

Fifty-sixth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1165

Introduced by

Appropriations Committee

(At the request of the State Board of Higher Education)

1 A BILL for an Act to amend and reenact section 15-10-12 of the North Dakota Century Code,  
2 relating to deposit with the state treasurer of funds received by board of higher education  
3 institutions.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 15-10-12 of the 1997 Supplement to the North  
6 Dakota Century Code is amended and reenacted as follows:

7 **15-10-12. Board may accept gifts and bequests - ~~State treasurer to have custody~~**  
8 **~~of school funds~~ Deposit of funds.** The state board of higher education may, subject to the  
9 limitations of section 15-10-12.1, receive donations, gifts, grants, and bequests offered or  
10 tendered to or for the benefit of any institution of higher education under its control or subject to  
11 its administration, and all moneys coming into the hands of the board as donations, gifts,  
12 grants, and bequests must be used for the specific purpose for which they are donated or  
13 given. A special revenue fund, for each institution of higher education under the control of the  
14 board or subject to its administration, must be maintained within the state treasury and all  
15 institutional income from tuition collections must be placed in the special fund for the use of the  
16 institution for which the money was raised. All rent, interest, or income from land, money, or  
17 property, donated or granted by the United States and allocated to specific institutions of higher  
18 learning under the terms of the Enabling Act and the Constitution of North Dakota must be  
19 deposited in the special revenue fund of each institution and expended in accordance with  
20 section 1 of article IX of the Constitution of North Dakota. Moneys in the special revenue fund  
21 are subject to legislative appropriations. All other funds, unless restricted by the terms of a  
22 grant, donation, or bequest, received by the institutions from federal, state, and local grants and  
23 contracts, indirect cost recoveries, special student fees, room and board fees and other  
24 auxiliary enterprise fees, student activity fees, continuing education program fees, internal

1 service fund revenues, and all other revenues must be deposited in the institution special  
2 revenue funds. The state treasurer shall immediately transfer the funds deposited in the  
3 special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of  
4 revenue and expenditures of the other funds by source of funds must be presented at the same  
5 time biennial budget requests for appropriations from the special revenue fund and state  
6 general fund are prepared and submitted to the office of the budget pursuant to section  
7 15-10-15. Payments from each institution's general fund appropriation must be made in  
8 amounts as may be necessary for the operation and maintenance of each institution, except  
9 that at the close of the biennium the balance of funds not paid from the general fund  
10 appropriation must be deposited in the special revenue funds of the institutions. All such  
11 appropriations are subject to proration in the same manner as other appropriations are prorated  
12 if insufficient funds are available to meet expenditures from the general fund. Sinking funds for  
13 the payment of interest and principal of institutional revenue bonds must be deposited pursuant  
14 to section 15-55-06.