(Line 11h+12a+b)**	**27,917,447**	**9,122,330**	**8,790,870**	**186,202,960**	**127,831,360**	**34,250,658**	**23,097,656**	**12,957,462**	**38,035,276**	**17,958,178**	**6,577,931**	**492,742,127**
d	**% of Peer Benchmark (Line 12c/line 7)**	**59%**	**55%**	**84%**	**62%**	**46%**	**97%**	**58%**	**95%**	**82%**	**105%**	**87%**	**61%**

** **Remaining parity components = Operating inflation, utility increases and new buildings coming on line**

*Weighted Distance:

If line 10c =43%, then 5.7				
If line 10c =44%, then 5.6	If line 10c = 56%, then 4.4	If line 10c = 68%, then 3.2	If line 10c =80%, then 2.0	If line 10c =92%, then 0.8
If line 10c =45%, then 5.5	If line 10c =57%, then 4.3	If line 10c =69%, then 3.1	If line 10c =81%, then 1.9	If line 10c =93%, then 0.7
If line 10c =46%, then 5.4	If line 10c =58%, then 4.2	If line 10c =70%, then 3.0	If line 10c =82%, then 1.8	If line 10c =94%, then 0.6
If line 10c = 47%, then 5.3	If line 10c = 59%, then 4.1	If line 10c =71%, then 2.9	If line 10c =83%, then 1.7	If line 10c = 95%, then 0.5
If line 10c = 48%, then 5.2	If line 10c = 60%, then 4.0	If line 10c =72%, then 2.8	If line 10c =84%, then 1.6	If line 10c = 96%, then 0.4
If line 10c = 49%, then 5.1	If line 10c = 61%, then 3.9	If line 10c =73%, then 2.7	If line 10c =85%, then 1.5	If line 10c = 97%, then 0.3
If line 10c = 50%, then 5.0	If line 10c = 62%, then 3.8	If line 10c =74%, then 2.6	If line 10c =86%, then 1.4	If line 10c = 98%, then 0.2
If line 10c = 51%, then 4.9	If line 10c = 63%, then 3.7	If line 10c =75%, then 2.5	If line 10c =87%, then 1.3	If line 10c = 99%, then 0.1
If line 10c = 52%, then 4.8	If line 10c = 64%, then 3.6	If line 10c =76%, then 2.4	If line 10c =88%, then 1.2	If line 10c = 100%, then 0
If line 10c = 53%, then 4.7	If line 10c = 65%, then 3.5	If line 10c =77%, then 2.3	If line 10c =89%, then 1.1	
If line 10c = 54%, then 4.6	If line 10c = 66%, then 3.4	If line 10c =78%, then 2.2	If line 10c =90%, then 1.0	
line 10c = 55%, then 4.5	If line 10c = 67%, then 3.3	If line 1 %, then 2.1	If line 10c =91%, then 0.9	

10

NORTH DAKOTA UNIVERSITY SYSTEM
RESOURCE ALLOCATION MODEL
Equity Allocation (Line 11d)-Simple Weighting Based on Dollar Difference from Peer Benchmark
REVISED 10-7-10 AFTER FINAL HEALTH RATES

		BSC	LRSC	WSC	UND w/Medical	NDSU Excl Ag	NDSCS	DSU	MaSU	MiSU	VCSU	MiSU-BC	TOTAL
1	**2009-11 GF "Operating" base (excludes "Capital Assets, one-time & system" funding)**	**$24,223,505**	**$8,013,710**	**$7,754,499**	**$166,145,197**	**$108,708,872**	**$31,664,655**	**$20,431,237**	**$11,879,616**	**$34,931,207**	**$16,358,501**	**$5,919,872**	**$436,030,871**
2	Peer Benchmark (Fall 07 75% FTE, 25% Hdcnt, FY08 Rev)	$9,549	$10,507	$10,722	$21,480	$18,235	$10,591	$12,189	$14,408	$11,890	$13,948	$9,523	
3	NDUS Student Count (75% FTE, 25% Hdcnt -- Avg of Fall 2008 & 2009)	3,290	1,059	647	11,671	12,588	2,214	2,344	678	2,990	880	528	38,886
4	Calculated Benchmark Funding at 100% per year (line 2 x 3)	$31,412,554	$11,121,314	$6,937,386	$250,698,516	$229,542,521	$23,444,411	$28,564,655	$9,761,453	$35,546,762	$12,274,367	$5,023,545	644,327,485
5	% of total revenues to be paid by State of ND	75%	75%	75%	60%	60%	75%	70%	70%	65%	70%	75%	
6	Annual Peer Benchmark State Support (line 4 x line 5)	$23,559,416	$8,340,985	$5,203,039	$150,419,110	$137,725,513	$17,583,308	$19,995,259	$6,833,017	$23,105,395	$8,592,057	$3,767,659	$405,124,758
7	**Biennial Peer Benchmark State Support (line 6 x 2 years)**	**$47,118,832**	**$16,681,971**	**$10,406,078**	**$300,838,220**	**$275,451,025**	**$35,166,616**	**$39,990,517**	**$13,666,034**	**$46,210,790**	**$17,184,114**	**$7,535,318**	**$810,249,516**
8	Percent 09-11 GF Base of biennial peer benchmark state support (line 1 / Line 7)	51%	48%	75%	55%	39%	90%	51%	87%	76%	95%	79%	54%
9	Reach 100%	$22,895,327	$8,668,261	$2,651,579	$134,693,023	$166,742,153	$3,501,961	$19,559,280	$1,786,418	$11,279,583	$825,613	$1,615,446	$374,218,645
9	Biennial State GF Appropriation Increase Needed to Reach 100% (Line 7 less line 1)	$22,895,327	$8,668,261	$2,651,579	$134,693,023	$166,742,153	$3,501,961	$19,559,280	$1,786,418	$11,279,583	$825,613	$1,615,446	$374,218,645
10 a	**20011-13 Revised Parity requested (1st Alloc)***	**2,148,878**	**660,674**	**590,601**	**12,995,488**	**9,819,173**	**2,011,823**	**1,719,974**	**709,888**	**2,478,552**	**1,103,607**	**373,115**	**34,611,773**
b	**Funding After Parity Allocation (Line 1+10a)**	**26,372,383**	**8,674,384**	**8,345,100**	**179,140,685**	**118,528,045**	**33,676,478**	**22,151,211**	**12,589,504**	**37,409,759**	**17,462,108**	**6,292,987**	**470,642,644**
c	**% of Peer Benchmark (Line 10b/line 7)**	**56%**	**52%**	**80%**	**60%**	**43%**	**96%**	**55%**	**92%**	**81%**	**102%**	**84%**	**58%**

* Parity components funded = CTC FY11 Salary Increases, 4.5% annual salary increases for 2011-13, health insurance increases

Part B - Equity = $15 Million - Allocate to campuses based on dollar difference from 100% peer benchmark

11 a	**Total if funded at 100% of peer benchmark (line 7)**	47,118,832	16,681,971	10,406,078	300,838,220	275,451,025	35,166,616	39,990,517	13,666,034	46,210,790	17,184,114	7,535,318	**810,249,516**
b	Distance from peer benchmark (line 11a- 10b)	20,746,449	8,007,587	2,060,978	121,697,535	156,922,980	1,490,138	17,839,306	1,076,530	8,801,031	-	1,242,331	339,884,866
c	Weighted distribution (See below)*	6.1%	2.4%	0.6%	35.8%	46.2%	0.4%	5.2%	0.3%	2.6%	0.0%	0.4%	100.0%
d	**Allocation of $15 Million ($15M x line 11c)**	**915,595**	**353,396**	**90,956**	**5,370,828**	**6,925,418**	**65,764**	**787,295**	**47,510**	**388,412**	**-**	**54,827**	**15,000,000**
e	**Funding After Equity Allocation (Line10b+11d)**	**27,287,978**	**9,027,780**	**8,436,056**	**184,511,513**	**125,453,463**	**33,742,242**	**22,938,506**	**12,637,014**	**37,798,171**	**17,462,108**	**6,347,814**	**485,642,644**
f	**% of Peer Benchmark (Line 11e/line 7)**	**58%**	**54%**	**81%**	**61%**	**46%**	**96%**	**57%**	**92%**	**82%**	**102%**	**84%**	**60%**
12 a	**2009-11 Parity funded after equity**	**727,863**	**118,744**	**195,770**	**2,478,108**	**2,244,247**	**324,180**	**236,080**	**117,958**	**375,517**	**246,070**	**34,944**	**7,099,481**
b	**Funding After Parity and Equity(Line 11g+12a)**	**28,015,841**	**9,146,524**	**8,631,826**	**186,989,621**	**127,697,710**	**34,066,422**	**23,174,586**	**12,754,972**	**38,173,688**	**17,708,178**	**6,382,758**	**492,742,125**
c	**% of Peer Benchmark (Line 12b/line 7)**	**59%**	**55%**	**83%**	**62%**	**46%**	**97%**	**58%**	**93%**	**83%**	**103%**	**85%**	**61%**

* Parity components funded = Operating inflation, utility increases and new buildings coming on line

*Weighted Distribution:
Allocated based on the simple weighting dollar distance from 100% of peer benchmark

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1. **Why did UND contract with Higher One to issue excess financial aid and other refunds?**

   The University of North Dakota was interested in expanding electronic funds disbursements in order to provide students a faster way to receive their excess financial aid and other refunds. In addition, UND was also interested in streamlining the refund process, which had been labor intensive, costly, and inefficient. By streamlining the process, Student Account Services staff will be able to spend their time providing quality customer service to our students.

   Since there are students that are unable to obtain a bank account, UND needed a vendor that could provide those students an account to receive their refunds electronically.

   In addition, UND did not want to encourage the use of credit cards. Higher One offered those students selecting the OneAccount with Higher One (Easy Refund) a Debit Mastercard®, not a credit card.

   Higher One's clear focus on higher education, experience with other schools and their expertise in navigating the changing regulations governing the disbursement of financial aid were some of the reasons Higher One was selected.

2. **Was Student Government involved in the review process for Higher One?**

   Yes, Higher One representatives visited with student groups and administrative offices to provide information and seek input from students and UND departments on the services they offer. The Student Government meeting was held on January 31, 2008 at 3:30pm and the Association of Residence Halls meeting was held on January 31, 2008, at 5:00pm. After the meetings, feedback was requested from these groups.

3. **What is the purpose of the UND Pride Card?**

   The UND Pride Card is used as a means to distribute excess financial aid and other refunds to students. The student must choose their preference for receiving their refunds. Students have a choice of one of the following:

   - **OneAccount with Higher One (Easy Refund)** - This preference credits the student's OneAccount with Higher One on the same day the refunds are processed by UND. The OneAccount is a checking account with Higher One and offers many features for the student. Please visit UNDPrideCard.com to learn more about the OneAccount
   - **ACH (direct deposit)** - This preference transfers the refund into the student's existing U.S. bank account. This preference takes approximately 2-3 banking days to credit to the student's bank account.

4. **What happens to my refunds if I don't select my refund preference?**

   It is recommended to select a refund preference to ensure the fastest delivery of your refund. If you choose to not select your refund preference and an excess financial aid refund or other refund is issued, you will receive an email notification that your refund is available. Within 21 days from the date of the email notification, a check would be issued by Higher One and mailed to the address UND provided to Higher One. This is the address used at the time the UND Pride Card was issued to you. In addition to the 21

days, you will need to allow for mailing time. There is no cost to the student for the paper check, however remember faster refund choices are available to you, One Account with Higher One (Easy Refund) and/or ACH (direct deposit) to any bank account you already use.

If you have not received a UND Pride Card within 2 weeks of enrolling in classes at UND for the first time, please contact the Student Account Services Office, as it may indicate an incorrect address on file.

5. Can I opt out of receiving my refunds via UND Pride Card?

No. UND has contracted with Higher One to issue excess financial aid and other refunds to UND students. Although you are not required to open a OneAccount with Higher One (Easy Refund), you will need to use your UND Pride Card for selecting one of the following for receiving your refunds:

- OneAccount from Higher One (Easy Refund).
- ACH (direct deposit) to your existing bank account.

6. Is the UND Pride Card a credit card?

No it is **not** a credit card, the UND Pride Card may be used as a Debit MasterCard® if the student chooses the OneAccount with Higher One (Easy Refund) as their refund preference. The UND Pride Card is required in order to select the student's refund preference to obtain excess financial aid and other refunds from UND. During activation, the student must identify their preference for receiving their refunds. See FAQ #1 for available refund options.

7. Am I required to open a OneAccount with Higher One (Easy Refund)?

No, you may continue to have your excess financial aid and other refunds transferred via ACH (direct deposit) to your existing bank account. However, in order for you to do so, you will need to use your UND Pride Card to indicate your refund preference on UNDPrideCard.com.

8. Am I required to use the UND Pride Card as a Debit MasterCard®?

No, the UND Pride card may be used as a debit MasterCard only if you open a OneAccount with Higher One (Easy Refund). You may continue to have your excess financial aid and other refunds ACH (direct deposit) to your existing bank account. If you select your refund preference to ACH (direct deposit) to your existing bank account, the UND Pride Card ***does not*** serve as a Debit MasterCard®.

9. Are there any fees associated with the UND Pride Card?

If you select your refund preference to be ACH (direct deposit) to your existing bank account, there are no fees associated with your UND Pride Card.

If you select your refund preference as the OneAccount with Higher One (Easy Refund), there are generally no fees associated with the account. **The OneAccount is designed to be free.** Higher One provides a link on the main page named, 'How to use the OneAccount for free', as well as a link to the 'One Account Banking Fee Schedule'. However, Higher One does have fees similar to those at other banking institutions for additional fee based services. Some include: fees associated with

overdrafts, wires, and transactions at non-Higher One ATM's. ***Please Note:*** *A complete disclosure of all fees associated with Higher One banking transactions is located at UNDPrideCard.com on the Higher One fee schedule.*

10. If I choose the OneAccount with Higher One (Easy Refund) and want to use it at ATM's or other establishments that accept MasterCard, will there be any fees?

You may use the UND Pride Card at one of the three Higher One ATM's located on UND's Campus (Wilkerson Hall, Memorial Union, Southwest Tower of Parking Garage). It is free to access cash at these Higher One locations.

You may use your UND Pride Card at any ATM that is supported by Cirrus, Pulse, or MasterCard (some ATM's are not approved on the network used by Higher One). You will be charged a withdrawal fee from Higher One and the bank that owns the non-Higher One ATM. A complete list of fees that could be incurred while using your OneAccount is located at https://undpridecard.higheroneaccount.com/info/outfees.jsp.

IMPORTANT When making a non-Higher One ATM withdrawal using your UND Pride Card, you will need to select "checking" as the withdrawal source.

If you open a OneAccount with Higher One (Easy Refund), you may use your UND Pride Card as Debit MasterCard®. The daily PIN-based transaction limit is $500. So, if a student withdraws ATM cash **and** uses the card as debit, PIN-based, all of those transactions would be limited to $500/day. To avoid a PIN-based transaction fee and to have the protection of the MasterCard Zero Liability Policy when making purchases, always remember to "Swipe and Sign." It's free, and to do so:

a. Swipe your card
b. Select credit (not debit)
c. Sign

11. If I choose to open a OneAccount with Higher One (Easy Refund), will I receive monthly interest on my account balance?

No, Higher One does not pay monthly interest on your account balance. Instead, they do not require a minimum balance on the account and there are other features associated with the account that are free.

12. If I select my refund preference to be a OneAccount with Higher One (Easy Refund), can I transfer my refund to my existing bank account once the refund has been deposited to my OneAccount?

If it is your wish to have money deposited into your current bank account, you will want to choose ACH (direct deposit) to your existing bank account during the activation/registration process. It is not possible to ACH (direct deposit) money from your OneAccount with Higher One (Easy Refund) to another checking account. You may choose to send money to another account by using the wire transfer feature. There is a fee associated with this option. To learn more about the OneAccount, please visit www.UNDPrideCard.com.

13. What are the advantages of having my refunds deposited directly to a OneAccount with Higher One (Easy Refund)?

Depositing your refund to a OneAccount with Higher One (Easy Refund) is the quickest way to gain access to your money. To open a OneAccount, activate and choose Easy Refund. After your UND charges have been paid, excess financial aid or other refunds will be released by the University and directly deposited to your OneAccount.

The UND Pride Card is NOT A CREDIT CARD. It is a debit card. You may use the UND Pride Card to make purchases at all participating merchants that accept Debit MasterCard® including the bookstore on campus, access cash at an ATM, pay bills, and so much more.

Your family and friends can easily send you money online with the Send Money feature. There is a minimum transfer amount of $25 per transaction when family or friends send you money. If you choose to transfer money from one of your existing bank accounts to your OneAccount with Higher One (Easy Refund), there is a minimum transfer amount of $50 per transaction. You should review your existing bank's fee schedule to determine if your bank assesses fees for this type of transaction.

14. How will I know when my financial aid or other refund has been directly deposited to my OneAccount with Higher One (Easy Refund)?

You will receive an email from Higher One when the refund has been direct deposited to your OneAccount (Easy Refund). You will also recieve a status change alert when using ACH (direct deposit). Additionally, you will be able to view the details of your OneAccount by accessing your OneAccount statement on the website, or opt-in to receive a text message directly to your cell phone with Mobile Alerts.

15. Can I close my OneAccount with Higher One (Easy Refund)?

Yes, you can close your OneAccount with Higher One (Easy Refund), but a zero balance is required. Accounts with negative or positive balances cannot be closed. For additional information on how to close your account and various methods for bringing your balance to zero, please refer to the UNDPrideCard.com.

16. Is UND in compliance with FERPA regulations while transferring information to Higher One?

Yes. The University must not release FERPA information without written consent by the student and the student may restrict directory information; however, there are exceptions to this rule. School officials who have a legitimate need to know need not seek consent. Higher One is exempt from the written consent rule because it is a school official performing a business function on behalf of the University. In other words pursuant to FERPA, even if you block directory information, the University would be able to share information with Higher One.

17. Does Higher One sell UND students' personal information to credit card soliciting companies?

Higher One does not offer instruments of credit nor do we have partnerships with anyone who does. Rest assured that Higher One will never sell or share information with a company or entity that is not affiliated with Higher One. Cardholders can control how

Higher One contacts them through the notifications page at UNDPrideCard.com. Cardholders can logon and from the main menu bar select "Profile" then "Notifications." Higher One may, if necessary, share contact information such as name, address, phone number and email address with the University.

To view Higher One's privacy policy, please visit:
https://undpridecard.higheroneaccount.com/info/outprivacypolicy.jsp

THE UNIVERSITY OF NORTH DAKOTA

Email Address: Passwor

Ex: janedoe@yahoo.com (case sens

Fee Schedules

We offer optional services to help you manage your account and avoid fees. To learn more about them, click on the vi use EasyHelp℠ to learn more.

OneAccount Fee Schedule **OneAccount Flex Fee Schedule**

Effective Dece

Services with no additional fees

Minimum Balance Charge	No minimum balance required
Online Bill Payment Service	No additional fee
Check Writing	No additional fee
Electronic Statements	No additional fee
Higher One ATM Transactions	No additional fee
Signature Debit MasterCard® Transactions	No additional fee
MasterCard Zero Liability Protection Provided by Higher One	No additional fee (Paid for by Higher One when you ' Sign" for purchases)
Incoming Wire Transfer (Domestic and International)	No additional fee
Add Money to the OneAccount or OneAccount Flex	No additional fee
Family and Friends Send Money	No additional fee
Transfer Money Between OneAccounts	No additional fee
Research and Legal Service	First hour no additional fee. Extra h arrangement
24/7 Customer Service Access by Email with EasyHelp℠ and via Automated Phone Services Line	No additional fee

OneAccount Fee Schedule **OneAccount Flex Fee Schedule** **Effe**

Service	Fee	Why is a fee assessed for this service?	How to avoid this fee
Stop Payment	$24.00	The stop payment of a check or electronic transaction has been requested by a customer.	Always be sure you have funds in your account to outstanding checks or el transfers.
Return Deposit Item	$7.00	A deposit was made into the OneAccount that does not clear the other bank. More	Do your best to confirm who writes you a check funds in their account. M
Official Check	$8.00	As per your request, Higher One has issued an official check.	Official checks are only r very specific instances su costs for a home purcha
Multiple Copies of Checks, Deposits and Archived Statements	First copy no additional fee. $5.00 per additional item.	Sometimes, to reconcile records or figure out what you paid to whom, you may want more information than is offered on a statement. In this case, you can order check, deposit or archived documents for free. However, there is a fee for more than one copy of this document.	Do your best to only req copy of these document to make use of the onlin Consider printing your a statements periodically s have easy access to this should you require it.
Outgoing Wire Transfer	Domestic: $25.00 International: $50.00	As per your request, Higher One has debited funds from your OneAccount via wire transfer for delivery to another bank account. More	Higher One offers less c alternatives for transferr Always explore these op requesting a wire transfe the fee.
Merchant PIN-Based Transaction	$0.50 per transaction	At checkout you selected "debit" and entered your Personal Identification Number (PIN), or a merchant processed your transaction as a PIN-less debit transaction even if you did not explicitly provide your PIN.	Over half of OneAccount receive more than one P are easy to avoid! Instea your Personal Identificat (PIN) at checkout, choos sign the receipt to avoid
Non-Higher One ATM Transactions (Includes all withdrawals, inquiries, and declines)	$2.50	A non-Higher One ATM has been used.	"Swipe and Sign" for all instead of visiting the AT you must use an ATM, d Higher One ATMs only.
Insufficient or Uncollected Funds - Returned Item or Paid Item	First item: $29.00 Second or more within 12 months: $38.00	You have spent more money than you have available in your OneAccount by making recurring debit card payments, a purchase made with an e-check or paper check, or via ACH.	The majority of account pay an insufficient funds ensure you're among th our Mobile Alerts, track y and pay special attentio debit card purchases, pu with an e-check or a pap via ACH. More
Card Replacement	$20.00	A replacement card was ordered for you.	Be sure to keep your ca place to protect against

Service	Fee	Why is a fee assessed for this service?	How to avoid this fee
Abandoned Account Fee (Charged after 9 months with no transactions) **Note:** There is no fee on accounts with a $0 balance	Up to $19.00 per month	You have not used your OneAccount in 9 consecutive months. Higher One proactively sends you an email notification so that you can avoid this fee.	Use your account regula do not plan to continue account, take the steps vast majority of account never incurred the $19.(account fee.
Cash Advances	3.5% ($5.00 minimum)	You took a withdrawal of cash from your OneAccount. More	"Swipe and Sign" for all purchases, or withdraw a Higher One ATM inste cash advance. More
International Transactions	2%	Your card was used at a merchant location that is identified as being outside of the United States.	This fee is applied for be your card in this manne
Delinquent Account Fee	$50.00	Your account has been overdrawn for 45 consecutive days and for $5 or more.	Pay off the balance if yo your account. Or, if you continue using your acc steps to close it.
Lack of Documentation Fee	$50.00	You did not provide documentation required to verify your identity within the allotted timeframe.	Provide identification inf promptly if asked to do

WEBSITE SECURITY BY WhiteHat SECURITY

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HIGHER ONE®

Banking services provided by The Bancorp Bank, Member FDIC | Privacy Policy
Important Disclosures Regarding New FDIC Insurance Rules

The UND Pride Card Debit MasterCard® is issued by The Bancorp Bank pursuant to license fr
MasterCard International Incorporated. The card is administered by Higher One, Inc.

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Benefits of Nonresident Students to the State of North Dakota and the North Dakota University System

NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

National data suggest that students are more likely to remain in the state in which they complete postsecondary degrees. Here in North Dakota, 42.2 percent (1,136 of 2,689) of nonresident 2008 NDUS graduates remained in the state one year after graduation, either re-enrolled as students and/or employed in the workforce. This includes 44.7 percent (724 of 1,621) of Minnesota residents who graduated from NDUS institutions in 2008.

Nonresident students bring diversity and a broader range of experiences. They contribute to a richer academic experience at NDUS institutions and expand the horizons of North Dakota students.

Expenditures and purchases by nonresident students have a significant impact on our state's economy.

Based on a 2010 report, "Economic Impact of the North Dakota University System," *nonresident students spend, on average, $9,000 per year in North Dakota, primarily on living expenses, in addition to tuition and fees paid to the institutions.*

Systemwide, about 21,000 nonresident students were enrolled in the Fall of 2010. Using the per-student expenditure average, this resulted in $189 million in nonresident student spending, in addition to tuition and fees.

Nonresident students pay sales and other taxes (including property taxes paid indirectly through rent). Many nonresident students are employed in North Dakota while attending college and pay state income taxes.

Nonresident students, including Minnesota students, pay higher tuition rates than do North Dakota residents. (Note: In addition, the state of Minnesota pays North Dakota for the difference in the number of Minnesota students who attend North Dakota institutions compared to North Dakota students who attend Minnesota institutions. Reciprocity payments to North Dakota from Minnesota in 2008-09 totaled $3,078,707.)

Contractual student exchange programs, such as the North Dakota/ Minnesota reciprocity program, facilitate the flow of students between states and provide additional opportunities for North Dakota residents to attend college out of state at a reduced cost.

Many University System programs have available space, and recruiting nonresident students to fill these spaces makes sense because additional revenues are generated without significant added cost. The added enrollment helps spread fixed costs over a larger student base, thereby helping control cost increases for North Dakota students. If it wasn't for nonresident students, some current programs may not be available to North Dakota resident students.

Many non-resident students live on campus, helping to fill residence halls, contributing to food service operations and, in general, helping to keep costs of these operations lower for North Dakota resident students.

NDUS research efforts would be severely limited without the contributions of highly educated nonresident students, particularly graduate students, who contribute to our growing global economy. These nonresident graduate students also serve a critical role as teaching and research assistants. In the absence of their services, the campuses would have to hire additional faculty and staff, resulting in higher overall costs.

Recruitment of out-of-state students is supported by the private sector, as stated by private sector members of the Roundtable on Higher Education.

These out-of-state students who graduate from NDUS institutions and remain in the state are an important part of our educated workforce. They enable employers to fill positions in high demand and highly skilled areas without spending considerable resources to recruit workers from other states.

Just as private sector businesses recruit out-of-state employees, the NDUS attracts talent by recruiting out-of-state faculty, staff and students.

October 2010

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Phone: 701.328.2960 E-Mail: ndus.office@ndus.edu Web: www.ndus.edu

ACADEMIC PROGRAMS LOCATED IN LAND GRANT RESEARCH UNIVERSITIES

NDSU Colleges	NDSU	Univ of Minn. - Twin Cities	Univ of Wisconsin - Madison	Michigan State Univ - East Lansing	University of Illinois - Urbana	Iowa State Univ	Univ of Nebraska - Lincoln	Kansas State Univ	Colorado State Univ	Montana State Univ	Washington State Univ - Pullman
Agriculture, Food Systems, and Natural Resources	X	X	X	X	X	X	X	X	2 Colleges: Agricultural Sciences; Natural Resources	X	X
Arts, Humanities and Social Studies or similar	X	X	AHSS combined with Sci. Math programs into one college	5 Colleges: Arts & Letters; Communication; Social Science; Music; Arts & Humanities	3 Colleges: Fine Arts & Applied Arts; Liberal Arts & Sciences (combination of Sci/Math); Media	Liberal Arts & Sciences	3 Colleges: Arts & Sciences; Fine & Performing Arts; Journalism & Mass Communication	Arts & Sciences (combinations of Sci/Math)	X	2 Colleges: Arts & Architecture; Letters & Sciences	2 Colleges: Communication; Liberal Arts
Business or similar	X	X	X	X	X	X	X	X	X	X	X
Engineering and Architecture or similar	X	2 Colleges: Design; Science & Engineering	Engineering Only	Engineering Only	Engineering Only	2 Colleges: Design (Architecture); Engineering	2 Colleges: Architecture; Engineering	2 Colleges: Architecture, Planning & Design; Engineering	Engineering Only	2 Colleges: Arts & Architecture; Engineering	X
Human Development or similar	X	X	School of Ed & School of Human Ecology Separate	College of Education	College of Education	X	X	2 Colleges: Education; Human Ecology	Applied Human Sciences	X	Education
Pharmacy, Nursing, and Allied Sciences or similar	X	College of Pharmacy; Allied Health & Nursing Schools	Separate schools for Pharmacy & Nursing	Nursing	3 Colleges: Medicine (Med School Prep); Nursing; Applied Health Sciences					Nursing	2 Colleges: Nursing; Pharmacy
Science and Mathematics or similar	X	2 Colleges: Science & Engineering; Biological Sciences	AHSS combined with Sci. Math programs into one college	2 Colleges: Natural Science; Lyman Briggs College	Liberal Arts & Sciences (combination of AHSS)	Liberal Arts & Sciences	Arts & Sciences	Arts & Sciences (combinations of Sci/Math)	Natural Sciences	Letters & Sciences	X
University Studies or similar	X				X					X	X
Mortuary Science		X									
Dentistry		X	X								
Medical School		X	X	X							
Law		X	X	X	X		X				
Veterinary		X	X	X	X	X		X	X		X
Public Affairs		X	X	X							
Aviation				X				X		X	

These land grant universities were selected for comparison in programs offered to North Dakota State University because (1) they are regional in location and (2) they are classified as Carnegie RU/VH: Research Universities (Very High Research activity). Kansas State Univ is classified as High Research.

Attachment #4

Why the Land Grant University?

"... to create a college where the leading object shall be, without excluding other classical and scientific studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.."

Penned by Representative Justin Morrill of Vermont and signed into law by President Abraham Lincoln in 1862, the Morrill Act provided grants of land to states to be utilized for establishing a college to meet these goals. Today, there is an 1862 "Land Grant" university in each of the 50 states, as well as in the District of Columbia and a number of the Territories of the United States. North Dakota Agricultural College was founded under the authority of the 1862 Morrill Act in partnership with the United States in 1890. Today this institution is North Dakota State University.

In 1862, in addition to the Morrill Act, Congress also enacted the Intercontinental Railway Act, the Homestead Act, and the act that created the United States Department of Agriculture. Prior to that time most citizens of the United States and its territories were involved in subsistence living. The leaders of our nation were visiting in Europe and saw that to continue to grow and prosper, the United States needed to become more involved in activities that today we know as the "industrial revolution."

Thus, the Morrill Act was not a singular initiative, but was an integral plank in a broad strategy for assuring a bright and prosperous future for the United States. As our nation's Congressional leaders and President envisioned a bright economic future, several points were integral in their founding of Land Grant colleges:

1. Congress understood that having a food, feed, and fiber system which reliably and perpetually met the needs of the nation's population was essential before progress in other economic enterprises could be made. They recognized that the agricultural systems would have to become efficient enough to "free up" people to become involved in development of new industries, and that a significant way to accomplish this was through higher education.
2. The "mechanic arts" included what we now recognize as engineering, along with strong emphasis in the sciences including mathematics, chemistry, physics, etc. These were the core disciplines for preparing people to become successful in manufacturing and other enterprises as the nation's economy diversified. Today, most Land Grants have outstanding programs in engineering and sciences.
3. Additionally, Congress called on Land Grants to prepare students to be effective and contributing citizens throughout their lives. They expressed this in the Morrill Act by saying that the curricula at Land Grant colleges were to include classical and scientific studies to assure the *liberal* (providing students with a broad background about the many disciplines of human understanding), as well as *practical* (those things which people do to make a living), education of students.
4. Prior to the Morrill Act, higher education throughout the world's history had, in most cases, been the exclusive province of the wealthy and socially elite. Congress, through passage of the Morrill Act, recognized that the nation would benefit from and prosper by having a broad cross section of society – *the industrial classes* – become well educated through participation in higher education.

The Morrill Act is cited as being the seminal event that gave rise to broad participation in higher education in the United States and now throughout the world.

Since their founding, each Land Grant university has had close relationships with the citizens of its respective state. These institutions have continuously engaged with their constituencies to meet contemporary and foreseeable needs and opportunities. Another phase of this evolution was the founding Agricultural Experiment Stations as important parts of Land Grants through Congress' enacting the Hatch Act in 1887. Extension Services were created through the Smith-Lever Act of 1914.

Other events that significantly influenced the development of Land Grants occurred as World War II was ending. One of these was passage of the GI Bill. Through this legislation, most Land Grants grew significantly as they educated large numbers of former soldiers. To assure that the nation would have the talent required to continue to be successful, while concurrently rebuilding much of the world, additional disciplines became more relevant and prominent at Land Grants. While Land Grants continue to assure excellence in agricultural and engineering endeavors, new thrusts led to significant strengthening of programs in business, application of the sciences in new ways, humanities and social sciences, and other pertinent areas of study.

Concurrent with the growth of student numbers through implementation of the GI Bill, Land Grants were called on to broaden the areas of research in which they were involved. Near the end of World War II, Vannevar Bush, Director of the Office of Scientific Research and Development, penned a report *Science-the Endless Frontier*. This document outlined a long-term strategy for significantly expanding the nation's civilian economy by drawing on the scientific capabilities in academia similar to the way the nation had drawn on these sources in the successful execution of the War. Congress implemented Bush's report through development of the National Institutes of Health, the National Science Foundation, expanded commercial research sponsored by the Department of Defense, etc. Much of the science was, and continues to be, supported through grant processes. Because of the engineering and broad scientific expertise at Land Grants, these institutions were particularly successful in serving state and national needs by securing support through these avenues. Land Grants have played prominent roles in many sectors of our economy and society, in addition to the pivotal roles they always assumed in leading very significant scientific developments in agriculture, agribusiness, and related areas.

No two Land Grants are identical. Each has developed in response to the needs and challenges of its respective state. Their agricultural research and extension programs are prominent, yet each is unique. Their engineering and science programs are prominent. Many have outstanding programs in education, business, the performing and visual arts, law, human medicine, veterinary medicine, and many other areas of human endeavor. Regardless of the mix of programs, each institution continues to provide students with the fundamental skills to be successful in their chosen professions, and also, as contributing citizens. They conduct cutting-edge research and scholarship in many disciplines. They serve the citizens of their states through innovative outreach efforts in many arenas. In the spirit of the Morrill Act as being the "peoples' universities," today's Land Grant universities continue to adapt and evolve as societal needs evolve. They are significant catalysts in pacing the way for the future success of the United States.

D.C. Coston, Vice President for Agriculture and University Extension, NDSU

North Dakota University System Admission Standards

In the spirit of the state constitution ("a system of public schools which shall be open to all children of the state of North Dakota") the NDUS community colleges are generally open to all high school graduates, but with requirements for admission to many specialized majors. The board has currently established high school curriculum preparatory requirements for students entering baccalaureate programs. The intent is that students taking the preparatory curriculum in high school should generally be prepared for success in college. This requirement does recognize 5 or 10% exceptions limits for students who have not completed all of the high school curriculum requirements. Although the board requires the ACT examination for all incoming freshmen students, it has not established admission cut scores for the ACT examination. The reference below provides the general admission requirements and recognizes differences between incoming freshmen, transfer, graduate and professional admissions. In recognizing that campuses have responsibility in managing student success, beyond the curricular requirement for baccalaureate programs the board has delegated admission authority to the campuses.

Admission Policies generally:
http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=79&SID=5

In addition to the general admission policy, at the request of the Commission on Education Improvement, effective Fall 2012, the board has implemented uniform placement policies for placing students into developmental or college degree-credit courses. This placement policy becomes the standard for placing students into developmental courses but not for admission to the university. It is expected that this policy will be replaced by assessments of the new national common core standards as they are developed:
http://www.ndus.nodak.edu/makers/procedures/sbhe/default.asp?PID=217&SID=5

Reference to specific admission categories and campus admission policies follow. Note that some system campuses do not have requirements beyond the SBHE admission requirements and other campus admission policies are generally not admission "standards". For example, although a campus may desire a certain combination of ACT score and high school GPA, students not meeting that criteria may still be admitted. Also, students may be admitted, but placed into developmental courses.

Admission to one and two year programs:
http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=80&SID=5

Admission to four year programs:
http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=83&SID=5
Four universities have established admission requirements beyond the SBHE curricular requirements. Details on the university requirements are provided, by campus, below.

Transfer admission:
http://www.ndus.edu/makers/procedures/sbhe/default.asp?PID=85&SID=5

DSU Admission requirements:
http://www.dickinsonstate.edu/twoColumnWireFrame.aspx?pageid=4106&id=2767

Mayville Admission requirements:
http://www.mayvillestate.edu/Admissions/Freshman%20Students/Pages/ChecklistforFreshmenStudents.aspx

Additional MaSU requirement:

•A 2.0 cumulative high school grade point average or higher. Freshmen applicants with less than a "C" or 2.00 grade point average may be accepted on academic probation. An admissions decision will be made with a sixth or seventh high school semester whenever possible with the understanding that a final academic transcript will be submitted upon graduation.

Minot Admissions requirements:
http://www.minotstateu.edu/enroll/admission_standards.shtml

Minot State University revised its first-year admission requirements for those students entering MSU in the fall of 2011. The new standards provide support for students in their transition from high school to the university. Minot State is dedicating new resources via the Student Success Center and the Center for Engaged Teaching and Learning to help students achieve their higher education goals.

ACT/SAT		H.S. GPA Range
Any	**and**	3.25+
22-36/1020-1600 SAT	**and**	Any
20-21/940-1010 SAT	**and**	2.5 - 3.249 *a
18-19/860-930 SAT	**and**	3.0 - 3.249 *b

Passport Program (see below)

*a Students in this category will be accepted with enrollment provisions including a 17-credit enrollment limit during their first term of attendance and specific course placement.
*b Students in this category will be accepted with enrollment provisions including a 15 credit enrollment limit during their first term of attendance and specific course placement.

Passport Program
The Passport Program is a program designed to provide special support for first-year students on the MSU campus through a collaborative program at Dakota College at Bottineau when a student does not meet one of the above admission criteria. Upon successful completion of 24 semester hours or a diploma/Associates program with Dakota College, the student will transition seamlessly to programs at Minot State University.

NDSU Admission requirements:
http://www.ndsu.edu/admission/admission_information/requirements/

It is recommended applicants have a cumulative high school grade point average of 2.5 (4.0 scale) with strong consideration given to grades earned in college preparatory courses. An ACT composite score of 21 or higher or SAT score of 970 or higher is recommended. Students who do not meet these guidelines will be considered if other supporting factors show potential for success.

UND Admission requirements:

http://und.edu/admissions/enrollment/admission-freshmen.cfm

Admission Requirements - Freshmen

UND Automatic Admission Standards

Automatic Admission is granted to high school graduates entering as freshmen and transfer students with less than 24 semester hours of transferable credit, whose ACT / SAT and GPA scores correspond with our Admission Chart. In addition, you must meet the high school core requirements - English (4 units), Math (3 units of Algebra I or above), Lab Science (3 units), Social Studies (3 units).

Admission Chart

ACT & SAT Score Range	H.S. GPA Range
18-36 ACT / 860-1600 SAT	3.50 — 4.00
19-36 ACT / 900-1600 SAT	3.00 — 4.00
20-36 ACT / 940-1600 SAT	2.75 — 4.00
21-36 ACT / 980-1600 SAT	2.50 — 4.00
22-36 ACT / 1020-1600 SAT	2.25 — 4.00

SAT and ACT scores considered for UND admission consist only of the math and verbal sections. The writing section is not measured on either test.

You should still apply for admission even if your GPA or ACT don't meet automatic admission standards. Your application will be reviewed by a committee that will look at all relevant information to make their admission decision.

Students over 25 aren't required to submit an ACT or SAT score.

Provisional Admission

Students may be admitted on a provisional basis. They will be limited to 15 credits in their first semester and must participate in expanded academic advisement, plus a course in study skills or University Life. This policy is meant to provide adequate support to students to help them succeed.

VCSU Admission requirements:

http://www.vcsu.edu/enrollmentservices/vp.htm?p=511

F

HB 1003

APPROPRIATIONS COMMITTEE

Good Morning Mr. Chairman and Members of the Committee.

My name is Nancy Kopp

I represent the North Dakota Optometric Association and the North Dakota Veterinary Medical Association and currently serve as Executive Director for both groups.

I appear before you in support of the portion of HB 1003 that provides the funding for the Professional Student Exchange Program and the Kansas State Provision.

North Dakota students pursuing a career in Optometry or Veterinary Medicine are finding it increasingly more difficult to make the choice to obtain professional training in these fields for a number of reasons:

1. North Dakota does not provide access to these programs in our state. I was told that the approximate annual cost to operate a vet school, runs about $40 million.

2. The high cost of out of state tuition. Optometry runs approximately $30,000 at Pacific University in Oregon, per year (not including living expenses) and Veterinary Medical about $37,000 at Iowa State.

3. The potential annual income upon graduation and licensure in North Dakota, is less than other states. The average starting salary is $50,000 - $70,000, all while trying to retire a professional education debt of up to $180,000 plus and perhaps starting a family at the same time.

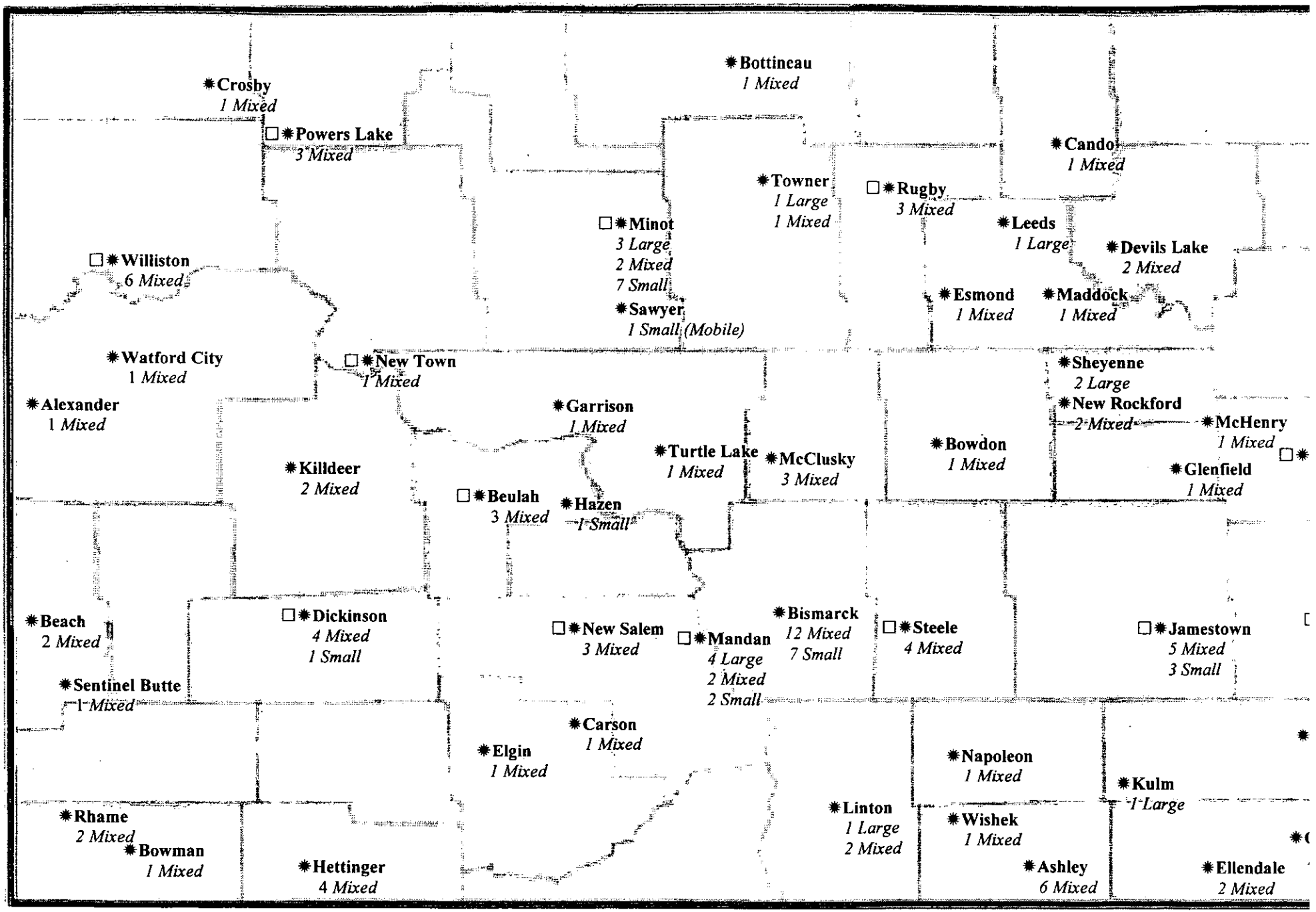
4. Is there a shortage of optometrists or veterinarians in North Dakota? Yes in the rural areas, not necessarily in the urban areas.

Note: Members of the North Dakota Optometric Association provide optometric services in 23 satellite clinics to serve, primarily the aging population of those rural communities. They travel and practice there 2-3 days per week. This is in addition to their urban practice. Some North Dakota Veterinary Medical Association members provide veterinary services up to a 150 mile radius of their main clinic.

5. Are our North Dakota students coming back to North Dakota to practice? For the most part, we think so; and are working hard towards recruitment.

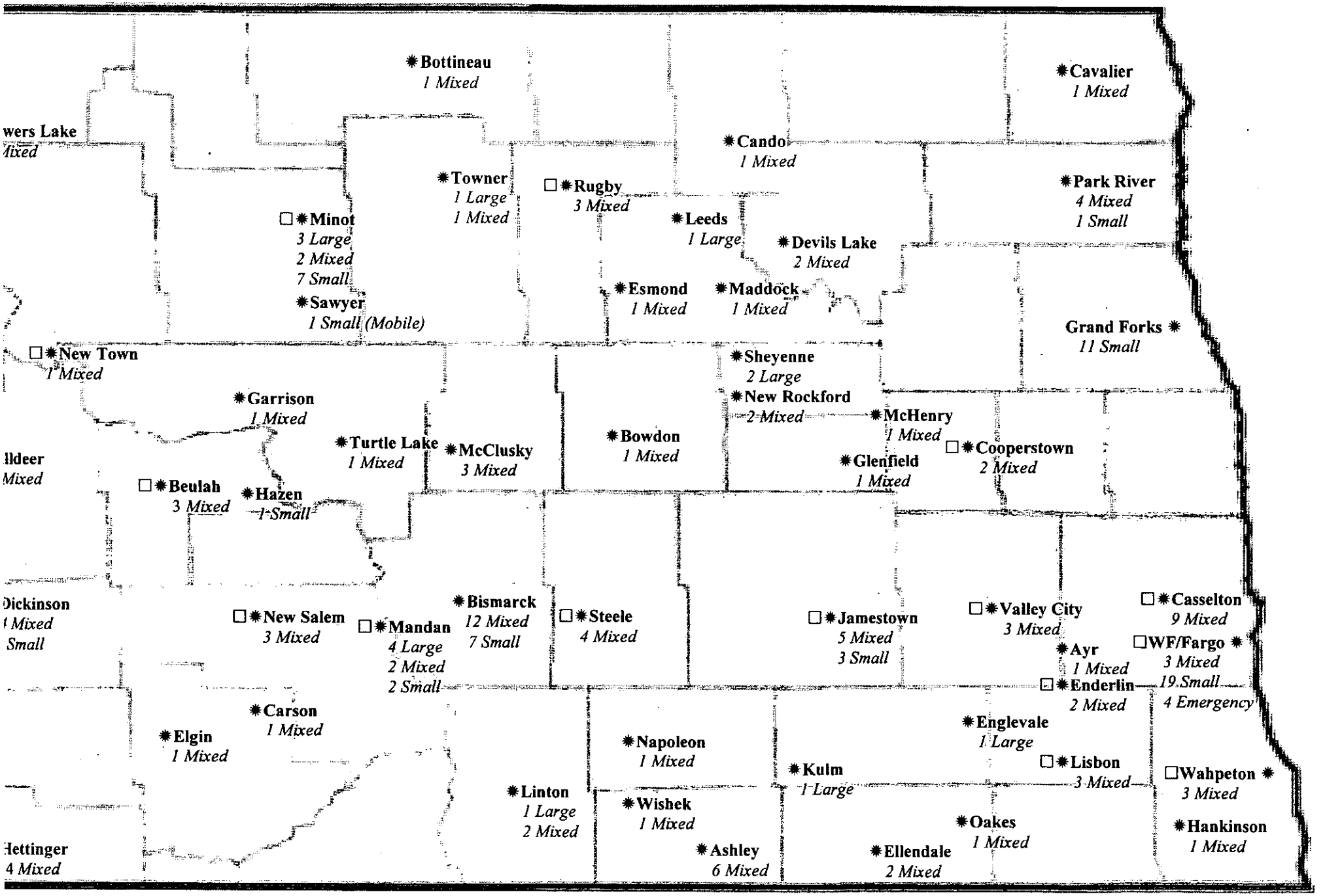
For these main reasons, I would ask for your favorable consideration to continue North Dakota's obligation and provide funding at the current level for the Professional Student Exchange Program.

2011 ND Veterinarians—Geographic Practice Distribution



2011 ND Veterinarians—Geographic Practice Distribution

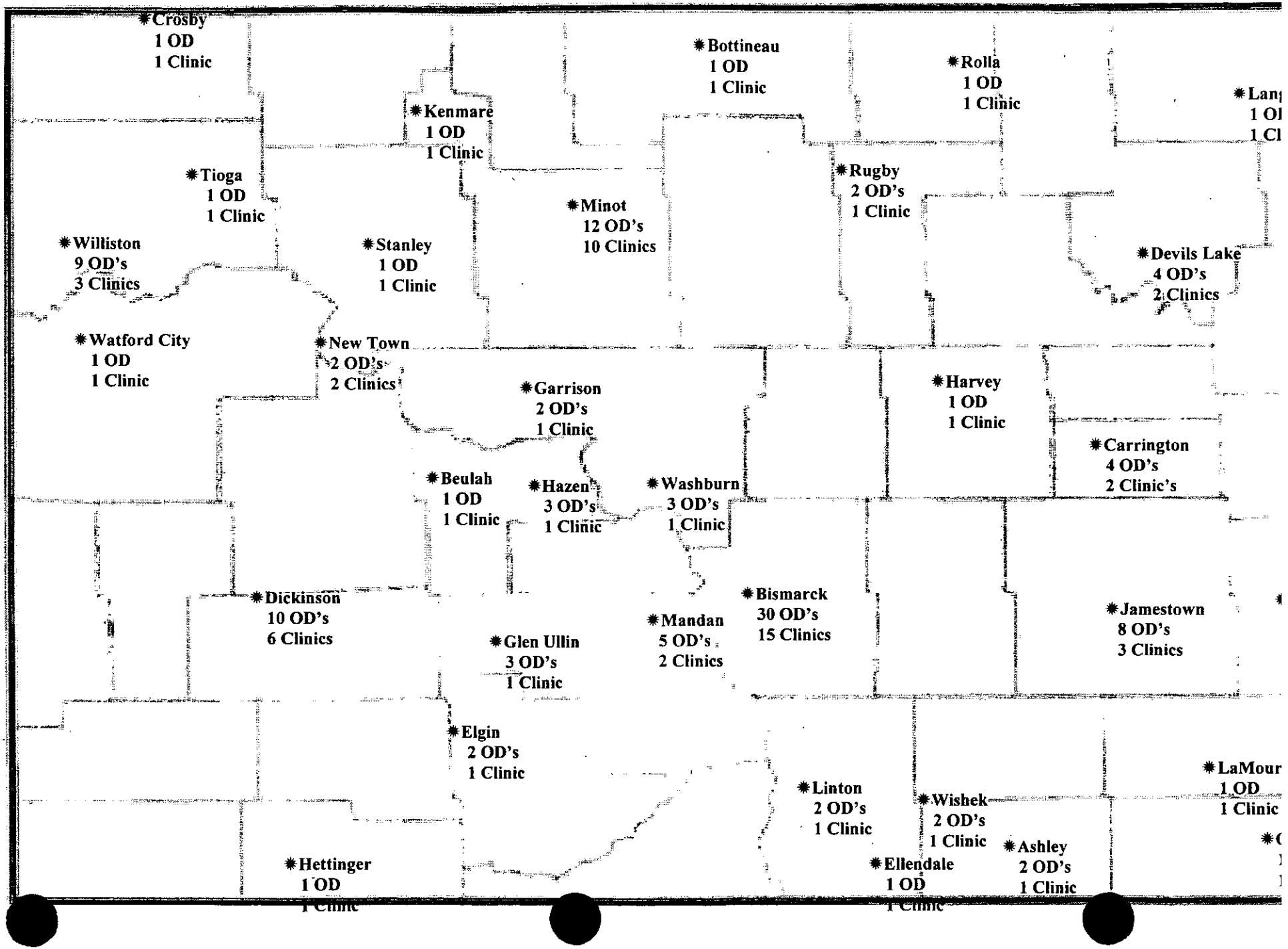
☐ Vet Corps Memb.



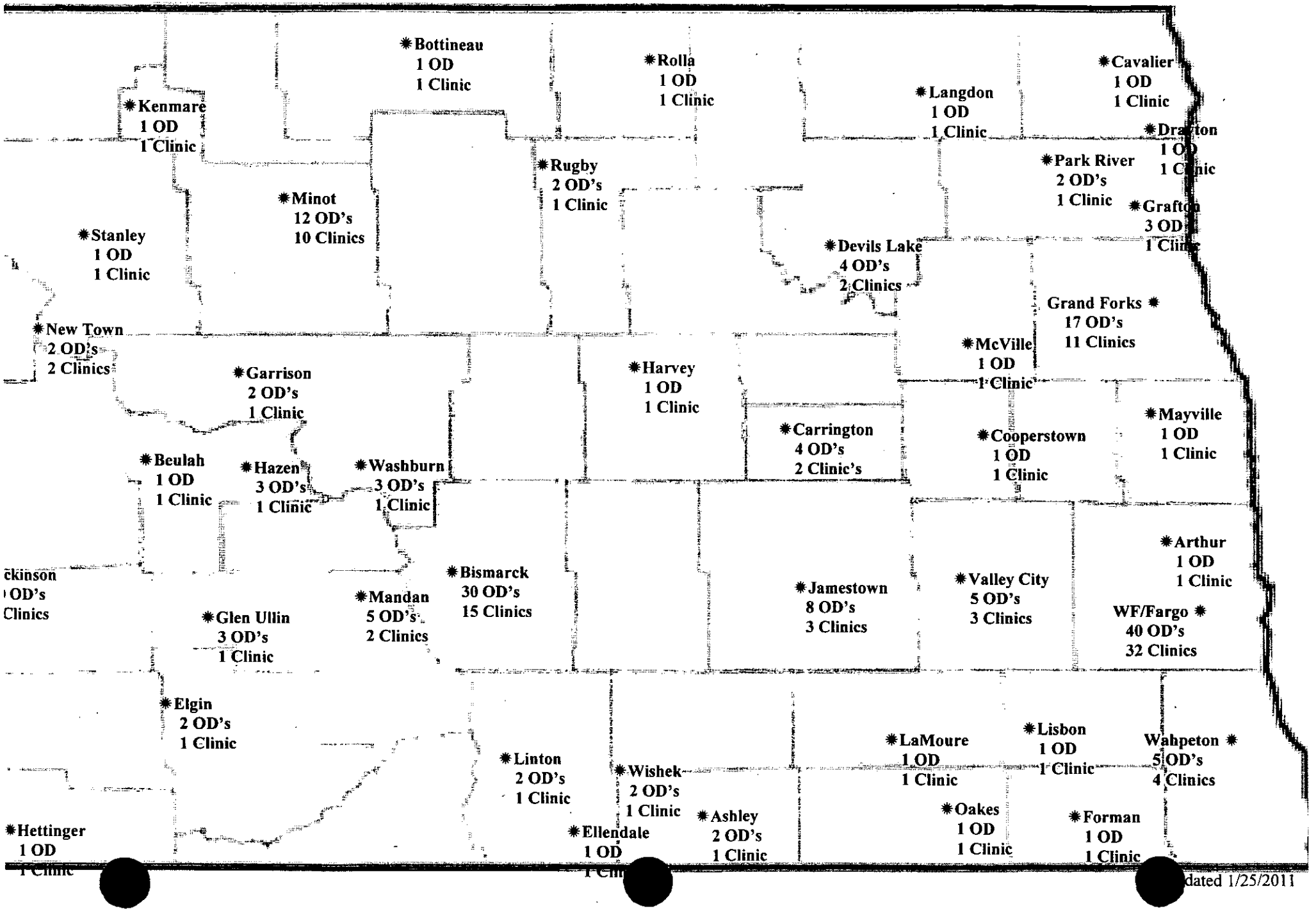
dated 1/25/2011

H

2011 ND Optometrists—Geographic Practice Distribution



2011 ND Optometrists—Geographic Practice Distribution



dated 1/25/2011

I

HB 1003

Good afternoon, Mr. Chairman and Appropriations Committee members. For the record, my name is Julie Ellingson and I represent the North Dakota Stockmen's Association.

I appear here today in support of the Professional Student Exchange Program, which is included in the University System budget and HB 1003. Our organization, which represents nearly 3,000 beef cattle producers, has long supported the Professional Student Exchange Program, as it provides specialized learning opportunities for North Dakota students at out-of-state veterinary schools.

North Dakota cattle producers regard their veterinarians as critical partners in their operations, helping them maintain a healthy herd and, ultimately, a profitable business.

We believe that the Professional Student Exchange Program helps entice students into this critical field, as it helps reduce at least some of their student-debt-load by providing tuition at reciprocity prices.

Many of the outstanding vets servicing our members' livestock operations are products of the Professional Student Exchange Program. We are hopeful that students will continue to have access to and benefit from this time-tested program, and, as such, we ask for your favorable consideration of this portion of the bill.

Doug Goehring
AGRICULTURE COMMISSIONER

Dr. Susan Keller
STATE VETERINARIAN

Dr. Beth Carlson
DEPUTY STATE VETERINARIAN

Dr. Jesse Vollmer
ASSISTANT STATE VETERINARIAN

Nathan Boehm, Mandan
PRESIDENT, DAIRY CATTLE

Melvin Leland, Sidney, MT
SECRETARY, REG. PUREBRED CATTLE

Dr. Charlie Stoltenow, Fargo
CONSULTING VETERINARIAN

STATE BOARD OF ANIMAL HEALTH
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Bismarck, ND 58505-0020
(701) 328-2655
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Equal Opportunity in Employment and Services

Dr. Morgan Dallman, Beulah
VETERINARIAN

David Pearson, Hettinger
SHEEP

Joel Olson, Almont
COMMERCIAL BEEF CATTLE

Daryl Dukart, Dunn Center
SWINE

Dr. W.P. Tidball, Beach
VETERINARIAN

Dr. Kenneth Throlson, New Rockford
BISON

Shawn Schafer, Turtle Lake
NONTRADITIONAL LIVESTOCK

J

Testimony of Beth W. Carlson, DVM
Deputy State Veterinarian
House Bill 1003
Senate Appropriations Committee
Harvest Room
March 22, 2011

Chairman and members of the Appropriations Committee, I am Deputy State Veterinarian Beth Carlson. I am here today on behalf of the North Dakota Department of Agriculture and the State Board of Animal Health in support of the portion of HB 1003 pertaining to funding for the Professional Student Exchange Program (PSEP) and the Kansas State Program. As you are aware, the PSEP program assists North Dakota students enrolled in professional programs not offered in the state of North Dakota, including optometry, dentistry, and of greatest importance to agriculture, veterinary medicine. The recent implementation of the Kansas State funding has provided an additional avenue to train food animal veterinarians.

The State Board of Animal Health is responsible for protecting the health of the domestic animals and non-traditional livestock of the state. We cannot do this without the assistance of a strong group of practicing veterinarians and regulatory veterinarians. Accredited veterinarians

issue health certificates, perform regulatory testing, provide services to auction markets, and occasionally assist the Board with other matters.

Rising tuition costs (and, as a result, student loan debt) make it difficult for students who wish to return to North Dakota to do so. Some students who are accepted to veterinary school may choose not to attend and instead pursue another career, rather than incur huge debt loads. This has contributed to the shortage of veterinarians in the state. In some cases, this has made it difficult to find veterinarians to provide services at our livestock auction markets, which are critical to our agricultural economy. When the Board needs to contract with a practicing veterinarian, it is sometimes difficult to find one who is available. I personally was a recipient of Professional Student Exchange funds, and it kept my student loans to a manageable level, which allowed me to choose to return to serve North Dakota, first in private practice and now in the public sector.

Chairman and committee members, for these reasons, I support these portions of HB 1003. I would be happy to answer any questions you may have.

11.8155.02007
Title.

Prepared by the Legislative Council staff for
Senator Grindberg
March 18, 2011

K

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 7, after line 29, insert:

"**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,000,000, or so much of the sum as may be necessary, to North Dakota state university for the purpose of renovating Ehly hall, for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 10, line 12, after "4" insert ", 5"

Page 10, line 12, replace "12" with "13"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates $3 million from the general fund to North Dakota State University for the Ehly Hall renovation project and declares the funding to be an emergency measure.

L

11.8155.02008
Title.

Prepared by the Legislative Council staff for
Senator Grindberg
March 18, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 7, after line 29, insert:

"**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,000,000, or so much of the sum as may be necessary, to North Dakota state university for the purpose of renovating the geosciences building, for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 10, line 12, after "4" insert ", 5"

Page 10, line 12, replace "12" with "13"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates $3 million from the general fund to North Dakota State University for the Geosciences Building renovation project and declares the funding to be an emergency measure.

Prepared by the Legislative Council staff for
Senator Schneider and Holmberg
March 17, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 3, after the semicolon insert "to amend and reenact subsection 3 of section 43-12.2-03 and subsection 3 of section 43-17.2-03 of the North Dakota Century Code, relating to eligibility for the medical personnel loan repayment program and the physician loan repayment program;"

Page 10, after line 10, insert:

"**SECTION 13. AMENDMENT.** Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

   b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full time as a nurse practitioner, physician assistant, or certified nurse midwife in this state for more than one year before the date of the application;~~

   ~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered ~~into~~ an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 14. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

   b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered ~~into~~ an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract."

Renumber accordingly

N

Prepared by the Legislative Council staff
for Senator Holmberg
March 24, 2011

LISTING OF PROPOSED CHANGES TO ENGROSSED HOUSE BILL NO. 1003

North Dakota University System

Proposed funding changes:	FTE	General Fund	Special Funds	Total
Ongoing funding changes				
1 Restore equity funding removed by the House		$10,000,000		$10,000,000
2 Restore student affordability funding removed by the House		$6,640,562		$6,640,562
3 Restore STEM teacher education funding removed by the House		$1,500,000		$1,500,000
4 Restore higher education performance funding removed by the House		$5,000,000		$5,000,000
5 Add funding and statutory changes for tribal college assistance grants included in House Bill No. 1363 (permanent oil tax trust fund)			$1,000,000	$1,000,000
6 Add funding for NDSU Native American recruitment and retention program	2.00	$300,000		$300,000
One-time funding changes				
7 Restore funding removed by the House for the DSU Stoxen Library project (restore to funding level included in SBHE request)		$10,560,000		$10,560,000
8 Restore funding removed by the House for the VCSU Rhoades Science Center project (restore to funding level included in SBHE request)		$10,836,000		$10,836,000
9 Restore funding removed by the House for special assessment payments		$3,515,393		$3,515,393
10 Add funding for the MiSU geothermal energy project		$5,000,000	$8,734,555	$13,734,555
11 Add funding for Dakota College at Bottineau parking lot repairs, special assessments, Thatcher Hall heating pipe repairs, and interactive video classroom project		$1,390,550		$1,390,550
12 Add funding for the Dakota College at Bottineau student center renovation project and dormitory project ($3,562,500 from the permanent oil tax trust fund and $62,500 local funds)			$3,625,000	$3,625,000
13 Add funding for non-state funded projects as requested by the State Board of Higher Education ($7.7 million additional funding for joint NDUS/UND information technology facility, $2.25 million for UND flight operations center, and $1.5 million for MiSU food service remodeling)			$11,450,000	$11,450,000
Total proposed funding changes		$54,742,505	$24,809,555	$79,552,060

Other items for discussion:

1 Increase SBHE member daily compensation to the same level as the daily pay for members of the Legislative Assembly

2 Allow $1.8 million of funding designated for the joint NDUS/UND information technology building to be transferred to the School of Medicine and Health Science to expand class sizes

3 Provide graduated tuition rates for programs that address immediate workforce needs

4 Change the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program.

5 Provide requirements for the University System fall enrollment report

6 Include legislative intent regarding 2011-13 tuition rates and future student affordability funding requests

7 Consider capital projects including the Bismarck State College National Energy Center of Excellence 4th floor project, North Dakota State University Geosciences Building renovation, North Dakota State University Ehly Hall renovation, State College of Science Bisek Hall expansion, State College of Science Old Main project, and Williston State College workforce training building

8 Provide authorization to North Dakota State University to continue the Minard Hall project using funds appropriated to the project during the 2007-09 and 2009-11 bienniums

9

Transfer $607,609 from the UND School of Medicine and Health Sciences to North Dakota State University for the proposed Masters in Public Health program

Prepared by the Legislative Council staff for
Senator Schneider and Holmberg
March 17, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 3, after the semicolon insert "to amend and reenact subsection 3 of section 43-12.2-03 and subsection 3 of section 43-17.2-03 of the North Dakota Century Code, relating to eligibility for the medical personnel loan repayment program and the physician loan repayment program;"

Page 10, after line 10, insert:

"**SECTION 13. AMENDMENT.** Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

   b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full-time as a nurse practitioner, physician assistant, or certified nurse midwife in this state for more than one year before the date of the application;~~

   ~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered ~~into~~ an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

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3. A physician who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

   b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

~~d.~~c. Shall submit an application to participate in the loan repayment program; and

~~e.~~d. Must have entered ~~into~~ an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract."

Renumber accordingly

Prepared by the North Dakota Legislative Council staff

March 2011

P

HIGHER EDUCATION CAPITAL PROJECTS - FUNDING PROVIDED BY STATE SOURCES

The table below details state funding for higher education capital projects included in the State Board of Higher Education budget request, state funding included in the executive recommendation, and state funding included in Engrossed House Bill No. 1003.

2011-13 State Support for Higher Education Capital Projects

Project	State Board of Higher Education Rank	State Board of Higher Education State Funding Request	State Funding Included in Executive Recommendation	State Funding Included in Engrossed House Bill No. 1003
Williston State College workforce training building project	1[1]	$700,000		$225,000[3]
North Dakota University System/University of North Dakota information technology building	2	17,600,000	$11,200,000[3]	14,300,000[3]
Valley City State University Rhoades Science Center project	3	10,836,000	7,971,000[3]	0
State College of Science Old Main renovation	4	8,180,000	8,180,000[3]	8,180,000[3]
Bismarck State College Plant Services Building	5	1,500,000	1,500,000[3]	1,500,000[3]
School of Medicine and Health Sciences Building	6	28,890,000	0	0
Minot State University geothermal project	7	5,000,000	0	0
Dakota College at Bottineau road repairs	8	700,000	0	0
Williston State College Stevens Hall project	9	10,434,000	0	0
Lake Region State College Erlandson Hall	10	4,850,000	0	0
Higher Education Center at Bismarck State College	11	8,500,000	0	0
Energy and Environmental Research Center laboratory and office expansion	12	12,500,000	0	0
Dakota College at Bottineau Thatcher Hall heating upgrade	13	265,000	0	0
State College of Science Bisek Hall expansion	18	0[2]	0	10,500,000[3]
Dickinson State College Stoxen Library expansion	25	0[2]	8,800,000[3]	0
Bismarck State College National Energy Center of Excellence fourth floor project	26	0[2]		4,335,000[4]
Williston State College science center additional funding	Not ranked	1,320,000	1,320,000[5]	1,320,000[5]
Williston State College campus improvements	Not ranked	0	1,000,000[5]	1,000,000[5]
Total		$111,275,000	$39,971,000	$41,360,000

[1]Project was not included in the original State Board of Higher Education capital project request but was added in a revised project ranking approved in December 2010.

[2]Project was ranked by the State Board of Higher Education but not included in the University System capital project funding request.

[3]Funding from the general fund.

[4]Project is funded through unspent 2009-11 biennium funding provided for the Great Plains Applied Energy Research Center project.

[5]Funding from the permanent oil tax trust fund.

Prepared by the Legislative Council staff
for Senator Holmberg
March 29, 2011

LISTING OF PROPOSED CHANGES TO ENGROSSED HOUSE BILL NO. 1003

North Dakota University System

Proposed funding changes:

		FTE	General Fund	Special Funds	Total
	Ongoing funding changes				
1	Restore equity funding removed by the House		$10,000,000		$10,000,000
2	Restore student affordability funding removed by the House		$6,640,562		$6,640,562
3	Restore STEM teacher education funding removed by the House		$1,500,000		$1,500,000
4	Restore higher education performance funding removed by the House		$5,000,000		$5,000,000
5	Add funding and statutory changes for tribal college assistance grants included in House Bill No. 1363 (permanent oil tax trust fund)			$1,000,000	$1,000,000
6	Add funding for NDSU Native American recruitment and retention program	2.00	$300,000		$300,000
	One-time funding changes				
7	Restore funding removed by the House for the DSU Stoxen Library project (restore to funding level included in SBHE request)		$10,560,000		$10,560,000
8	Restore funding removed by the House for the VCSU Rhoades Science Center project (restore to funding level included in SBHE request)		$10,836,000		$10,836,000
9	Restore funding removed by the House for special assessment payments		$3,515,393		$3,515,393
10	Add funding for the MiSU geothermal energy project		$5,000,000	$8,734,555	$13,734,555
11	Add funding for Dakota College at Bottineau parking lot repairs, special assessments, Thatcher Hall heating pipe repairs, and interactive video classroom project		$1,390,550		$1,390,550
12	Add funding for the Dakota College at Bottineau student center renovation project and dormitory project ($3,562,500 from the permanent oil tax trust fund and $62,500 local funds)			$3,625,000	$3,625,000

13 Add funding for non-state funded projects as requested by the State Board of Higher Education ($7.7 million additional funding for joint NDUS/UND information technology facility, $2.25 million for UND flight operations center, and $1.5 million for MiSU food service remodeling)		$11,450,000	$11,450,000
14 Adjust funding for 2011-13 special assessment payments at campuses to reflect updated payment calculations at BSC and NDSCS	$32,136		$32,136
Total proposed funding changes	$54,774,641	$24,809,555	$79,584,196

Other items for discussion:

1 Increase SBHE member daily compensation to the same level as the daily pay for members of the Legislative Assembly

2 Allow $1.8 million of funding designated for the joint NDUS/UND information technology building to be transferred to the School of Medicine and Health Science to expand class sizes

3 Provide graduated tuition rates for programs that address immediate workforce needs

4 Change the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program.

5 Provide requirements for the University System fall enrollment report

6 Include legislative intent regarding 2011-13 tuition rates and future student affordability funding requests

7 Consider capital projects including the Bismarck State College National Energy Center of Excellence 4th floor project ($4.335 million), North Dakota State University Geosciences Building renovation($3 million), North Dakota State University Ehly Hall renovation($3 million), State College of Science Bisek Hall expansion($10.5 million), State College of Science Old Main project($8.18 million), and Williston State College workforce training building($225,000 general fund, $2 million revenue bonding authority)

8 Provide authorization to North Dakota State University to continue the Minard Hall project using funds appropriated to the project during the 2007-09 and 2009-11 bienniums

9 Transfer $607,609 from the UND School of Medicine and Health Sciences to North Dakota State University for the proposed Masters in Public Health program

10 Provide $350,000 of funding from the permanent oil tax trust fund for the Dickinson State University Roughrider Scholarship Program

11 Provide $750,000 from the permanent oil tax trust fund for operations of the Dickinson State University Theodore Roosevelt Center

11.8155.02015
Title.

Prepared by the Legislative Council staff for
Senator Erbele
March 24, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 3, after "projects" insert "; to provide for a legislative management study; to provide an appropriation to the legislative council"

Page 10, after line 10, insert:

"**SECTION 13. LEGISLATIVE MANAGEMENT STUDY - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES.** During the 2011-12 interim, the legislative management shall study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 14. APPROPRIATION - LEGISLATIVE COUNCIL - STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the legislative council for the purpose of defraying expenses associated with the study of the university of North Dakota school of medicine and health sciences as provided in section 13 of this Act, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Renumber accordingly

Binder and Material available upon request

Senate Approps.

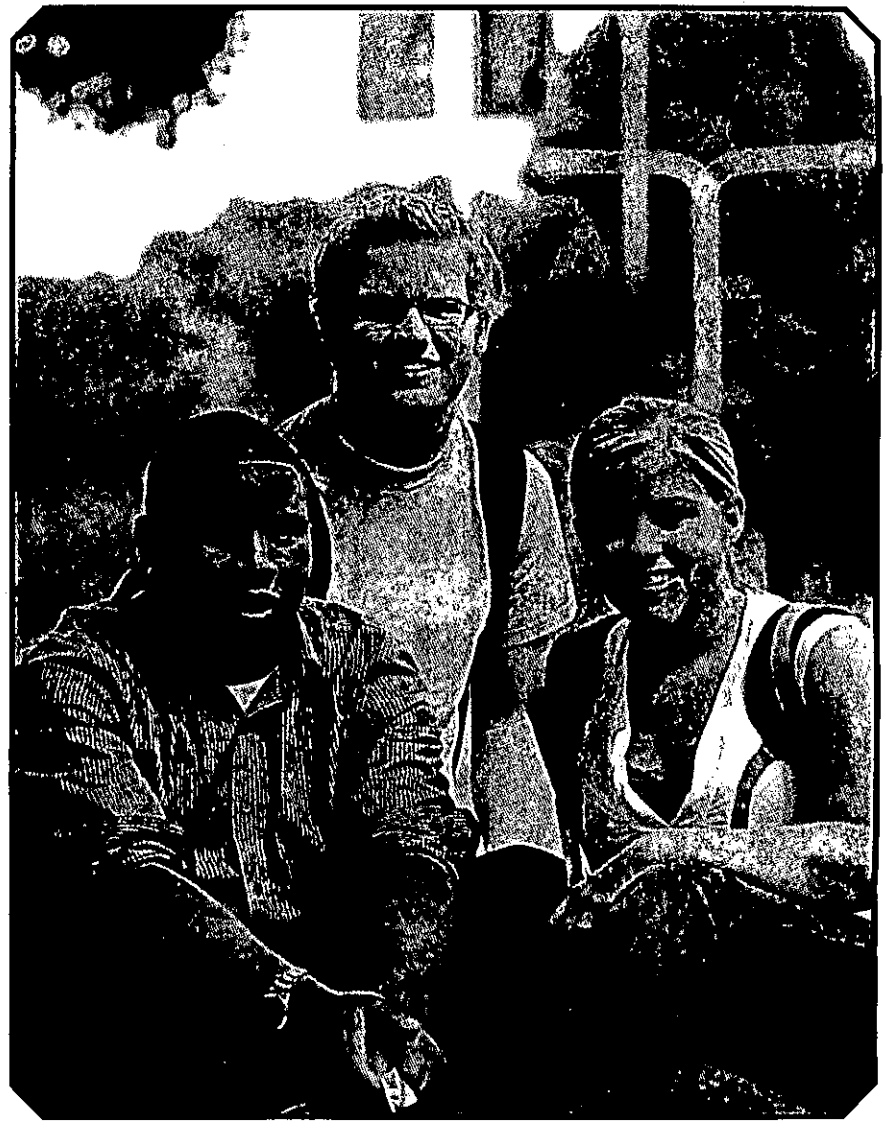
testimony for HB 1003

2011

A LEGISLATOR'S GUIDE TO THE NORTH DAKOTA UNIVERSITY SYSTEM

Investing in North Dakota's Future

- NDUS Overview
- Resource Guide
- Special Reports
- System and Campus References



NORTH DAKOTA
UNIVERSITY SYSTEM

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HB 1003
ND University System
4/15/11
attachment #1

Dolan, Tammy R.

m: Glatt, Laura [laura.glatt@ndus.edu]
t: Friday, April 08, 2011 2:23 PM
Dolan, Tammy R.; Larson, Brady A.
Cc: McDonald, Cathy A.; Goetz, William G.
Subject: UND research facility spending authority
Attachments: image001.jpg; IT facility NIST grant revised 04.11.docx

Brady and Tammy: It appears that the Senate Appropriation amendments to HB1003, added $7.7 million in other fund authority for the UND research facility, which if grant funding is successful, would be added to the joint IT facility. I would appreciate it if you could add this to your list of conference committee items, as UND recently informed us that the grant proposal is now $8.0 million, so they would need authority of up to $8.0 million in other funds for that project, instead of $7.7 million. See attached document. Thanks! Laura

NORTH DAKOTA
UNIVERSITY SYSTEM
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Laura Glatt
Vice Chancellor for Administrative Affairs

North Dakota University System
600 E Boulevard Ave, Dept 215
Bismarck ND 58505-0230
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Web: ndus.edu

UNIVERSITY OF NORTH DAKOTA, April 6, 2011

902.1: Ratify Chancellor's interim approval to request increase in submission of grant application to the National Institute of Standards and Technology (NIST) from up to $7.7 million to up to $8.0 million for construction of a research facility to be built as part of, and in conjunction with the data center (Joint UND/NDUS IT Building proposed in HB1003). Further, request increase from $22 to $22.3 million in approval to seek legislative authorization for construction of joint IT/UND research facility, of which $14.3 million is state general funds and up to $8.0 million is grant funding.

Background Information
In early February, UND became aware of an Announcement of Federal Funding opportunity under the NIST Construction Grant Program for "...the construction of new research science buildings or for the expansion of existing buildings to increase the space currently available for supported scientific research activities...for the purposes of this Program, "research science building" means a building or facility whose purpose is for the conduct of scientific research, including...research computing facilities..." NIST anticipates funding 2-4 projects with Federal shares in the $5 million - $10 million range with a project period of performance of up to 5 years. The announcement further describes a 20 percent cost sharing requirement as well as detailing unallowable/ineligible costs (this affects both what the federal funds may be used for as well as what may be counted as cost share).

A proposal writing team has been working to meet the revised April 6 (original March 24, 2011) submittal deadline. There are a number of details that are being worked through including the approach to meet the required cost share in compliance with the published announcement guidelines. The full scope of the IT facility that the state may fund through Legislative appropriation is unallowable/ineligible. There is, however, potential for shared infrastructure components that are required for the state funded IT facility that could also be used to support the research facility, thereby meeting the match requirement. A letter of commitment defining the cost share must be included in the proposal submittal.

The timing of the submittal prior to final outcome of the IT building under consideration in the Legislative process may impact the eligibility and/or competitiveness of the grant proposal. If the state funding is not appropriated for the IT building, the proposal must be withdrawn.

As required, UND has submitted a Letter of Intent (LOI) to NIST which was due by 2/24/11. Submittal of the LOI preserves the opportunity to submit a full proposal. The Project Synopsis included in the LOI is as follows:

> *The scientific community has incomplete understanding of the Earth climate system (ECS), particularly as concerns biogeochemical –physical cycles and climate impacts across many time- and length-scales. A comprehensive understanding of the ECS and its impacts on human activities, remains a long-*

range research goal pursued across many disciplines. Understanding daily-to-weekly variability in local weather impacting humans (via floods, severe storms, hurricanes, tornadoes, mudslides, blizzards, and fires) as well as monthly-to-interannual ECS variability, is key to development and implementation of climate adaptation strategies that are a high priority within NOAA. Central to improving understanding of ECS variability is improving our understanding of cloud systems.

At the University of North Dakota, cloud system-related research is occurring across several disciplines, though not in a coordinated fashion. For example, nanoscale computational chemistry is examining nucleation processes, especially as regards the ice phase. This work can be related to other ongoing work involving atmospheric aerosol formation as well as mesoscale cloud/weather systems and regional-to-global energy, water, and carbon cycles. Lack of computational infrastructure, especially dedicated space for computational resources and multi-disciplinary computational interactions, has hampered the efforts of UND researchers to fully capitalize on opportunities in research that requires high performance scientific computing and has made it difficult to coordinate their efforts with both internal and external collaborators.

This proposal addresses these issues via a synergistic expansion to a planned building that will house a centralized administrative computing center for the state of North Dakota with state-of-the-art networking technologies. The addition of space for research computing will allow for the development of a multi-disciplinary-multi-scale (MD-MS) approach to integrated Earth system modeling. In particular, we anticipate substantial advances in our understanding and prediction of cloud microphysical processes, especially the interactions across scales from the nano- to regional scales with impacts to weather and climate variability, within three years of the establishment of the facility.

To support the aforementioned scientific endeavor, the University of North Dakota is soliciting funding from NIST for construction of a research facility to be built as a part of, and in conjunction with, a data center currently approved by the State Board of Higher Education and under consideration by the North Dakota Legislature. Using green architectural design, the research facility will provide the necessary space and equipment required to fully support the research in an environment conducive to that effort. This includes, but is not limited to, high speed data transfer, system redundancy, and room configurations specifically tailored to computational research

As the LOI suggests, this type of computational research requires the evaluation of petabytes (a thousand terabytes, or a million gigabytes) of data. This enormous storage and data transfer need requires that the facility be constructed in close proximity to a high speed, high capacity network system which is available at the UND/NDUS Data Center site through the Northern Tier Network. Constructing both facilities in conjunction with each other will provide cost saving opportunities for the research facility

which will have no negative impact on the data center.

On March 1, 2011, the SBHE approved UND's request to submit grant application to the National Institute of Standards and Technology (NIST) of up to $7.7 million for construction of a research facility to be built as part of, and in conjunction with the data center (Joint UND/NDUS IT Building proposed in HB1003). Further, request approval to seek legislative authorization for construction of joint IT/UND research facility of $22.0 million, of which $14.3 million is state general funds and $7.7 million is grant funding.

UND/NDUS Data Center – Cost Sharing

The initial program work for proposed research facility indicates a construction budget of approximately $9.6 Million based upon 20,000 gross square feet of research space and 5,000 square feet of data center (2,500 sf Tier II and 2,500 sf of Tier III.) Of the $9.6 million estimated cost, up to $8 million would be from new grant funding, with $2.0 million of the $14.3 million joint IT facility serving as required match. The computational research facility shares a number of operational features with the UND/NDUS Data Center currently under consideration by the 2011 legislative assembly. Although further design development is required to ascertain the individual components, project planners are confident that a significant amount of the mechanical and electrical infrastructure can support both facilities without negative consequences for either.

To further clarify the shared component concept, it is important to state that each facility would and does require a specific array of mechanical and electrical devices which provide for the redundant and uninterruptable service. A number of the devices are dedicated and are limited in operation to a specific space. Other components have the capacity to support a broader scope without compromise, and would be considered all of the cost share requirement.

Because the shared component cost would become a part of the proposed research facility budget, it would be subject to the same restrictions and reporting requirements as the federal funding. This would require that approximately $2 Million of the joint IT Data Center budget be dedicated to the research facility, although the construction related to that amount of funding would remain a part of the joint IT Data Center and continue to support it as designed.

Funding restrictions

The NIST grant opportunity has limitations on what types of construction/equipment are eligible for funding. This includes, but is not limited to, parking lots, landscaping, and certain types of network equipment. UND intends to accommodate the data center with the parking lots and landscaping included within the current budget for the UND/NDUS data center. With consideration that the research center may be designed to be built above and not adjacent to the data center, no significant change of scope in either the parking or landscape is anticipated. To accommodate the additional parking demands, UND intends to provide shared parking opportunities using the existing lots. Note that because the parking lots, landscaping, and certain types of equipment are ineligible for

funding by NIST, the components cannot be used as part of the cost share itself.

Should the research component be adjacent to the data center, the parking lots and landscaping would be configured in such a way that they represented the need of the data center only, with no additional cost placed upon the data center itself. This can be accomplished by the site arrangement of the research facility in relationship to the data center, parking lots, and landscaping.

Should the research component be constructed upon the data center, all costs related to the increased foundation and structural requirements to do so would be a part of the research component and not part of the data center.

Legislation Amendment

Based on the above description, UND is requesting authorization to submit the grant application and to request an amendment to the legislation authorizing and funding the UND/NDUS IT facility data center: "That the University of North Dakota be allowed to identify approximately $2 million of the appropriated funding for the joint IT facility data center to be used as matching funding for the research facility, and that the funding become a part of the grant budget for the research facility. Furthermore, it is stipulated that the use of the identified $2.0 million in funding is contingent upon the architect certifying that the use of the identified funds has no negative impact on the capacity or operation of the joint IT facility nor increases the cost of the joint IT facility."

HB 1003 - NDUS
1/15/11
attachment #2

MINOT STATE UNIVERSITY GEOTHERMAL PROJECT

MSU is seeking approval to begin the transition from an inoperable coal-fired boiler to a primary geothermal system. MSU's campus buildings have been heated through a central steam plant and distribution system, while cooling for individual buildings has been provided through a variety of distributed cooling methods. The primary heating fuel for MSU's central plant is coal, with natural gas backup. The coal-fired steam boiler is in need of replacement at this time. Using natural gas/fuel oil boilers as a backup comes at a significantly higher cost than using the coal-fired burner. Reliance on natural gas is not practical, as the cost of natural gas continues to rise. Key factors and considerations include:

- The heat shields on the existing boiler have failed, meaning the boiler can no longer be operated.
- MSU has to run exclusively on natural gas or diesel fuel to heat the campus.
- Diesel fuel and natural gas prices have risen substantially.
- It is not feasible to repair the coal boiler. A renovated system would have a useful life of only 4-6 years.
- Given other options, it is not practical to replace the coal boiler. A new system would cost more than $10 million (in addition to the ongoing cost for boiler operators and fuel materials).
- MSU and MEP Associates have developed a feasibility study and plan to replace the current steam plant with a geothermal heating and cooling system.
- Area A includes a geothermal well field under an existing football practice field, and connects to the Dome, Wellness Center, Swain Hall, and Gordon Olson Library. The budget for Area A is $4.5 million. Project funding comes from state appropriations ($2.5 million) and Department of Commerce ARRA energy grants ($2.0 million).
- Area B includes a complete geothermal loop, additional well fields, and mechanical connections to two university buildings. The cost to complete this area is $5 million.
- Area C will complete the geothermal system and connect the remaining buildings. This area is budgeted at approximately $8.7 million, and will be funded with energy performance contracts and energy grants.
- Once fully implemented, the system will generate ongoing utility savings of approximately $500,000 per year. At this rate, the system payback is only 13 years.

Because geothermal deployment is incorporated into the planning and design of future facilities, Area A will be operational by June of 2012. Complete system implementation could be accomplished by 2013-2014.

Similarly, the annual operation and maintenance for a new geothermal heating and cooling system is assumed to take into account service and repairs on the chillers, pumps and variable frequency drives, as well as miscellaneous service and repairs.

In addition to basic operation and maintenance costs, this study takes into account a prospective reduction in staff between running the existing conventional boiler and maintaining the new geothermal system. Currently, four full-time boiler operators plus a relief fireman are needed for the on-site boiler plant. The staff dedicated to the steam boiler system would no longer be necessary for the new geothermal HVAC system. A summary of these costs are shown in Table 6.

Table 6. Operation & Maintenance Costs

Option		Generating Equipment O&M Cost ($/yr)	Distribution Equipment O&M Cost ($/yr)	Miscellaneous O&M Cost ($/yr)	Dedicated O&M Staff Cost ($/yr)
Baseline	**Existing Conventional HVAC System**	**11,320**	**4,000**	**20,000**	**225,000**
Recommended	**New Geothermal HVAC System**	**12,000**	**9,600**	**8,800**	**0**

Implementation Cost Analysis

Baseline Conversion Costs

Minot State University is currently considering replacing the on-site coal boiler for a total implementation cost of $10,000,000.[12]

Individual Geothermal Building Conversion Costs

Several implementation costs are associated with the conversion of the Minot State University campus to a new geothermal HVAC system. Each building has a cost associated with conversion to include demolition of existing equipment, mechanical costs including mechanical room pumps, piping, heat pumps, steam to hot-water radiation conversion, chilled and hot water coils and piping, and water-to-air injection pumps, and electrical power distribution costs. Table 7 gives the total cost of conversion for each building, outlining the demolition, mechanical, and electrical costs separately.[13] This discussion excludes the Powerhouse and Maintenance Buildings, which, for the purpose of this study, are assumed to be no longer operable after full implementation of the new geothermal HVAC system. A more detailed building-by-building cost estimate can be found in Appendix F.

[12] The baseline implementation costs used in this report were determined based upon discussions with Minot State University personnel. For the purposes of this report at this time, these costs were not verified further.

[13] Finned-tube radiation material and heat pump prices were determined from the manufacturer. All other demolition, mechanical, and electrical costs were determined using the RSMeans Construction Publishers & Consultants 2009 Building Mechanical Cost Data.

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SUMMARY AND RECOMMENDATIONS

The first year annual operational costs, broken down by type, are shown in Table 11. They show energy costs (composed of electrical, natural gas, and coal); water, chemical, and waste costs; and operation and maintenance costs. This data, taking into account 4% inflation over its lifetime, or 20 years, is also shown in graphical form in Figure 1.

Table 11. First Year Operational Cost Summary

Option		Energy Cost ($/yr))	Water, Chemical, & Waste Cost ($/yr)	O&M Cost ($/yr)	Total Cost ($/yr)
Baseline	**Existing Conventional HVAC System**	**965,578**	**34,868**	**260,320**	**1,260,766**
Recommended	**New Geothermal HVAC System**	**735,284**	**-**	**30,400**	**765,684**

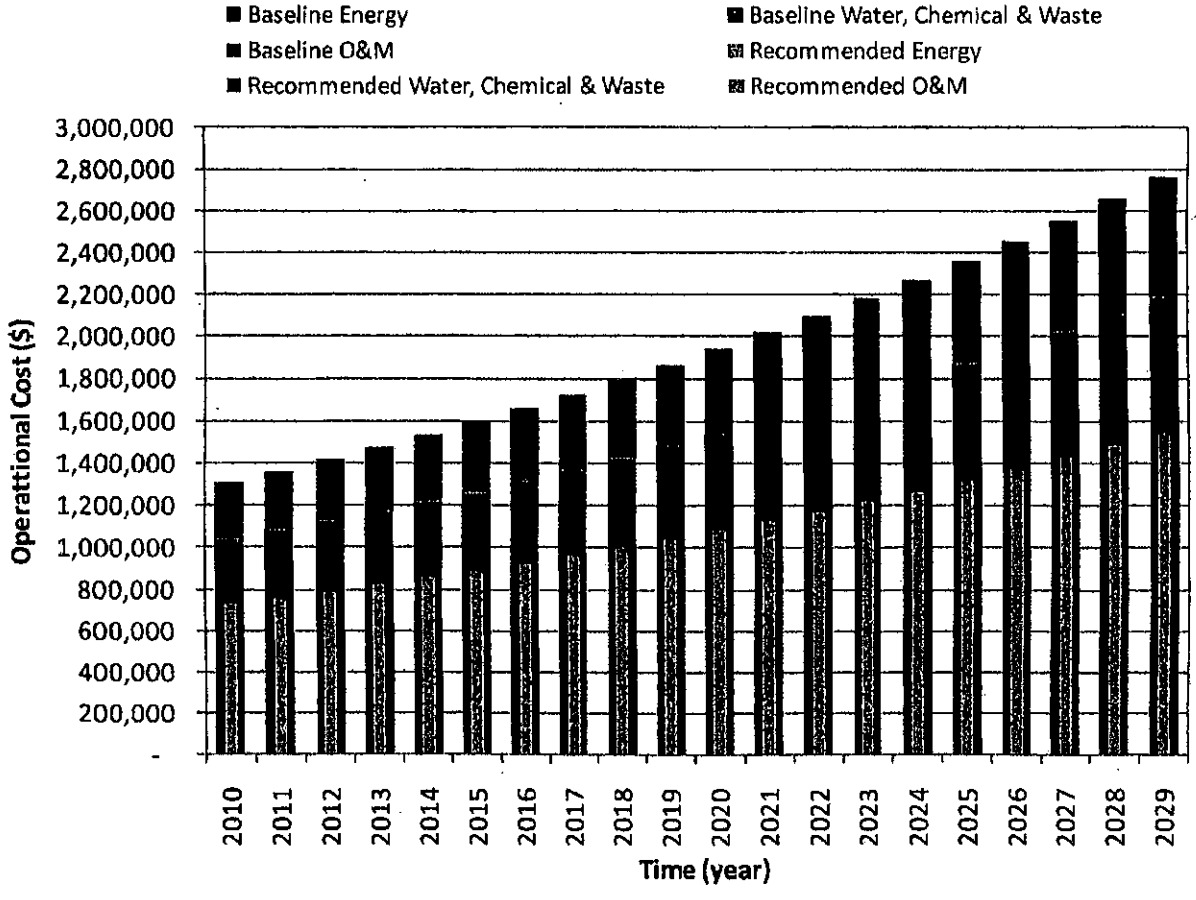


Figure 1. Twenty-Year Operational Cost Summary

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P3

In order to determine the lump sum needed today to pay for the system over its twenty-year lifetime, we use 4% inflation and 6% discount factor to take into account the time-value of money (see Economic Analysis), to come up with the net present value. The net present value for the baseline is $30,769,187, and the net present value of the recommended option is $28,689,470

The annual electrical energy savings, electrical demand savings, natural gas savings, coal consumption savings, water and chemical consumption savings, and ash and carbon dioxide pollution savings are shown in Table 12. This translates to a first year annual cost savings of $495,082. With a $16,076,000 implementation cost, the simple payback is 12.5 years.

Table 12. First Year Consumption & Pollution Savings

Electrical Energy (kWh)	**-571,765**
Electrical Demand (kW·mo)	**-655**
Natural Gas (therms)	**273,562**
Coal (tons)	**2,640**
Ash (tons)	**168**
Carbon Dioxide (tons)	**4,919**

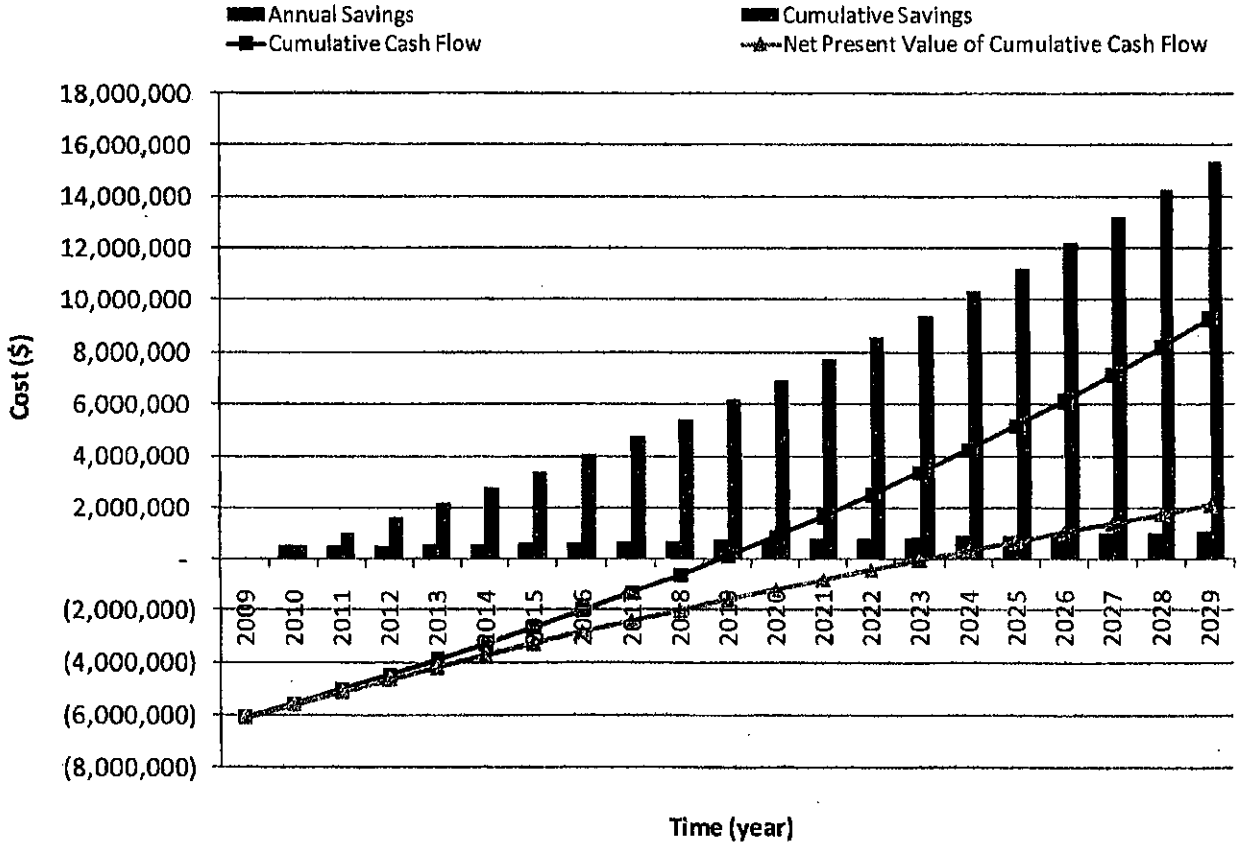


Figure 2. Twenty-Year Operational Cost Savings – Geothermal System

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P.4

HB 1003
NDUS

Lee,

As previously discussed and requested, below is an estimate of the cost (not to exceed $55,000) to complete a study to correct the growing water/drainage issues on the MSU campus. If there is an opportunity to get this funds for the study would be appreciated.

4/18/11
attachment H

Thank you.

Keith

Dr. Keith Stenehjem, VPAA - Mayville State University
keith.stenehjem@mayvillestate.edu - www.mayvillestate.edu
Phone: 701.788.4755 - Fax: 701.788.4605

1st TabletPC University in the Nation

From: Sean Sugden [mailto:SSugden@eapc.net]
Sent: Friday, April 08, 2011 10:02 AM
To: Steven Bensen
Cc: Todd Jelinski
Subject: Stormwater Study

Steve,

Thanks for the opportunity to continue to work for Mayville State University. As per our phone conversation, EAPC and AE2S would like to provide the following services to complete a Stormwater Management Master Plan for MaSU.

For the completion of the Master Plan, EAPC and AE2S propose the following services:

- **Topographic survey and mapping of the campus:** Accurate elevations and feature locations are necessary to identify surface drainage patterns, location of utilities, surface types, and to create a base map and surface model. The resultant mapping will include one-foot elevation contours and spot elevations accurate to within 0.05 feet. This mapping can also be utilized during the design and construction phases, as well as a component of a future geographic information system.
- **Existing/Proposed Drainage System Analysis:** From the completed topographic survey, AE2S will utilize AutoCAD Civil 3D® to import the digital data created from the survey to construct the detailed surface model from which to analyze drainage areas, surface cover, and runoff patterns. This information will then be input into our automated stormwater design software (XP Storm®) where our staff will then be able to analyze existing hydrologic conditions and ultimately develop a stormwater system model to assist in the design and analysis of a campus drainage Master Plan. The model will assist our designers in identifying for a prescribed level of service pipe sizes, inlet locations, preliminary pipeline routing, outlet locations, and the potential for any downstream impacts that will require mitigation. In the end, all of this information will be crucial to enable accurate cost forecasting for the Master Plan.
- **Prepare system recommendations and opinions of probable cost:** Based on the preliminary design and modeling, AE2S will provide recommendations for construction of a stormwater system that will include material types, implementation schedules and logistics, and regulatory compliance. AE2S will coordinate recommendations with City of Mayville engineering and planning officials, the North Dakota Department of Health, and the local water resource district if their jurisdiction applies to this project. Opinions of probable construction costs will be provided based on bid results from previous similar projects and up-to-date information from suppliers and contractors.
- **Provide Engineering Report:** Results of the survey, investigation, modeling, preliminary design, recommendations, and cost estimates will be provided in both hard copy and digital format
- **Provide Final Stormwater Management Master Plan:** We will provide a final document that is similar in composition to the existing Master Plan document and sensitive to the future needs and expansions of MaSU.

EAPC and AE2S proposes the above services for an hourly Not To Exceed fee of $55,000 plus reimbursable expenses. Should additional investigative work be required due to an extraordinary number of internal roof drain direct connections or ambiguous data, we may request additional fees to adequately complete the work. Should these conditions occur, we will notify MaSU immediately and not proceed without proper justification and authorization.

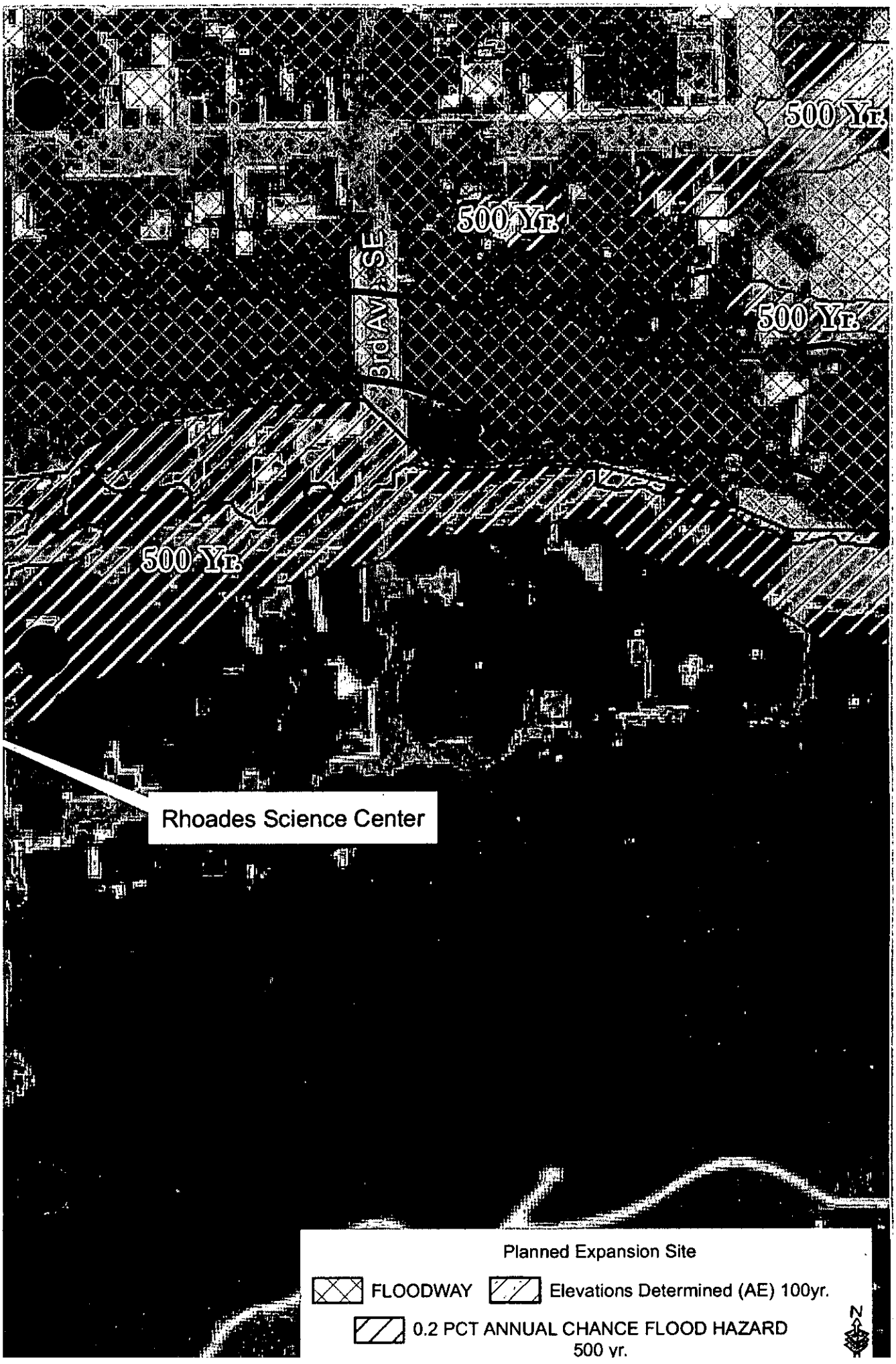
Thanks again for the opportunity to propose our services for this interesting and important project. Please contact me if you have questions or need additional information.

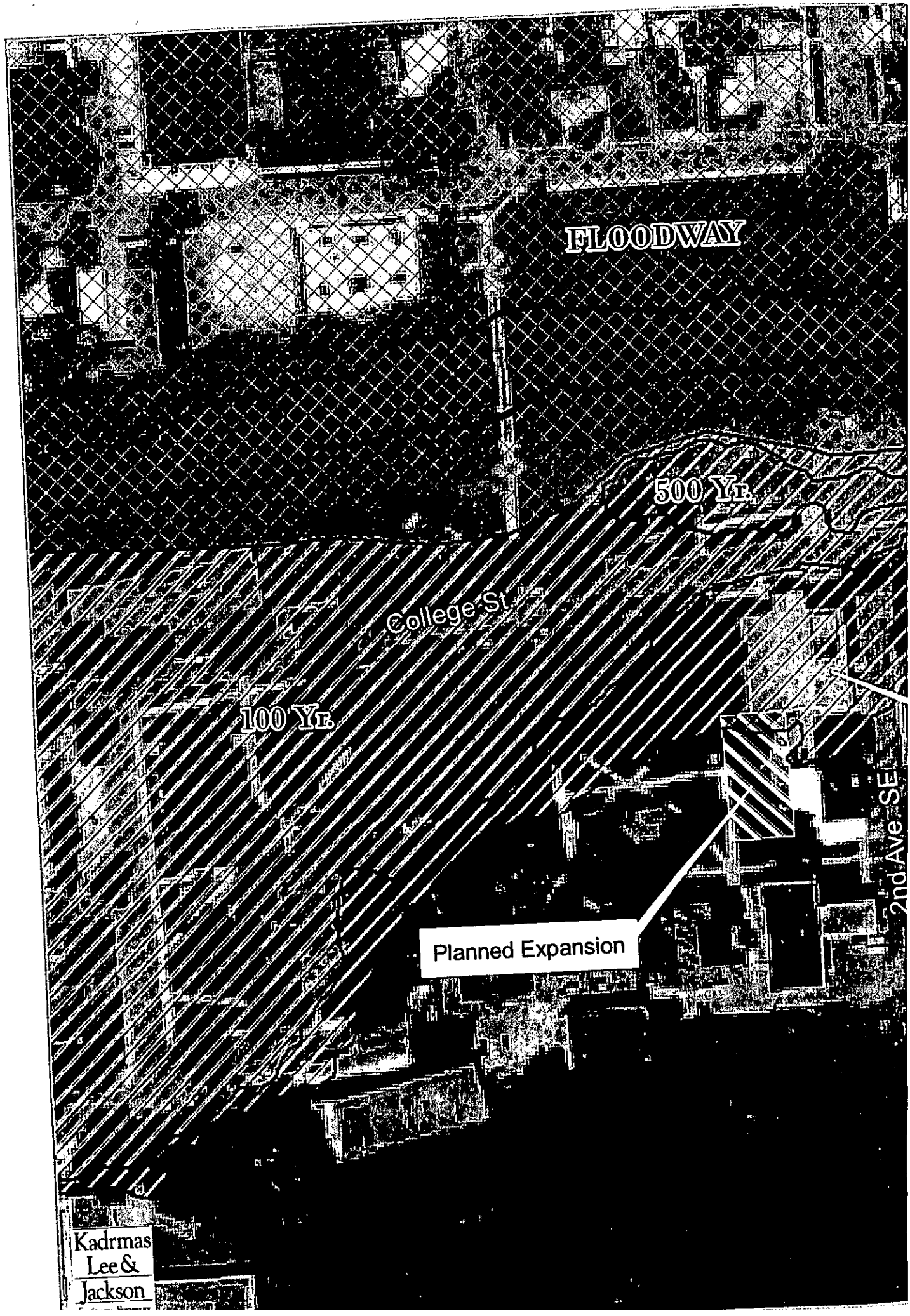
Sean D. Sugden, AIA NCARB
Architect - Associate

EAPC ARCHITECTS ENGINEERS

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AB 1003
NDSU - Valley Rd
4-18-11
attachment #3




FLOODWAY
500 Yr.
College St.
100 Yr.
2nd Ave. SE
Planned Expansion
Kadrmas
Lee &
Jackson

HB 1003
NDUS
4/19/11
attachment #1

Prepared by the Legislative Council staff

April 19, 2011

LISTING OF PROPOSED CHANGES TO ENGROSSED HOUSE BILL NO. 1003 WITH SENATE AMENDMENTS

North Dakota University System

Proposed funding changes:	**FTE**	**General Fund**	**Special Funds**	**Total**
Ongoing funding changes				
1 Remove additional funding from the University System office System Governance line item to provide for a total reduction of $500,000		($300,000)		($300,000)
2 Remove funding for the new and expanding program funding pool		($1,000,000)		($1,000,000)
3 Reduce funding for capital bond payments		($50,000)		($50,000)
One-time funding changes				
4 Reduce funding for the University of North Dakota information technology building project		($650,000)		($650,000)
Total proposed funding changes		($2,000,000)	$0	($2,000,000)

4/20/11
attachment #1

exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.

7. Drafts of a proposed general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. Any other information as the director of the budget determines desirable or as is required by law.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION. During the 2011-12 interim, the legislative management chairman may appoint an interim higher education committee to study issues affecting higher education. The study may include a review of:

1. Higher education funding mechanisms, including:
   a. Performance-based funding methods.
   b. Funding based on student enrollment calculations.
   c. Funding from grants.
   d. Funding based on program cost analysis.
2. Higher education budget methods, including:
   a. Block grant funding for operations based on institution type.
   b. Block grant funding for specific initiatives based on institution type.
   c. Funding for capital asset maintenance, including deferred maintenance.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

attachment # 3

11.8155.02026
Title.

Prepared by the Legislative Council staff for
Representative Skarphol
April 20, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 3, after "projects" insert "; to provide legislative intent; to provide for a report"

Page 10, after line 10, insert:

"**SECTION 13. LEGISLATIVE INTENT - HIGHER EDUCATION CAPITAL PROJECTS - BUDGET SECTION REPORT.** It is the intent of the sixty-second legislative assembly that the state board of higher education develop an alternative funding method to prioritize funding requests from the general fund for higher education capital projects at North Dakota university system institutions for the 2013-15 biennium. The funding method must give priority to projects that address health and safety issues and all projects must receive an architectural review by the office of management and budget. The state board of higher education shall provide periodic updates to the budget section regarding the development of the funding method, including the prioritization of capital projects for the 2013-15 biennium."

Renumber accordingly

4/21/11
attachment #1

2011 House Bill 1003
Building & Infrastructure Repairs and Maintenance
2011-13 Executive Recommendation - *Unchanged by House or Senate*

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
						15% of Formula	
	Building Amt Generated by the Formula 1/	Infrastructure Amt Generated by the Formula	Building and Infrastructure Amt Generated by OMB Formula	2009-11 Base Funding	2009-11 % OMB Building & Infrastructure Formulas	15% of OMB Formula	Incr./Decr. Over current base funding
BSC	2,094,474	690,010	2,784,484	243,481	8.7%	417,673	174,192
LRSC	861,481	174,296	1,035,777	43,662	4.2%	155,367	111,705
WSC	933,734	384,938	1,318,672	86,475	6.6%	197,801	111,326
UND	21,984,435	7,426,005	29,410,440	2,300,545	7.8%	4,411,566	2,111,021
NDSU	14,097,740	4,117,222	18,214,962	1,692,225	9.3%	2,732,244	1,040,019
NDSCS	5,172,632	1,576,564	6,749,196	753,332	11.2%	1,012,379	259,047
DSU	2,380,666	346,520	2,727,186	383,690	14.1%	409,078	25,388
MaSU	1,935,637	457,646	2,393,283	208,991	8.7%	358,992	150,001
MiSU	5,083,026	914,438	5,997,464	596,870	10.0%	899,620	302,750
VCSU	2,107,930	614,195	2,722,125	258,416	9.5%	408,319	149,903
DCB	626,488	143,561	770,049	109,725	14.2%	115,507	5,782
Forest Service			276,951	36,638	13.2%	41,543	4,905
Total	57,278,243	16,845,395	74,400,589	6,714,050	9.0%	11,160,088	4,446,038

1/ Buildings < 5 yrs = 0; Buildings > 5 years = 2% x building value x 2

HB 1003
Higher Education
4/21/11
attachment #5

Robinson, Larry J.

From: Steven Shirley [steve:shirley@vcsu.edu]
Sent: Wednesday, April 20, 2011 12:03 PM
To: Robinson, Larry J.
Subject: Rhoades
Attachments: RhoadesDifferences.pdf

Larry,

Per our conversation and the request from the Committee for additional information on the differences between the original Rhoades request and the OMB amount, outlined below are some key points supporting the full dollar figure in the original request. I have also attached a one-page document that compares the original request with the OMB figures – it is a one-page chart with a quick overview comparing: the current status of Rhoades; the SBHE-supported renovation/expansion proposal; the overall net change; and OMB's proposed changes; along with a summary of the resulting impacts on classrooms, labs, the Great Plains STEM Center, research labs, Nursing, and the Necropsy & Cadaver rooms. Please let me know if you would like the information in the email below and the attached document collapsed into one page as a formal Word document, or if an email suffices for these purposes. I was not in the meeting, so not exactly sure of what specific information the Committee is seeking. I am more than happy to provide this information in whatever format makes most sense and responds to the request from the Committee. Please let me know.

1. During the past several years (going back to 2005), VCSU has made significant strides and accomplishments in the Science-based areas. This includes: **the addition of the Fisheries & Wildlife program; the addition of the Health Sciences program; the implementation of the Nursing program as part of the Dakota Nursing Network; the Great Plains STEM Education Center; and the Prairie Waters Education & Research Center.** These new initiatives are all science-based and represent key academic focal points for the future of ND.
2. The Fisheries & Wildlife program had 1 student in 2005 (its first year), and in Fall 2010 there are 65 students in the program. The VCSU Health Sciences program had 21 students in 2005, and has 62 students as of Fall 2010. **Those two programs (Fisheries & Wildlife and Health Sciences) alone have had tremendous growth: 22 students in '05 and 127 students today – a growth of 477%.**
3. **Overall enrollment in all STEM-related majors** (programs that have a significant portion of their classes or would be primarily housed in the expanded Rhoades) **has grown at VCSU from 67 students in 2000 to 293 students in Fall 2010, a 337% increase over the past decade.** I am confident based on our new initiatives that this growth will only continue, thereby greatly benefiting the students and citizens of North Dakota in these critical fields.
4. Much of the information that OMB used for the basis of their $7.97 million recommendation was based on space utilization data from Fall 2009; **overall enrollment grew from Fall 2009 to Fall 2010 by 18% at VCSU, and STEM-related majors grew by 48% during that year**. As you know, in Fall 2010 VCSU welcomed it largest incoming Freshmen class to campus since 1988, and our latest enrollment report this week shows we are AHEAD of last year's pace for Fall 2011 new freshmen applications. This growth is not a one-year blip, but rather represents sustained growth. For what its worth, nearly 70% of our Fall 2010 freshmen class were ND residents. Therefore, the Fall 2009 enrollment figures OMB used as a starting point for the lowered amount are already "outdated" as VCSU's growth curve has only continued to escalate during the 2010-11 & 2011-12 academic years.
5. VCSU spent many months and many, many thousands of dollars working with architects as well as our students, faculty, and staff in putting together the $10.83 million proposal. This was part of an extensive Master Planning process that we were directed to do following the 2009 Legislative Session (and were provided funds specifically for this work). In fact, **the original schematic design completed in Spring 2010 called for a $12.21 million project; we went back to the drawing board and pared down as much as we could to minimize the project as much as possible yet still meet the needs of our students.....the result is the $10.83 million proposal.**
6. **Rhoades has been ranked as the top "campus-specific" capital project (ie – behind the NDUS IT facility) by the SBHE since their original deliberations and decisions between April-June 2010.** This shows the strength of the merits of the proposal in the minds of Board members. Additionally, I believe OMB's reaction to the rationale we have provided justifying the full proposal amount has been positively received.

7. Some of the suggested locations in the OMB document were to use rooms in Foss Hall, Graichen Gym, or Osmon Fieldhouse to conduct science courses. Regarding science-based courses with lab and visual components (equipment, physical samples, lab components, etc), it simply does not lend itself to move to another building several blocks away. **The best benefit for the students in those programs, and the wisest option from a life-safety standpoint, is to have their lecture classes and laboratories housed under the same roof. This provides the best and most effective learning environment.**
8. VCSU has attracted significant external dollars recently to supplement and enhance our efforts in the sciences and STEM. This has included in just the past 12-18 months: the $1.13 million federal Department of Education grants to launch the Great Plains STEM Education Center; a $732,000 grant from the ND Department of Health (through the EPA) to launch the Prairie Waters Education & Research Center; and a new $360,000 grant from DPI to partner with Sitting Bull College and K-12 Native American schools to assist with STEM Teacher Education during the next two years. **All told, VCSU has attracted over $8 million in STEM-related grants since 2000**, and this does not include the 10-year, $5.65 million Bush Grant teacher education partnership we are currently collaborating on with NDSU and MSUM (and some of VCSU's efforts on this grant will focus on STEM). VCSU & NDSU were the only two ND campuses selected for this Bush Grant. We remain committed to the important area of STEM Education within our teacher education mission, and these grants and external resources demonstrate that continuing commitment and success.
9. Finally, a word about academic quality in VCSU's science-based programs: Last year, six Graduate Student Research Assistantship (GSRA) awards were distributed by the North Dakota Experimental Program to Stimulate Competitive Research (EPSCoR). These awards provide graduating seniors from the baccalaureate universities and liberal arts colleges in North Dakota with $18,000 per year to be applied toward M.S. or PhD programs in science, math, and engineering at UND or NDSU. Among the six awards in 2010, four were awarded to VCSU graduates. David Givers, ND EPSCoR co-project director, commented in a press release in May 2010 after the awards, "The GSRA awards are very competitive, and only the best students in the state receive them. To have received four awards out of only six given statewide, VCSU should be very proud of both its programs and its students in Science, Math, and Computer Information Systems."

In summary, the originally-proposed $10.8 million renovation/expansion has been carefully and thoroughly reviewed through an exhaustive Campus Master Planning process. Significant time, energy, and funding went into this process as directed following the 2009 Legislative Session. Input and analysis from faculty, staff, students, architects, and engineers have led to the proposal. New and growing programs in Health Science, Fisheries & Wildlife, STEM Education, and Nursing, to name a few, coupled with the advent of the Great Plains STEM Education Center have resulted in tremendous growth in these science-based areas at VCSU, necessitating this expanded/renovated space. Overall enrollment continues to surge at VCSU with traditional, on-campus students. The best educational benefit to these students is to keep the science facilities, labs, and classrooms under the same roof. It is the right thing to do from both an educational and a life-safety standpoint, and will create an environment that will serve as a wonderful and long-term educational asset for the state of North Dakota.

Thanks,
Steve
--
Steven W. Shirley, PhD
President
Valley City State University
Valley City, ND 58072
701-845-7102

HB 1003
NDUS
4/22/11
attachment #1

et Size 1/

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
riginal Request		Revised Request		Exec. Recomm.		Senate Rec., option #1, 7,500 data center		Senate Rec., option #2, 10,000 data center		Conf. Comm, Option #1, 7,500 data center		Conf. Comm, Option #2, 10,000 data center	
mt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft
32,250	21,625	$4,555,000	18,125	$1,972,500	5,425	$3,385,000	12,125	$1,581,667	2,725	$2,735,000	8,975	$931,667	-450
	173		*145*		*43*		*97*		*18*		*58*		*-3*
	2,500		2,500		2,500		2,500		2,500		2,500		2,500
	18,375		9,375		4,875		7,375		5,075		6,325		4,015
22,500	7,500	$5,410,000	7,500	$5,522,500	7,500	$5,410,000	7,500	$7,213,333	10,000	$5,410,000	7,500	$7,213,333	10,000
54,750	50,000	$9,965,000	37,500	$7,495,000	20,300	$8,795,000	29,500	$8,795,000	20,300	$8,145,000	25,300	$8,145,000	16,065
43,986		$2,200,000		$2,000,000		$2,000,000		$2,000,000		$2,000,000		$2,000,000	
74,396		$1,390,000		$1,500,000		$1,500,000		$1,500,000		$1,500,000		$1,500,000	
20,000		$734,000		$205,000		$205,000		$205,000		$205,000		$205,000	
38,382		$4,324,000		$3,705,000		$3,705,000		$3,705,000		$3,705,000		$3,705,000	
93,132		**$14,289,000**		**$11,200,000**		**$12,500,000**		**$12,500,000**		**$11,850,000**		**$11,850,000**	

equest, in columns 3-4, based on specific A/E planning; all other scenarios are estimates, based on prorated reduced project costs

153.70

736.33 data center per sq. ft - revised based on $14.3 M $721.33

125

t scenarios.xlsx]Sheet1

HB 1003
– NDUS
4/22/11
attachment #

Joint UND/NDSU IT Facilty
Space Estimates Based on Budget Size 1/

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Original Request		Revised Request		Exec. Recomm.		Senate Rec., option #1, 7,500 data center		Senate Rec., option #2, 10,000 data center		Conf. C 7,50
	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt.	Sq. Ft	Amt
office space (minimum space needed for data center staff only=3,500)2/	$6,532,250	21,625	$4,555,000	18,125	$1,972,500	5,425	$3,385,000	12,125	$1,581,667	2,725	$2,735
no. of offices/cubicles 4/		*173*		*145*		*43*		*97*		*18*	
mechanical/electrical space- data center		2,500		2,500		2,500		2,500		2,500	
shared/circulation/structure (35% of total for original request, 25% for other)		18,375		9,375		4,875		7,375		5,075	
data center - Tier II 3/	$5,522,500	7,500	$5,410,000	7,500	$5,522,500	7,500	$5,410,000	7,500	$7,213,333	10,000	$5,410
Subtotal	$12,054,750	50,000	$9,965,000	37,500	$7,495,000	20,300	$8,795,000	29,500	$8,795,000	20,300	$8,145
soft costs	$2,743,986		$2,200,000		$2,000,000		$2,000,000		$2,000,000		$2,000
earthwork	$1,874,396		$1,390,000		$1,500,000		$1,500,000		$1,500,000		$1,500
FF&E	$920,000		$734,000		$205,000		$205,000		$205,000		$205
Subtotal	$5,538,382		$4,324,000		$3,705,000		$3,705,000		$3,705,000		$3,705
Total	**$17,593,132**		**$14,289,000**		**$11,200,000**		**$12,500,000**		**$12,500,000**		**$11,850**

1/ The original request, in columns 1-2 and revised request, in columns 3-4, based on specific A/E planning; all other scenarios are estimates, based on prorated reduced project costs

2/ office space per sq. ft. $153.70

3/ data center per sq. ft. -original at $17.6 M $736.33 data center per sq. ft - revised based on $14.3 M $721.33

4/ average sq per office 125

G:\LAURA\excel\LEGIS\2011 session\[IT facility budget scenarios.xlsx]Sheet1

HB1003
NDUS
4/22/11

11.8155.02028
Title.

Prepared by the Legislative Council staff for attachment #2
Representative Skarphol
April 21, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1606-1620 of the House Journal and pages 1226-1241 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 8, after line 9, insert:

"**SECTION 5. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING - ADDITIONAL SPENDING AUTHORITY.** The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $12,500,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from 2011-13 biennium information technology services funding as a result of the consolidation of information technology services functions of the North Dakota university system office, the university of North Dakota, and North Dakota state university. Any additional funds spent on the project must be derived from the budgetary savings that will continue in future bienniums resulting from the consolidation of the information technology services and functions."

Page 10, line 12, replace "and 12" with "5, and 13"

Renumber accordingly

2011 House Bill 1003
Student Mental Health Services
2011-13 Executive Recommendation - *Unchanged by House*

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Amount Included in 2011-13 Executive Recommendation								
Description	**Total**	**LRSC**	**WSC**	**DSU**	**MaSU**	**VCSU**	**MiSU**	**DCB**	**NDUS Office**
Licensed Mental Health Counselors (1 at DSU, 1 at WSC, 1 at LRSC, and .5 at VCSU), assumes 9 month appointment (salary $161,000, operating/equipment $50,000 per year)) (3.5FTE)	$ 422,000	$ 120,570	$ 120,570	$ 120,570		$ 60,290			
Additional Mental Health Counselors (1 at MaSU and 1 at DCB) Same cost as above $60,285/FTE (2.0 FTE)	241,140				120,570			120,570	
Licensure supervision (MaSu and MiSU)	40,000				20,000		20,000		
Contract service for after hours service at 11 campuses (Systemwide contract)	12,000								12,000
One-Time System-wide assessment, surveys and training	156,000								156,000
Total Student Mental Health Service Recommendation	**$ 871,140**	**$ 120,570**	**$ 120,570**	**$ 120,570**	**$ 140,570**	**$ 60,290**	**$ 20,000**	**$ 120,570**	**$ 168,000**

HB 1003
NDUS
4/22/11
Attachment #3

HB 1003, NDUS 4/25/11

11.9342.01000

Prepared by the North Dakota Legislative Council staff

April 2011

attachment #1

GENERAL FUND APPROPRIATIONS FOR THE NORTH DAKOTA UNIVERSITY SYSTEM

The table below provides a comparison between 2009-11 biennium general fund appropriations provided to the North Dakota University System and 2011-13 general fund appropriations included in the executive recommendation and House Bill No. 1003 reflecting conference committee action through April 21, 2011.

General Fund Appropriations Comparison to 2009-11							
	2009-11 Legislative Appropriations	2011-13 Executive Recommendation	Executive Recommendation - Comparison to 2009-11		HB 1003 - Current Conference Committee Version	Current Conference Committee Version - Comparison to 2009-11	
Ongoing general fund appropriations	$534,062,895	$605,854,782	$71,791,887	13.4%	$597,390,577	$63,327,682	11.9%
One-time general fund appropriations	59,233,248	42,359,624	(16,873,624)	(28.5%)	45,950,357	(13,282,891)	(22.4%)
Total	$593,296,143	$648,214,406	$54,918,263	9.3%	$643,340,934	$50,044,791	8.4%

The table below provides a comparison between 2011-13 biennium general fund appropriations included in the executive recommendation and 2011-13 general fund appropriations included in House Bill No. 1003 reflecting conference committee action through April 21, 2011.

General Fund Appropriations Comparison to Executive Recommendation				
	2011-13 Executive Recommendation	HB 1003 - Current Conference Committee Version	Current Conference Committee Version - Comparison to Executive Recommendation	
Ongoing general fund appropriations	$605,854,782	$597,390,577	($8,464,205)	(1.4%)
One-time general fund appropriations	42,359,624	45,950,357	3,590,733	8.5%
Total	$648,214,406	$643,340,934	($4,873,472)	(0.1%)

HB 1003
3/25/11
attachment #2

Conference Committee Proposed Amendment

The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $12,500,000 for the North Dakota university system and university of north Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from 2011-13 biennium information technology services funding as a result of consolidation of information technology services functions of the North Dakota university system office, the university of North Dakota, and North Dakota state university. Any additional funds spent on the project must be derived from the budgetary savings that will come in future bienniums resulting consolidation of the information technology services and functions.

Proposed Alternative Amendment

The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $12,500,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from the university of North Dakota, North Dakota state university or System Information Technology Services 2011-13 biennium information technology services funding as a result of one-time savings and/or efficiencies in information technology services functions.

The funds spent from one-time expenditures or gained through operating efficiencies are to be reported to the Budget Section.

Prepared by the Legislative Council staff

April 19, 2011

LISTING OF PROPOSED CHANGES TO ENGROSSED HOUSE BILL NO. 1003 WITH SENATE AMENDMENTS

North Dakota University System

Proposed funding changes:	**FTE**	**General Fund**	**Special Funds**	**Total**
Ongoing funding changes				
1 Remove additional funding from University System office System Governance line item to provide a total reduction of $500,000		($300,000)		($300,000)
2 Reduce funding for capital bond payments		($50,000)		($50,000)
3 Remove funding for new and expanding program funding pool		($1,000,000)		($1,000,000)
4 Add funding for Williston State College security		$110,000		$110,000
One-time funding changes				
5 Add funding for Lake Region State College roof replacement project		$866,000		$866,000
6 Add funding for Williston State College workforce training building to provide total general fund support of $500,000		$275,000		$275,000
7 Add funding to continue the Dickinson State University digitization project for Theodore Roosevelt documents		$750,000		$750,000
8 Add funding for Bismarck State College National Energy Center of Excellence fourth floor project		$750,000		$750,000
9 Add funding for Mayville State University student union elevator replacement project ($250,000) and water drainage study ($55,000)		$255,000		$255,000
10 Reduce funding for the University of North Dakota information technology building project		($650,000)		($650,000)
11 Add additional special fund authorization for the Forest Service greenhouse project at Towner State Nursery			$6,000	$6,000
Total proposed funding changes		$1,006,000	$6,000	$1,012,000

HB 1003
NDUS
4/25/11
attachment #3

Other proposed changes:

1 Add section to allow Williston State College to borrow funding from the Bank of North Dakota for the workforce training building project

2 Transfer funding of $1.8 million from the general fund designated for the University of North Dakota information technology building project to the School of Medicine and Health Sciences to expand the enrollment of the school

Prepared by the Legislative Council staff for
Conference Committee
April 26, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after "system" insert "; to provide an appropriation to the legislative council; to provide borrowing authority"

Page 1, line 3, after "projects" insert "; to amend and reenact sections 15-10-08 and 15-70-04, subsection 3 of section 43-12.2-03, subsection 3 of section 43-17.2-03, and section 57-51.1-07.4 of the North Dakota Century Code, relating to state board of higher education member compensation, eligibility for the medical personnel loan repayment program, eligibility for the physician loan repayment program, and grants for nonbeneficiary students enrolled in tribally controlled community colleges; to provide legislative intent; to provide for a report; to provide for legislative management studies"

Page 1, remove lines 13 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 29

Page 7, replace lines 1 through 5 with:

"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital assets	$12,014,048	$190,721	$12,204,769
Competitive research program	7,050,000	0	7,050,000
System governance	7,185,612	(308,340)	6,877,272
Title II	695,600	0	695,600
System information technology services	30,230,038	5,776,629	36,006,667
Professional liability insurance	1,100,000	(300,000)	800,000
Student financial assistance grants	19,374,022	0	19,374,022
Professional student exchange program	3,337,100	(15,662)	3,321,438
Academic and technical education scholarships	3,000,000	(3,000,000)	0

Two-year campus marketing	800,000	0	800,000
Scholars program	2,113,584	0	2,113,584
Native American scholarships	381,292	192,975	574,267
Tribally controlled community college grants	700,000	(700,000)	0
Security and emergency preparedness	750,000	(750,000)	0
Education incentive programs	3,176,344	0	3,176,344
Science, technology, engineering, and mathematics teacher education enhancement	1,500,000	(1,500,000)	0
Grants	100,000	(100,000)	0
Total all funds	$93,507,640	($513,677)	$92,993,963
Less estimated income	4,748,958	(1,994,240)	2,754,718
Total general fund	$88,758,682	$1,480,563	$90,239,245
Full-time equivalent positions	23.30	0.00	23.30

Subdivision 2.

BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$24,204,005	$3,531,623	$27,735,628
Capital assets	243,481	13,767,125	14,010,606
Total all funds	$24,447,486	$17,298,748	$41,746,234
Less estimated income	0	8,485,000	8,485,000
Total general fund	$24,447,486	$8,813,748	$33,261,234
Full-time equivalent positions	111.51	0.00	111.51

Subdivision 3.

LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,956,210	$1,082,712	$9,038,922

Capital assets	43,662	977,705	1,021,367
Total all funds	$7,999,872	$2,060,417	$10,060,289
Less estimated income	0	0	0
Total general fund	$7,999,872	$2,060,417	$10,060,289
Full-time equivalent positions	37.50	0.00	37.50

Subdivision 4.

WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$7,696,999	$1,184,726	$8,881,725
Capital assets	86,475	2,836,326	2,922,801
Total all funds	$7,783,474	$4,021,052	$11,804,526
Less estimated income	0	2,225,000	2,225,000
Total general fund	$7,783,474	$1,796,052	$9,579,526
Full-time equivalent positions	43.42	0.00	43.42

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$125,036,783	$15,693,731	$140,730,514
Capital assets	2,300,545	45,158,167	47,458,712
Total all funds	$127,337,328	$60,851,898	$188,189,226
Less estimated income	0	30,450,000	30,450,000
Total general fund	$127,337,328	$30,401,898	$157,739,226
Full-time equivalent positions	651.91	0.00	651.91

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$108,367,622	$17,124,359	$125,491,981
Capital assets	1,692,225	37,412,702	39,104,927

Total all funds	$110,059,847	$54,537,061	$164,596,908
Less estimated income	0	36,100,000	36,100,000
Total general fund	$110,059,847	$18,437,061	$128,496,908
Full-time equivalent positions	584.88	0.00	584.88

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$31,607,155	$2,777,695	$34,384,850
Capital assets	753,332	21,317,713	22,071,045
Total all funds	$32,360,487	$24,095,408	$56,455,895
Less estimated income	0	10,500,000	10,500,000
Total general fund	$32,360,487	$13,595,408	$45,955,895
Full-time equivalent positions	164.87	0.00	164.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$20,123,737	$3,203,634	$23,327,371
Capital assets	383,690	25,388	409,078
Total all funds	$20,507,427	$3,229,022	$23,736,449
Less estimated income	0	0	0
Total general fund	$20,507,427	$3,229,022	$23,736,449
Full-time equivalent positions	92.96	0.00	92.96

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$11,629,616	$1,218,713	$12,848,329
Capital assets	208,991	234,514	443,505
Total all funds	$11,838,607	$1,453,227	$13,291,834

Less estimated income	0	0	0
Total general fund	$11,838,607	$1,453,227	$13,291,834
Full-time equivalent positions	58.72	0.00	58.72

Subdivision 10.

MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$34,623,707	$3,267,409	$37,891,116
Capital assets	596,870	21,187,305	21,784,175
Total all funds	$35,220,577	$24,454,714	$59,675,291
Less estimated income	0	15,884,555	15,884,555
Total general fund	$35,220,577	$8,570,159	$43,790,736
Full-time equivalent positions	187.83	0.00	187.83

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$16,368,001	$1,353,288	$17,721,289
Capital assets	258,416	11,513,319	11,771,735
Total all funds	$16,626,417	$12,866,607	$29,493,024
Less estimated income	0	815,000	815,000
Total general fund	$16,626,417	$12,051,607	$28,678,024
Full-time equivalent positions	90.37	0.00	90.37

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$5,862,372	$650,280	$6,512,652
Capital assets	109,725	705,782	815,507
Total all funds	$5,972,097	$1,356,062	$7,328,159
Less estimated income	0	0	0

Total general fund	$5,972,097	$1,356,062	$7,328,159
Full-time equivalent positions	34.81	0.00	34.81

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$40,890,401	$6,955,396	$47,845,797
Total all funds	$40,890,401	$6,955,396	$47,845,797
Less estimated income	0	0	0
Total general fund	$40,890,401	$6,955,396	$47,845,797
Full-time equivalent positions	137.43	0.00	137.43

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$4,471,040	$641,127	$5,112,167
Capital assets	36,638	67,153	103,791
Total all funds	$4,507,678	$708,280	$5,215,958
Less estimated income	997,486	6,000	1,003,486
Total general fund	$3,510,192	$702,280	$4,212,472
Full-time equivalent positions	26.00	0.00	26.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand total all funds	$539,059,338	$216,794,215	$755,853,553
Grand total special funds	5,746,444	105,791,315	111,537,759
Grand total general fund	$533,312,894	$111,002,900	$644,315,794"

Page 7, line 9, replace "section 1" with "sections 1 and 4"

Page 7, replace line 12 with:

"Dickinson state university operating funds	350,000	900,000

Mayville state university drainage study	0	55,000"

Page 7, replace lines 17 and 18 with:

"Capital projects - General fund	39,008,248	45,416,000
Capital projects - Other funds	166,958,000	104,465,555"

Page 7, replace lines 20 and 21 with:

"Special assessments payments	0	819,357"

Page 7, replace lines 23 through 25 with:

"Total all funds	$257,001,168	$154,225,912
Total other funds	197,017,920	106,785,555
Total general fund	$59,983,248	$47,440,357"

Page 7, remove lines 30 and 31

Page 8, replace lines 1 through 4 with:

"**SECTION 3. APPROPRIATION - PERMANENT OIL TAX TRUST FUND - NORTH DAKOTA UNIVERSITY SYSTEM - TRIBAL COLLEGE ASSISTANCE GRANTS.** There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of providing tribal college assistance grants, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 4. APPROPRIATION - PERMANENT OIL TAX TRUST FUND - WILLISTON STATE COLLEGE - CAMPUS IMPROVEMENTS. There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of $2,320,000, or so much of the sum as may be necessary, to Williston state college for the purpose of providing additional funding for the science center project and for campus improvement projects, for the period beginning with the effective date of this Act and ending June 30, 2013.

SECTION 5. APPROPRIATION - LEGISLATIVE COUNCIL - LEGISLATIVE MANAGEMENT STUDY OF THE UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $100,000, or so much of the sum as may be necessary, to the legislative council for the purpose of defraying expenses associated with a legislative management study of the university of North Dakota school of medicine and health sciences as provided under this section, for the biennium beginning July 1, 2011, and ending June 30, 2013.

During the 2011-12 interim, the legislative management chairman shall consider appointing a separate committee to study the ability of the university of North Dakota school of medicine and health sciences to meet the health care needs of the state. The study, if conducted, must include a review of the health care needs of the state, options to address the health care needs of the state, and the feasibility and desirability of expanding the school of medicine and health sciences to meet the health care needs of

the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 6. TRANSFER - PERMANENT OIL TAX TRUST FUND - 2009-11 BIENNIUM. The office of management and budget shall transfer any unexpended funds appropriated from the permanent oil tax trust fund in chapter 31 of the 2009 Session Laws to the appropriate higher education institution's special fund at the end of the biennium beginning July 1, 2009, and ending June 30, 2011. For the purposes of this section, "end of the biennium" means thirty days after the close of the biennial period but prior to the cancellation of unexpended appropriations under section 54-44.1-11.

SECTION 7. BORROWING AUTHORITY - WILLISTON STATE COLLEGE - WORKFORCE TRAINING BUILDING PROJECT. Williston state college may borrow the sum of $1,725,000, or so much of the sum as may be necessary, from the Bank of North Dakota for the workforce training building project for the period beginning with the effective date of this Act and ending June 30, 2013."

Page 8, remove lines 5 through 9

Page 8, line 10, replace "$12,254,769" with "12,204,769"

Page 8, after line 12, insert:

"**SECTION 9. NORTH DAKOTA UNIVERSITY SYSTEM AND UNIVERSITY OF NORTH DAKOTA JOINT INFORMATION TECHNOLOGY BUILDING PROJECT - BUDGET SECTION REPORT.** The capital assets line item in subdivision 5 of section 1 of this Act includes the sum of $20,500,000 for the North Dakota university system and university of North Dakota joint information technology building project. The state board of higher education may spend additional funds on the project of up to $5,000,000 that are made available from the university of North Dakota, North Dakota state university, and North Dakota university system 2011-13 biennium information technology services funding resulting from one-time savings or efficiencies. The North Dakota university system shall provide a report to the budget section of the legislative management regarding any funds expended pursuant to this section.

SECTION 10. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET SECTION REPORT. North Dakota state university may use unspent funding from the $5,000,000 appropriation received during the biennium beginning July 1, 2007, and ending June 30, 2009, and unspent funding from the $13,000,000 appropriation received during the biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the biennium beginning July 1, 2011, and ending June 30, 2013. North Dakota state university shall report to the budget section regarding the status of the Minard hall project and may request increased spending authorization from the budget section for the project."

Page 10, replace line 4 with:

"Williston state college workforce training center 1,725,000"

Page 10, after line 8, insert:

"Minot state university - Food service renovation 1,500,000"

Page 10, replace line 10 with:

"Total special funds $41,725,000"

Page 10, after line 10, insert:

"**SECTION 18. AMENDMENT.** Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

15-10-08. Compensation of board members - Expenses - Legislative appropriations.

Each member of the state board of higher education, except the student member, is entitled to receive as compensation one hundred forty-eight dollars per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

SECTION 19. AMENDMENT. Section 15-70-04 of the North Dakota Century Code is amended and reenacted as follows:

15-70-04. Submission of grant application - Distribution of grants.

1. In order to qualify for a grant under this chapter, ~~an institution~~a tribally controlled community college shall submit an application at the time and in the manner required by the state board of higher education. The application must~~document~~:

   a. Include the name and address of each student who qualifies for financial assistance under this chapter; and

   b. Document the enrollment status of each student ~~on whose account~~who qualifies for financial assistance under this chapter ~~is sought~~.

2. If an application is approved, the state board of higher education shall distribute to ~~each~~the tribally controlled community college, during each year of the biennium, ~~five thousand three hundred four dollars per full-time equivalent nonbeneficiary student~~an amount equivalent to the most recent per student payment provided in accordance with the Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If the amount appropriated is insufficient to meet the requirements of this section, the board shall ~~distribute a prorated amount per full-time equivalent nonbeneficiary student~~prorate the amount to be distributed.

3. If after meeting the requirements of this section any amount remains available for distribution at the conclusion of each year of the biennium, the state board of higher education shall provide prorated distribution based on criteria set forth in this section.

4. At the time and in the manner determined by the state board of higher education, each tribally controlled community college receiving assistance under this section shall file a report indicating:

   a. The graduation rate of nonbeneficiary students; and

b. The ratio between the amount of funding received by the tribally controlled community college under this section and the college's annual budget.

SECTION 20. AMENDMENT. Subsection 3 of section 43-12.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A nurse practitioner, physician assistant, or certified nurse midwife who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited program, located in the United States or Canada, for the preparation of nurse practitioners, physician assistants, or certified nurse midwives;

   b. ~~Must be enrolled in or have graduated from an accredited training program for nurse practitioners, physician assistants, or certified nurse midwives prior to or within one year after submitting an application to participate in the loan repayment program and may not have practiced full-time as a nurse practitioner, physician assistant, or certified nurse midwife in this state for more than one year before the date of the application;~~

   ~~c.~~ Must be licensed or registered to practice as a nurse practitioner, physician assistant, or certified nurse midwife in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered into an agreement with a selected community to provide full-time services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 21. AMENDMENT. Subsection 3 of section 43-17.2-03 of the North Dakota Century Code is amended and reenacted as follows:

3. A physician who receives loan repayment under this chapter:

   a. Must be a graduate of an accredited four-year allopathic or osteopathic medical school located in the United States, its possessions, territories, or Canada and approved by the state board of medical examiners or by an accrediting body approved by the board;

   b. ~~Must not have practiced full-time medicine in this state for more than one year before the date of the application;~~

   ~~c.~~ Must have a full and unrestricted license to practice medicine in this state;

   ~~d.~~c. Shall submit an application to participate in the loan repayment program; and

   ~~e.~~d. Must have entered into an agreement with a selected community to provide full-time medical services for a minimum of two years at the selected community if the applicant receives a loan repayment program contract.

SECTION 22. LEGISLATIVE INTENT - NORTH DAKOTA UNIVERSITY SYSTEM BUDGET REQUEST. It is the intent of the sixty-second legislative assembly that the state board of higher education develop a budget request for the North Dakota university system for the 2013-15 biennium that does not include a funding component for student affordability to limit student tuition increases or a funding component for equity distributions to institutions based on a peer institution comparison. The budget request may be based on a funding method that incorporates a tiered system of funding distributions based on institution type or other funding method that addresses the needs of the North Dakota university system.

SECTION 23. LEGISLATIVE INTENT - ENROLLMENT REPORTING. It is the intent of the sixty-second legislative assembly that North Dakota university system enrollment reports detailing fall semester enrollment information only include data for full-time students that are physically present on campus.

SECTION 24. LEGISLATIVE MANAGEMENT STUDY - PROGRAM TUITION RATES - WORKFORCE NEEDS. During the 2011-12 interim, the legislative management shall consider studying programs offered by North Dakota university system institutions that address the workforce needs of the state, including a review of the use of graduated tuition rates to increase enrollment in programs that address workforce needs. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 10, line 12, remove "3,"

Page 10, line 12, after the second comma insert "7,"

Page 10, line 12, replace "12" with "17"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Council						
Total all funds	$0	$0	$100,000	$100,000	$100,000	$0
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$100,000	$100,000	$100,000	$0
University System Office						
Total all funds	$103,926,168	$94,711,963	($718,000)	$93,993,963	$95,511,963	($1,518,000)
Less estimated income	3,754,718	2,754,718	1,000,000	3,754,718	3,754,718	0
General fund	$100,171,450	$91,957,245	($1,718,000)	$90,239,245	$91,757,245	($1,518,000)
Bismarck State College						
Total all funds	$38,053,301	$36,102,760	$5,643,474	$41,746,234	$41,746,234	$0
Less estimated income	7,500,000	7,500,000	985,000	8,485,000	8,835,000	(350,000)
General fund	$30,553,301	$28,602,760	$4,658,474	$33,261,234	$32,911,234	$350,000
Lake Region State College						
Total all funds	$9,314,859	$8,895,180	$1,165,109	$10,060,289	$9,314,859	$745,430
Less estimated income	0	0	0	0	0	0
General fund	$9,314,859	$8,895,180	$1,165,109	$10,060,289	$9,314,859	$745,430
Williston State College						
Total all funds	$11,920,096	$13,764,268	$360,258	$14,124,526	$14,145,096	($20,570)
Less estimated income	2,820,000	4,820,000	(275,000)	4,545,000	4,820,000	(275,000)
General fund	$9,100,096	$8,944,268	$635,258	$9,579,526	$9,325,096	$254,430

University of North Dakota						
Total all funds	$178,573,093	$177,102,504	$11,086,722	$188,189,226	$191,189,226	($3,000,000)
Less estimated income	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
General fund	$156,873,093	$155,402,504	$2,336,722	$157,739,226	$159,539,226	($1,800,000)
UND Medical Center						
Total all funds	$46,653,406	$45,490,630	$2,355,167	$47,845,797	$46,045,797	$1,800,000
Less estimated income	0	0	0	0	0	0
General fund	$46,653,406	$45,490,630	$2,355,167	$47,845,797	$46,045,797	$1,800,000
North Dakota State University						
Total all funds	$166,286,316	$157,432,016	$7,164,892	$164,596,908	$164,596,908	$0
Less estimated income	36,100,000	36,100,000	0	36,100,000	36,100,000	0
General fund	$130,186,316	$121,332,016	$7,164,892	$128,496,908	$128,496,908	$0
State College of Science						
Total all funds	$54,203,080	$63,865,998	($7,410,103)	$56,455,895	$56,455,895	$0
Less estimated income	10,500,000	10,500,000	0	10,500,000	10,500,000	0
General fund	$43,703,080	$53,365,998	($7,410,103)	$45,955,895	$45,955,895	$0
Dickinson State University						
Total all funds	$31,757,019	$22,186,024	$1,550,425	$23,736,449	$23,657,019	$79,430
Less estimated income	0	0	0	0	0	0
General fund	$31,757,019	$22,186,024	$1,550,425	$23,736,449	$23,657,019	$79,430
Mayville State University						
Total all funds	$13,685,384	$12,918,898	$372,936	$13,291,834	$13,377,404	($85,570)
Less estimated income	0	0	0	0	0	0
General fund	$13,685,384	$12,918,898	$372,936	$13,291,834	$13,377,404	($85,570)
Minot State University						
Total all funds	$43,860,736	$42,990,973	$16,684,318	$59,675,291	$59,695,291	($20,000)
Less estimated income	5,050,000	5,050,000	10,834,555	15,884,555	15,884,555	0
General fund	$38,810,736	$37,940,973	$5,849,763	$43,790,736	$43,810,736	($20,000)
Valley City State University						
Total all funds	$27,259,465	$18,487,763	$11,005,261	$29,493,024	$29,553,314	($60,290)
Less estimated income	815,000	815,000	0	815,000	815,000	0
General fund	$26,444,465	$17,672,763	$11,005,261	$28,678,024	$28,738,314	($60,290)
Dakota College at Bottineau						
Total all funds	$6,748,729	$6,476,512	$851,647	$7,328,159	$7,448,729	($120,570)
Less estimated income	0	0	0	0	0	0
General fund	$6,748,729	$6,476,512	$851,647	$7,328,159	$7,448,729	($120,570)
Forest Service						
Total all funds	$5,209,958	$5,209,958	$6,000	$5,215,958	$5,209,958	$6,000
Less estimated income	997,486	997,486	6,000	1,003,486	997,486	6,000
General fund	$4,212,472	$4,212,472	$0	$4,212,472	$4,212,472	$0
Bill total						
Total all funds	$737,451,610	$705,635,447	$50,218,106	$755,853,553	$758,047,693	($2,194,140)
Less estimated income	89,237,204	90,237,204	21,300,555	111,537,759	113,356,759	(1,819,000)
General fund	$648,214,406	$615,398,243	$28,917,551	$644,315,794	$644,690,934	($375,140)

House Bill No. 1003 - Legislative Council - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Legislative Management study			$100,000	$100,000	$100,000	
	$0	$0	$100,000	$100,000	$100,000	$0
Total all funds	0	0	0	0	0	0
Less estimated income	$0	$0	$100,000	$100,000	$100,000	$0
General fund	0.00	0.00	0.00	0.00	0.00	0.00
FTE						

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for a Legislative Management Study[1]	Total Conference Committee Changes
Legislative Management study	$100,000	$100,000
Total all funds	$100,000	$100,000
Less estimated income	0	0
General fund	$100,000	$100,000
FTE	0.00	0.00

[1] Funding is added for a Legislative Management study of the University of North Dakota School of Medicine and Health Sciences. The Senate also added this funding.

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
University System Office	100,171,450	91,957,245	(1,718,000)	90,239,245	91,757,245	(1,518,000)
Bismarck State College	30,553,301	28,602,760	4,658,474	33,261,234	32,911,234	350,000
Lake Region State College	9,314,859	8,895,180	1,165,109	10,060,289	9,314,859	745,430
Williston State College	9,100,096	8,944,268	635,258	9,579,526	9,325,096	254,430
University of North Dakota	156,873,093	155,402,504	2,336,722	157,739,226	159,539,226	(1,800,000)
UND Medical Center	46,653,406	45,490,630	2,355,167	47,845,797	46,045,797	1,800,000
North Dakota State University	130,186,316	121,332,016	7,164,892	128,496,908	128,496,908	
State College of Science	43,703,080	53,365,998	(7,410,103)	45,955,895	45,955,895	
Dickinson State University	31,757,019	22,186,024	1,550,425	23,736,449	23,657,019	79,430
Mayville State University	13,685,384	12,918,898	372,936	13,291,834	13,377,404	(85,570)
Minot State University	38,810,736	37,940,973	5,849,763	43,790,736	43,810,736	(20,000)
Valley City State University	26,444,465	17,672,763	11,005,261	28,678,024	28,738,314	(60,290)
Dakota College at Bottineau	6,748,729	6,476,512	851,647	7,328,159	7,448,729	(120,570)
Forest Service	4,212,472	4,212,472		4,212,472	4,212,472	
Total general fund	$648,214,406	$615,398,243	$28,817,551	$644,215,794	$644,590,934	($375,140)

Detail of Conference Committee changes to the General Fund

	Restores Equity Funding[1]	Restores Tuition Affordability Funding[2]	Removes Funding for Student Mental Health Services[3]	Restores STEM Teacher Education Enhancement Funding[4]	Reduces Funding for University System Office Operations[5]	Reduces Funding for Capital Bond Payments[6]
University System Office			($168,000)		($500,000)	($50,000)
Bismarck State College	543,985	731,556				
Lake Region State College	219,139	200,540	(120,570)			
Williston State College	166,667	214,161	(120,570)			
University of North Dakota	2,459,984	1,676,738				
UND Medical Center	591,552	571,224				
North Dakota State University	4,698,999	1,858,284				
State College of Science	166,667	604,037				
Dickinson State University	472,867	48,128	(120,570)	250,000		
Mayville State University	166,667	41,839	(140,570)	250,000		
Minot State University	180,142	439,621	(20,000)	250,000		
Valley City State University	166,667	148,884	(60,290)	250,000		
Dakota College at Bottineau	166,667	105,550	(120,570)			
Forest Service						
Total general fund	$10,000,003	$6,640,562	($871,140)	$1,000,000	($500,000)	($50,000)

	Removes Funding for Expanding Program Fund[7]	Restores Funding for Tribal College Assistance Grants[8]	Adjusts Funding for Special Assessment Payments[9]	Adds Funding for Campus Security[10]	Adjusts Funding for Master's Degree in Public Health Program[11]	Adds Funding to Increase Medical School Enrollment[12]
University System Office	($1,000,000)					
Bismarck State College			32,933			
Lake Region State College						
Williston State College				100,000		
University of North Dakota						
UND Medical Center					(607,609)	1,800,000
North Dakota State University					607,609	
State College of Science			(807)			
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total general fund	($1,000,000)	$0	$32,126	$100,000	$0	$1,800,000

	Adds One-Time Funding for Dickinson State University Operations[13]	Adds Funding for Campus Drainage Study[14]	Adjusts Funding for Capital Projects[15]	Total General Fund Changes
University System Office				($1,718,000)
Bismarck State College			3,350,000	4,658,474
Lake Region State College			866,000	1,165,109
Williston State College			275,000	635,258
University of North Dakota			(1,800,000)	2,336,722
UND Medical Center				2,355,167
North Dakota State University				7,164,892
State College of Science			(8,180,000)	(7,410,103)
Dickinson State University	900,000			1,550,425
Mayville State University		55,000		372,936
Minot State University			5,000,000	5,849,763
Valley City State University			10,500,000	11,005,261
Dakota College at Bottineau			700,000	851,647
Forest Service				
Total general fund	$900,000	$55,000	$10,711,000	$28,817,551

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
University System Office	3,754,718	2,754,718	1,000,000	3,754,718	3,754,718	
Bismarck State College	7,500,000	7,500,000	985,000	8,485,000	8,835,000	(350,000)
Lake Region State College						
Williston State College	2,820,000	4,820,000	(275,000)	4,545,000	4,820,000	(275,000)
University of North Dakota	21,700,000	21,700,000	8,750,000	30,450,000	31,650,000	(1,200,000)
UND Medical Center						
North Dakota State University	36,100,000	36,100,000		36,100,000	36,100,000	
State College of Science	10,500,000	10,500,000		10,500,000	10,500,000	
Dickinson State University						
Mayville State University						
Minot State University	5,050,000	5,050,000	10,834,555	15,884,555	15,884,555	
Valley City State University	815,000	815,000		815,000	815,000	
Dakota College at Bottineau						
Forest Service	997,486	997,486	6,000	1,003,486	997,486	6,000
Total other funds	$89,237,204	$90,237,204	$21,300,555	$111,537,759	$113,356,759	($1,819,000)

Detail of Conference Committee changes to Other Funds

	Restores Equity Funding[1]	Restores Tuition Affordability	Removes Funding for Student Mental	Restores STEM Teacher Education	Reduces Funding for University	Reduces Funding for Capital Bond

		Funding[2]	Health Services[3]	Enhancement Funding[4]	System Office Operations[5]	Payments[6]
University System Office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$0	$0	$0	$0	$0

	Removes Funding for Expanding Program Fund[7]	Restores Funding for Tribal College Assistance Grants[8]	Adjusts Funding for Special Assessment Payments[9]	Adds Funding for Campus Security[10]	Adjusts Funding for Master's Degree in Public Health Program[11]	Adds Funding to Increase Medical School Enrollment[12]
University System Office		$1,000,000				
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total other funds	$0	$1,000,000	$0	$0	$0	$0

	Adds One-Time Funding for Dickinson State University Operations[13]	Adds Funding for Campus Drainage Study[14]	Adjusts Funding for Capital Projects[15]	Total Other Funds Changes
University System Office				$1,000,000
Bismarck State College			985,000	985,000
Lake Region State College				
Williston State College			(275,000)	(275,000)
University of North Dakota			8,750,000	8,750,000
UND Medical Center				
North Dakota State University				
State College of Science				
Dickinson State University				
Mayville State University				
Minot State University			10,834,555	10,834,555
Valley City State University				
Dakota College at Bottineau				
Forest Service			6,000	6,000
Total other funds	$0	$0	$20,300,555	$21,300,555

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
University System Office	103,926,168	94,711,963	(718,000)	93,993,963	95,511,963	(1,518,000)
Bismarck State College	38,053,301	36,102,760	5,643,474	41,746,234	41,746,234	
Lake Region State College	9,314,859	8,895,180	1,165,109	10,060,289	9,314,859	745,430

Williston State College	11,920,096	13,764,268	360,258	14,124,526	14,145,096	(20,570)
University of North Dakota	178,573,093	177,102,504	11,086,722	188,189,226	191,189,226	(3,000,000)
UND Medical Center	46,653,406	45,490,630	2,355,167	47,845,797	46,045,797	1,800,000
North Dakota State University	166,286,316	157,432,016	7,164,892	164,596,908	164,596,908	
State College of Science	54,203,080	63,865,998	(7,410,103)	56,455,895	56,455,895	
Dickinson State University	31,757,019	22,186,024	1,550,425	23,736,449	23,657,019	79,430
Mayville State University	13,685,384	12,918,898	372,936	13,291,834	13,377,404	(85,570)
Minot State University	43,860,736	42,990,973	16,684,318	59,675,291	59,695,291	(20,000)
Valley City State University	27,259,465	18,487,763	11,005,261	29,493,024	29,553,314	(60,290)
Dakota College at Bottineau	6,748,729	6,476,512	851,647	7,328,159	7,448,729	(120,570)
Forest Service	5,209,958	5,209,958	6,000	5,215,958	5,209,958	6,000
Total all funds	$737,451,610	$705,635,447	$50,118,106	$755,753,553	$757,947,693	($2,194,140)
FTE	2245.51	2245.51	0.00	2245.51	2245.51	0.00

Detail of Conference Committee changes to All Funds

	Restores Equity Funding[1]	Restores Tuition Affordability Funding[2]	Removes Funding for Student Mental Health Services[3]	Restores STEM Teacher Education Enhancement Funding[4]	Reduces Funding for University System Office Operations[5]	Reduces Funding for Capital Bond Payments[6]
University System Office			($168,000)		($500,000)	($50,000)
Bismarck State College	543,985	731,556				
Lake Region State College	219,139	200,540	(120,570)			
Williston State College	166,667	214,161	(120,570)			
University of North Dakota	2,459,984	1,676,738				
UND Medical Center	591,552	571,224				
North Dakota State University	4,698,999	1,858,284				
State College of Science	166,667	604,037				
Dickinson State University	472,867	48,128	(120,570)	250,000		
Mayville State University	166,667	41,839	(140,570)	250,000		
Minot State University	180,142	439,621	(20,000)	250,000		
Valley City State University	166,667	148,884	(60,290)	250,000		
Dakota College at Bottineau	166,667	105,550	(120,570)			
Forest Service						
Total all funds	$10,000,003	$6,640,562	($871,140)	$1,000,000	($500,000)	($50,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes Funding for Expanding Program Fund[7]	Restores Funding for Tribal College Assistance Grants[8]	Adjusts Funding for Special Assessment Payments[9]	Adds Funding for Campus Security[10]	Adjusts Funding for Master's Degree in Public Health Program[11]	Adds Funding to Increase Medical School Enrollment[12]
University System Office	($1,000,000)	$1,000,000				
Bismarck State College			32,933			
Lake Region State College						
Williston State College				100,000		
University of North Dakota						
UND Medical Center					(607,609)	1,800,000
North Dakota State University					607,609	
State College of Science			(807)			
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University						
Dakota College at Bottineau						
Forest Service						
Total all funds	($1,000,000)	$1,000,000	$32,126	$100,000	$0	$1,800,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Dickinson State University Operations[13]	Adds Funding for Campus Drainage Study[14]	Adjusts Funding for Capital Projects[15]	Total All Funds Changes
University System Office				($718,000)

Bismarck State College			4,335,000	5,643,474
Lake Region State College			866,000	1,165,109
Williston State College				360,258
University of North Dakota			6,950,000	11,086,722
UND Medical Center				2,355,167
North Dakota State University				7,164,892
State College of Science			(8,180,000)	(7,410,103)
Dickinson State University	900,000			1,550,425
Mayville State University		55,000		372,936
Minot State University			15,834,555	16,684,318
Valley City State University			10,500,000	11,005,261
Dakota College at Bottineau			700,000	851,647
Forest Service			6,000	6,000
Total all funds	$900,000	$55,000	$31,011,555	$50,118,106
FTE	0.00	0.00	0.00	0.00

[1] Funding removed by the House for equity distributions to institutions is restored. The Senate also restored this funding.

[2] Funding removed by the House to limit tuition increases at institutions is restored. The Senate also restored this funding.

[3] Ongoing funding of $715,140 and one-time funding of $156,000 included in the executive recommendation for student mental health services is removed.

[4] Funding removed by the House for STEM teacher education enhancement is restored for nonresearch institutions. The Senate also restored this funding.

[5] Operations funding from the general fund for the University System office is reduced by $500,000. The Senate reduced operations funding for the University System office by $200,000.

[6] Funding for capital bond payments is reduced by $50,000.

[7] A pool of funding for expanding academic and technical programs is removed.

[8] Funding from the permanent oil tax trust fund removed by the House for grants to tribally controlled community colleges is restored. The Senate also restored this funding.

[9] Funding for 2011-13 special assessment payments is adjusted to reflect updated calculations for Bismarck State College and the State College of Science. The Senate version also included the special assessment payment adjustments.

[10] Funding of $100,000 is added for campus security at Williston State College.

[11] Funding is transferred from the University of North Dakota School of Medicine and Health Sciences to North Dakota State University for the new joint master's degree in public health program to be administered by both institutions. The executive recommendation provided all funding for the program to the University of North Dakota School of Medicine and Health Sciences. The Senate also provided for the transfer of funding for the program.

[12] Funding is added to allow the University of North Dakota School of Medicine and Health Sciences to increase program enrollment and to increase the number of available student medical residency positions available. The Senate had authorized the State Board of Higher Education to transfer $1.8 million from the joint North Dakota University System/University of North Dakota information technology building project to the School of Medicine and Health Sciences to increase program enrollment.

[13] One-time funding from the general fund of $900,000 is added for Dickinson State University for the

digitization of documents related to the Theodore Roosevelt Center and for programs that have experienced a loss of funding due to decreased revenues from oil royalties. The Senate provided $700,000 from the general fund for programs at Dickinson State University that have been affected by decreased revenue from oil royalties.

[14] One-time funding of $55,000 from the general fund is added for a campus drainage study at Mayville State University.

[15] Funding is adjusted for the following capital projects:

- **Bismarck State College National Energy Center of Excellence** - Funding of $3,350,000 from the general fund and $985,000 from other funds is added for the National Energy Center of Excellence fourth floor project. The House provided funding of $4,335,000 for the project from unspent 2009-11 general fund appropriations relating to the Great Plains Applied Energy Research Center project. The Senate provided funding of $3 million from the general fund and $1,335,000 from other funds for the project.
- **Lake Region State College roof replacement projects** - Funding of $866,000 from the general fund is added for roof replacement projects at Lake Region State College.
- **Williston State College workforce training building** - Funding of $500,000 from the general fund and $1,725,000 from other funds is provided for the Williston State College workforce training building project. The House provided funding of $225,000 from the general fund and $2 million of other funds for the project which was not changed by the Senate. A section is also added to allow Williston State College to borrow up to $1,725,000 from the Bank of North Dakota for the project in addition to revenue bonding authorization for the project which was added by the House.
- **North Dakota University System/University of North Dakota joint information technology building project** - General fund support for the project is reduced by $1.8 million and special fund authority of $8 million is added to provide total funding of $20.5 million, of which $12.5 million is from the general fund. The executive recommendation included $11.2 million of funding from the general fund for the project, and the House increased the general fund amount to $14.3 million. The Senate added special fund authority of $7.7 million for the project and provided authorization for the State Board of Higher Education to transfer $1.8 million of funding from the general fund for the project to the School of Medicine and Health Sciences to increase the enrollment of the school. A section is also added to authorize an additional $5 million for the project from information technology savings.
- **University of North Dakota flight operations center** - Special fund authority of $750,000 is provided for the University of North Dakota flight operations center renovation project. The Senate provided special fund authority of $1.5 million for the project.
- **State College of Science Old Main project** - Funding from the general fund of $8,180,000 for the State College of Science Old Main project is removed. The Senate also removed this funding.
- **Minot State University geothermal project** - Funding of $5 million from the general fund and $8,734,555 from other funds, including federal funds, private funds, and energy performance contracts, is added for the geothermal energy project. The Senate also added this funding.
- **Minot State University food service project** - Special fund authority is added for a food service remodeling project from revenue bonding proceeds ($1.5 million). The Senate also provided the special fund authority for this project as well as authorization to issue revenue bonds.
- **Minot State University physical plant building** - Special fund authorization is added for the physical plant building project from Bank of North Dakota loan proceeds ($600,000). The physical plant building project is also estimated to use $650,000 of unspent 2009-11 biennium general fund appropriations. The Senate also authorized this funding.
- **Valley City State University Rhoades Science Center** - Funding of $10.5 million from the general fund is provided for the Rhoades Science Center project, the same as provided by the Senate. The executive recommendation provided funding of $7,971,000 from the general fund which was removed by the House.
- **Dakota College at Bottineau campus improvements** - Funding of $700,000 from the general fund is added for campus improvements. The Senate also added this funding.
- **Forest Service Towner State Nursery greenhouse project** - Additional special fund authorization of $6,000 is added for the Towner State Nursery greenhouse project that was

originally authorized by the 2009 Legislative Assembly. The additional spending authorization is related to funding received from an insurance claim that resulted from wind damage to the project.

House Bill No. 1003 - Other Changes - Conference Committee Action

This amendment also:

- Provides North Dakota State University with authority to use 2007-09 and 2009-11 biennium funding for the Minard Hall project in the 2011-13 biennium and requires Budget Section reports on the status of the project. The Senate also added this section.
- Adjusts Section 15 to provide revenue bonding authorization for the Minot State University food service remodeling project ($1.5 million) and adjusts the revenue bonding authorization of the Williston State College workforce training building project.
- Adds a section to amend Section 15-10-08 to increase the daily compensation of members of the State Board of Higher Education from $100 per day to $148 per day. The Senate also added this section.
- Adds two sections to amend Sections 43-12.2-03 and 43-17.2-03 relating to the eligibility requirements for the medical personnel loan repayment program and the physician loan repayment program. The Senate also added these sections.
- Adds a section to amend Section 15-70-04 relating to grants to tribally controlled community colleges for nonbeneficiary students. The Senate also added this section.
- Adds a section of legislative intent regarding the future budget requests of the University System.
- Adds a section of legislative intent regarding the North Dakota University System fall enrollment report.
- Provides for a Legislative Management study of the use of graduated tuition rates for programs that address workforce needs. The Senate also added this study section.

2011 House Bill 1003
North Dakota University System
2011-13 Executive Recommendation - *House Eliminated, Senate Restored*

Total Equity Allocation Based on Combined LTF Plan ($10.0 milion), with 10% or $166,667 minimum

	(1)	(2)	(3)	(4)	(5)	(6)
			With Minimum			
	Current Percent of Peer Benchmark - based on 09-11 Budget Allocations	LTF Plan Model Allocation Based on Dollar and Percent Distance From Peers	Percentage distribution of those campuses not participating in minimum allocation		2011-13 Budget Recommendation - LTF Plan Model, with minimum $9,000,000	Estimated Percent of Peer Benchmark - After Allocation of 11-13 Parity and Equity
BSC	51%	$587,718	$587,718	6.0%	$543,985	59%
LRSC	48%	$236,757	$236,757	2.4%	$219,139	54%
WSC	75%	$43,076			$166,667	84%
UND & SOMHS	55%	$3,296,865	$3,296,865	33.9%	$3,051,536	61%
NDSU	39%	$5,076,780	$5,076,780	52.2%	$4,698,999	46%
NDSCS	90%	$23,766			$166,667	97%
DSU	51%	$510,884	$510,884	5.3%	$472,867	57%
MaSU	87%	$18,502			$166,667	94%
MiSU	76%	$181,224	$14,558	0.1%	$180,142	82%
VCSU	95%	$0			$166,667	104%
DCB	79%	$24,428			$166,667	86%
TOTAL	54%	$10,000,000	$9,723,562	100.0%	$10,000,000	

HB 1003
NDUS
4/26/11
attachment #1

HB1003
NDUS
4/27/11
attachment #1
(48)

NDUS 2011-13 Capital Projects Comparison of Requests to Engrossed HB1003

Small-to-Medium Size Projects - Priority List by Campus

<=$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=$500,000 at MiSU and NDSCS; <=$1,000,000 at UND and NDSU

2/22/2011

(1)	(2) Project Description	(3) Campus	(4) Cost State	(5) Cost Other	(6) Cost Total	(7) Other Source	(8) Deferred Maint Addressed	(9) 2011-13 Engrossed HB1003	SBHE Legis. Restoration Request
	MiSU								
1	Fiber Network Rebuild - The fiber cabling system is aging and need to be upgraded.	MiSU	$500,000	$500,000	$1,000,000	local	$500,000	$0	$500,000 GF $500,000 OF
2	Security Blue Lights - A program to install security stations across campus that will include public address speakers for early warning of emergencies for the campus population.	MiSU	$377,000	$0	$377,000		$0	$0	$0
3	Security-Phase II & Phase III of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MiSU	$500,000	$0	$500,000		$0	$0	$0
4	Security-Phase IV & Phase V of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MiSU	$500,000	$0	$500,000		$0	$0	$0
5	Memorial Hall Carpet & Paint - The carpet and walls are showing wear and are in need of repair and replacement.	MiSU	$400,000	$0	$400,000		$400,000	$0	$0
6	Main Windows - The windows in Old Main are old and very energy inefficient.	MiSU	$500,000	$250,000	$750,000	local,grants	$750,000	$0	$0
7	Model Hall Windows - The windows in Model Hall are old and very energy inefficient.	MiSU	$450,000	$0	$450,000		$450,000	$0	$0
	Total		$3,227,000	$750,000	$3,977,000		$2,100,000	$0	$500,000 GF $500,000 OF
	VCSU								
1	Fire Alarm Upgrades	VCSU	$245,000	$0	$245,000		$245,000	$0	$245,000
2	Restroom Renovations and Restroom Accessibility Upgrades	VCSU	$210,000	$0	$210,000		$210,000	$0	$0
3	Office and Classroom refreshment and renovation	VCSU	$218,000	$0	$218,000		$218,000	$0	$0
4	Asphalt projects (parking lot improvements)	VCSU	$245,000	$0	$245,000		$245,000	$0	$0
5	Tuckpointing	VCSU	$229,000	$0	$229,000		$229,000	$0	$0
6	Vangstad Auditorium Life Safety & Accessibility	VCSU	$245,000	$0	$245,000		$245,000	$0	$0
7	Campus Exterior Lighting	VCSU	$183,000	$0	$183,000		$183	$0	$0
	Total		$1,575,000	$0	$1,575,000		$1,392,183	$0	$245,000
	DCB								
1	Additional IVN Classrooms -- Equipment for two additional video conferencing classrooms to accommodate the growth in off-campus programming.	DCB	$70,000	$0	$70,000		$0	$0	$70,000
2	Science Lab Updates -- Project includes upgrading the existing infrastructure (i.e., student work stations, storage areas, audiovisual equipment, etc.) to equip the science labs with state-of-the-art equipment and instrumentation.	DCB	$140,000	$0	$140,000		$0	$0	$0
3	HVAC Upgrade - Nelson Science Center -- Install air conditioning and improve building ventilation.	DCB	$145,250	$0	$145,250		$0	$0	$0
4	Student Center Improvements -- Involves replacing entry doors and all windows, remodeling the kitchen, covering the tile floor with carpeting and converting conference rooms into a home theater/gaming area.	DCB	$100,000	$25,000	$125,000	student fees	$68,000	$0	$0
5	Gymnasium Improvements -- Includes adding handrails in the bleachers, padding on the walls, lighting upgrade, improving sound system, refinishing block walls and scorer's desk, and improving ventilation.	DCB	$75,000	$0	$75,000		$75,000	$0	$0
6	Grounds Improvements -- Includes installing sprinkling systems in the commons, boulevard and athletic fields; constructing a north entry gate; creating a walking trail or arboretum; erecting anti-vehicle bollards; and planting a decorative sight screen on east side of heating plant.	DCB	$95,000	$0	$95,000		$0	$0	$0
7	Central Heating Plant Upgrades -- Project includes improving air handling and ventilation; installing an additional condensate tank; modify oil boilers to burn bio-fuels; removal of non-functional oil-fire boiler; modify coal system to handle pellets and other biomass; and add additional storage for biomass.	DCB	$75,000	$0	$75,000		$75,000	$0	$0
	Total		$700,250	$25,000	$725,250		$218,000	$0	$70,000
	Total Ranked State Funded Projects - Campuses		$25,665,427	$775,000	$26,440,427		$11,965,460		$4,009,900 GF $500,000 OF