

PROPOSED AMENDMENTS TO SENATE BILL NO. 2003

Page 1, line 2, after the semicolon insert "to provide for a legislative council study; to provide statements of legislative intent; to amend and reenact sections 15-10-12, 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-11 of the North Dakota Century Code, relating to higher education institutions' special revenue funds, budget requests and block grant appropriations, and unexpended appropriations; to provide an expiration date;"

Page 1, line 12, replace "3,663,482" with "3,660,491"

Page 1, line 13, replace "6,623,559" with "6,993,559"

Page 1, line 14, replace "51,957,520" with "52,126,420"

Page 1, line 15, replace "2,790,106" with "2,610,106"

Page 1, line 17, replace "77,765,508" with "78,121,417"

Page 1, line 19, replace "74,048,686" with "74,404,595"

Page 2, line 21, replace "23,488,351" with "22,937,531"

Page 2, line 22, replace "87,013,261" with "86,462,441"

Page 2, line 23, replace "21,750,820" with "21,200,000"

Page 2, line 28, replace "3,883,500" with "3,800,220"

Page 2, line 29, replace "26,776,628" with "26,693,348"

Page 2, line 30, replace "1,000,000" with "916,720"

Page 3, line 9, replace "724,589" with "4,724,589"

Page 3, after line 9, insert:

"Total all funds	\$12,594,596
Less estimated income	<u>4,000,000</u> "

Page 3, line 14, replace "3,186,850" with "412,850"

Page 3, remove lines 15 and 16

Page 4, line 11, replace "367,397,927" with "367,753,836"

Page 4, line 12, replace "41,502,168" with "42,094,068"

Page 4, line 13, replace "408,900,095" with "409,847,904"

Page 5, remove lines 1 through 11

Page 6, line 4, replace "There is appropriated to the forest service" with "The estimated income in subdivision 13 of section 1 of this Act includes"

Page 6, after line 10, insert:

**"SECTION 10. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION ACCOUNTABILITY MEASURES.** The legislative council shall consider studying during the 2001-02 interim the board of higher education's implementation of the performance and accountability measures report required by Senate Bill No. 2041. If conducted, the study may include the use of the higher education roundtable format.

**SECTION 11. LEGISLATIVE INTENT - HIGHER EDUCATION ACCOUNTABILITY MEASURES.** It is the intent of the legislative assembly that the board of higher education's performance and accountability report as required by Senate Bill No. 2041 include an executive summary and information regarding:

1. Higher education financing - A status report on higher education financing as compared to the long-term financing plan.
2. Base funding - Levels, trends, and uses of base funding.
3. Incentive funding, including:
  - a. The allocation, use of, and results of incentive funding.
  - b. The percentage of the higher education budget provided as incentive funding.
4. Deferred maintenance, including:
  - a. The value of institutional buildings, funds spent on renewal or updates as compared to depreciation, and the status of deferred maintenance, including a comparison of the funds appropriated for deferred maintenance to actual funds spent on deferred maintenance.
  - b. A deferred maintenance ratio that measures the size of the university system's outstanding maintenance as compared to its expendable net assets.
5. Capital projects - Report on new construction and major renovation capital projects for which specific appropriations are made, including budget to actual comparison, use of third-party funding, and related debt.
6. Peer institution comparisons - Funding levels of institutions or other selected indicators as compared to peer institutions.
7. Funding sources, including:
  - a. The amount and trends of funding from all financial sources.

- b. An operating income ratio that measures the amount of income from fees for service as compared to the university system's overall funding.
  - c. A contributed income ratio that measures the amount of income from externally generated resources other than debt as compared to the university system's overall funding.
- 8. State support information, including:
  - a. State general fund appropriation levels and trends as compared to changes in the state's economy and total state general fund appropriations.
  - b. A trend report on per capita and per student appropriations for higher education.
- 9. System indebtedness information, including:
  - a. The amount of debt incurred and supported in relation to limitation requirements.
  - b. A debt coverage ratio that measures net income as compared to the amount of debt service.
- 10. Affordability index detailing:
  - a. Tuition and fees on a per student basis and total cost of attendance compared to peer institutions.
  - b. Tuition and fees as a percentage of median North Dakota household income.
  - c. Student affordability considering financial aid.
- 11. Funding uses information, including:
  - a. A trend report on the distribution of expenditures by function.
  - b. An educational core services ratio that measures the total funds being used for instruction, research, and public service as compared to the university system's overall funding excluding capital and debt service amounts.
  - c. An educational support services ratio that measures the total funds being used for academic support and student services as compared to the university system's overall funding excluding capital and debt service amounts.
  - d. A general support ratio that measures the total funds being used for institutional support, operations, and maintenance of physical plant as compared to the university system's overall funding excluding capital and debt service amounts.
- 12. Equipment expenditures - An equipment expenditure ratio that measures the total funds used for equipment replacement as compared to the total equipment inventory value.
- 13. Financial ratios and other financial information including:

- a. A viability ration that measures the amount of expendable net assets as compared to the amount of long-term debt.
  - b. A primary reserve ratio that measures the amount of expendable net assets as compared to the university system's overall spending.
  - c. A return on net assets ratio that measures the changes in net assets as compared to the university system's total net assets.
  - d. A net income ratio that measures the change in unrestricted net assets as compared to total unrestricted income to provide information regarding surpluses or deficiencies.
  - e. Debt, assets, and end-of-year fund balances.
14. Faculty and staff trend information, including:
- a. The ratio of faculty and staff to students.
  - b. Faculty and staff turnover rates and major reasons for turnover.
  - c. Faculty and staff salary levels, including annual average salary increases and comparisons with peer institutions.
15. Research and development efforts trend information, including:
- a. Total funding received for research, including federal, state, local, and private sources.
  - b. Revenue generated or additional funding earned by research and development projects.
  - c. A research expenditure ratio that measures the amount of research expenditures as compared to the number of faculty full-time equivalent positions.
16. Audit report information, including:
- a. An annual audit report, with an unqualified opinion, that identifies suggested material areas of improvement to the university system's financial operations.
  - b. A biennial audit report reflecting budget to actual appropriation statements; appropriate financial noteworthy accomplishments and successes; a reduction in material areas of statutory noncompliance; and university system compliance with suggested significant areas of improvement.
17. Workforce training information, including:
- a. Trends in the number and percent of businesses and employees in the region receiving training.
  - b. Levels of satisfaction with training events as reflected in information systematically gathered from employers and employees receiving training.
18. Entrepreneurship - Levels and trends in enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs.

19. Employment placement - Level and trends in the percentage of university system graduates obtaining employment appropriate to their education in state and out of state.
20. Partnerships and joint ventures - Levels and trends in partnerships and joint ventures between university system institutions and the following entities:
  - a. Business and industry.
  - b. Tribal colleges.
  - c. Private sector training providers.
  - d. Other university system institutions.
21. Student performance information, including:
  - a. Levels and trends in performance of students on nationally recognized exams in their major fields in comparison with national averages.
  - b. Levels and trends in licensure pass rates in comparison to other states.
22. Alumni satisfaction - Levels and trends in alumni-reported satisfaction with preparation in:
  - a. Selected major.
  - b. Acquisition of specific basic and higher-order skills.
  - c. Level, currency, and relevance of computer technology knowledge and abilities in relation to expectations in the marketplace.
23. Employer satisfaction - Levels and trends in employer-reported satisfaction with preparation of recently hired college graduates.
24. Institution and program accreditation - Maintenance of accreditation of programs and institutions by national and regional accrediting bodies and acquisition of additional accreditation where appropriate.
25. Peer review process - Levels and trends in peer review process relating to:
  - a. Grants.
  - b. Publications.
26. Student goals - Levels and trends in the number of students achieving goals - Institution meeting the defined needs/goals as expressed by students.
27. Administrative flexibility - Proportion of university system decisionmakers (deans and higher levels) indicating whether "they can now operate with more flexibility than in the past."
28. Student enrollment information, including:
  - a. Total number and trends in full-time, part-time, degree-seeking, and non-degree-seeking students being served.

- b. The number and trends of individuals, organizations, and agencies served through noncredit activities.
29. Client satisfaction - Levels of satisfaction with responsiveness as reflected through responses to evaluations and surveys of clients:
- a. Graduates and individuals completing programs.
  - b. Employers.
  - c. Business/program advisory councils.
  - d. Companies and employees receiving training.
  - e. Workforce training boards.
  - f. Campus presidents' advisory councils.
  - g. Public school superintendents.
  - h. Economic development professionals.
  - i. Other client groups.
30. Noncompleters satisfaction - Levels of satisfaction and reasons for noncompletion as reflected in a survey of individuals who have not completed their program or degree.
31. Student access - Levels and trends in the proportion of residents of the state who are within a forty-five minute drive of a location at which they can receive educational programs from a provider, including providers from outside the immediate region who would also have access to academic and student support services at the site.
32. Distance learning - Levels and trends in the number of enrollments in distance learning courses by in-state and out-of-state residents.
33. Nontraditional courses - Levels and trends in the number and proportion of enrollments in courses offered by nontraditional methods.
34. Student participation - Levels and trends in rates of participation of:
- a. Recent high school graduates and nontraditional students.
  - b. Individuals pursuing graduate degrees.
35. Sustaining the vision - The extent to which the recommendations of the 2000 higher education roundtable are implemented and performance is improved.

**SECTION 12. LEGISLATIVE INTENT - STATE COLLEGE OF SCIENCE - BLIKRE ACTIVITIES CENTER RENOVATION.** It is the intent of the legislative assembly that the funding of \$531,720 included in the estimated income in subdivision 7 of section 1 of this Act for renovation of the Blikre activities center at the state college of science must be collected before renovation may begin. The state college of science, after receiving approval from the budget section, may obtain and utilize any available funds, in addition to the \$531,720, received from federal, public, private, or other sources which are appropriated to the state college of science to assist in the Blikre activities center renovation.

**SECTION 13. AMENDMENT.** Section 15-10-12 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**15-10-12. Board may accept gifts and bequests - Deposit and appropriation of institutional funds.** ~~The Subject to the limitations of section 15-10-12.1, the state board of higher education may, subject to the limitations of section 15-10-12.1, receive donations, gifts, grants, and bequests offered or tendered to or for the benefit of any institution of higher education under its control or subject to its administration, and all moneys coming into the hands of the board as donations, gifts, grants, and bequests must be used for the specific purpose for which they are donated or given. A special revenue fund, for each institution of higher education under the control of the board or subject to its administration, must be maintained within the state treasury and all institutional income from tuition collections must be placed in the special fund for the use of the institution for which the money was raised. All rent, interest, or income from land, money, or property, donated or granted by the United States and allocated to specific institutions of higher learning under the terms of the Enabling Act and the Constitution of North Dakota must be deposited in the special revenue fund of each institution and expended in accordance with section 1 of article IX of the Constitution of North Dakota. Moneys in the special revenue fund are subject to legislative appropriations.~~ All other funds, 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 fees 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 institution special revenue funds. The state treasurer shall immediately transfer the funds deposited in the special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of revenue and expenditures of the other funds by source of funds must be presented at the same time biennial budget requests for appropriations from the special revenue fund and state general fund are prepared and submitted to the office of the budget pursuant to section 15-10-15. Payments from each institution's general fund appropriation must be made in amounts as may be necessary for the operation and maintenance of each institution, ~~except that at the close of the biennium the balance of funds not paid from the general fund appropriation must be deposited in the special revenue funds of the institutions.~~ The funds in the institution accounts are appropriated on a continuing basis to the state board of higher education. All such appropriations are subject to proration in the same manner as other appropriations are prorated if insufficient funds are available to meet expenditures from the general fund. Sinking funds for the payment of interest and principal of institutional revenue bonds must be deposited pursuant to section 15-55-06.

**SECTION 14. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-04. 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 his 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 ~~his~~ the director's discretion may extend the filing date for any budget unit if ~~he~~ the director finds there is some circumstance which 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 such budget unit's estimate of financial requirements except such estimate may not exceed ninety percent of such budget unit's previous biennial appropriation. The director of the budget or such subordinate officer ~~as he shall designate~~ 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.

**SECTION 15. AMENDMENT.** Subsection 7 of section 54-44.1-06 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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 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 in the format approved by the fifty-seventh legislative assembly.

**SECTION 16. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue.** ~~The~~ Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the North Dakota university system are not subject to this section. The chairman of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase where the total purchase price is within the authorized appropriation.

**SECTION 17. EXPIRATION DATE.** Sections 13, 14, 15, and 16 of this Act are effective through June 30, 2003, and after that date are ineffective."

Renumber accordingly



# STATEMENT OF PURPOSE OF AMENDMENT:

## Senate Bill No. 2003 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
University System Office			
Total all funds	\$77,765,508	\$355,909	\$78,121,417
Less estimated income	3,716,822		3,716,822
General fund	<u>\$74,048,686</u>	<u>\$355,909</u>	<u>\$74,404,595</u>
Bismarck State College			
Total all funds	\$15,017,975	\$0	\$15,017,975
Less estimated income			
General fund	<u>\$15,017,975</u>	<u>\$0</u>	<u>\$15,017,975</u>
Lake Region State College			
Total all funds	\$4,724,062	\$0	\$4,724,062
Less estimated income			
General fund	<u>\$4,724,062</u>	<u>\$0</u>	<u>\$4,724,062</u>
Williston State College			
Total all funds	\$5,183,247	\$0	\$5,183,247
Less estimated income			
General fund	<u>\$5,183,247</u>	<u>\$0</u>	<u>\$5,183,247</u>
University of North Dakota			
Total all funds	\$95,008,583	\$0	\$95,008,583
Less estimated income	11,210,000		11,210,000
General fund	<u>\$83,798,583</u>	<u>\$0</u>	<u>\$83,798,583</u>
UND Medical Center			
Total all funds	\$28,571,646	\$0	\$28,571,646
Less estimated income			
General fund	<u>\$28,571,646</u>	<u>\$0</u>	<u>\$28,571,646</u>
North Dakota State University			
Total all funds	\$87,013,261	(\$550,820)	\$86,462,441
Less estimated income	21,750,820	(550,820)	21,200,000
General fund	<u>\$65,262,441</u>	<u>\$0</u>	<u>\$65,262,441</u>
State College of Science			
Total all funds	\$26,776,628	(\$83,280)	\$26,693,348
Less estimated income	1,000,000	(83,280)	916,720
General fund	<u>\$25,776,628</u>	<u>\$0</u>	<u>\$25,776,628</u>
Dickinson State University			
Total all funds	\$13,454,794	\$0	\$13,454,794
Less estimated income			
General fund	<u>\$13,454,794</u>	<u>\$0</u>	<u>\$13,454,794</u>
Mayville State University			
Total all funds	\$8,594,596	\$4,000,000	\$12,594,596
Less estimated income		4,000,000	4,000,000
General fund	<u>\$8,594,596</u>	<u>\$0</u>	<u>\$8,594,596</u>
Minot State University			
Total all funds	\$28,004,343	(\$2,774,000)	\$25,230,343
Less estimated income	2,774,000	(2,774,000)	
General fund	<u>\$25,230,343</u>	<u>\$0</u>	<u>\$25,230,343</u>
Valley City State University			
Total all funds	\$11,882,904	\$0	\$11,882,904
Less estimated income			
General fund	<u>\$11,882,904</u>	<u>\$0</u>	<u>\$11,882,904</u>
Minot State University - Bottineau			
Total all funds	\$4,083,153	\$0	\$4,083,153
Less estimated income			
General fund	<u>\$4,083,153</u>	<u>\$0</u>	<u>\$4,083,153</u>
Forest Service			
Total all funds	\$2,819,395	\$0	\$2,819,395
Less estimated income	1,050,526		1,050,526
General fund	<u>\$1,768,869</u>	<u>\$0</u>	<u>\$1,768,869</u>
Bill Total			
Total all funds	\$408,900,095	\$947,809	\$409,847,904
Less estimated income	41,502,168	591,900	42,094,068
General fund	<u>\$367,397,927</u>	<u>\$355,909</u>	<u>\$367,753,836</u>

## Senate Bill No. 2003 - University System - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
University System Office	\$74,048,686	\$355,909	\$74,404,595
Bismarck State College	15,017,975		15,017,975
Lake Region State College	4,724,062		4,724,062
Williston State College	5,183,247		5,183,247
University of North Dakota	83,798,583		83,798,583

UND Medical Center	28,571,646		28,571,646
North Dakota State University	65,262,441		65,262,441
State College of Science	25,776,628		25,776,628
Dickinson State University	13,454,794		13,454,794
Mayville State University	8,594,596		8,594,596
Minot State University	25,230,343		25,230,343
Valley City State University	11,882,904		11,882,904
Minot State University - Bottineau	4,083,153		4,083,153
Forest Service	<u>1,768,869</u>		<u>1,768,869</u>
Total general fund	\$367,397,927	\$355,909	\$367,753,836

### Detail of Senate Changes to the General Fund

	ADJUST MARKET EQUITY SALARY INCREASE <sup>1</sup>	INCREASE FUNDING FOR STUDENT GRANT PROGRAMS <sup>2</sup>	INCREASE FUNDING FOR COMPETITIVE RESEARCH <sup>3</sup>	DECREASE FUNDING FOR CAMPUS-BASED PROGRAMS	DECREASE FUNDING FOR CONTINGENCIES AND BOARD INITIATIVES	ADD CAPITAL CONSTRUCTION FUNDING <sup>4</sup>
University System Office	(\$2,991)	\$370,000	\$528,900	(\$360,000)	(\$180,000)	
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						
Minot State University - Bottineau						
Forest Service						
Total general fund	(\$2,991)	\$370,000	\$528,900	(\$360,000)	(\$180,000)	\$0

	REMOVE CAPITAL CONSTRUCTION FUNDING <sup>5</sup>	TOTAL GENERAL FUND CHANGES
University System Office		\$355,909
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		
Minot State University - Bottineau		
Forest Service		
Total general fund	\$0	\$355,909

### Senate Bill No. 2003 - University System - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
University System Office	\$3,716,822		\$3,716,822
Bismarck State College			
Lake Region State College			
Williston State College			
University of North Dakota	11,210,000		11,210,000
UND Medical Center			
North Dakota State University	21,750,820	(\$550,820)	21,200,000
State College of Science	1,000,000	(83,280)	916,720
Dickinson State University			
Mayville State University		4,000,000	4,000,000
Minot State University	2,774,000	(2,774,000)	
Valley City State University			
Minot State University - Bottineau			
Forest Service	<u>1,050,526</u>		<u>1,050,526</u>
Total other funds	\$41,502,168	\$591,900	\$42,094,068

### Detail of Senate Changes to Other Funds

	ADJUST MARKET EQUITY SALARY INCREASE 1	INCREASE FUNDING FOR STUDENT GRANT PROGRAMS 2	INCREASE FUNDING FOR COMPETITIVE RESEARCH 3	DECREASE FUNDING FOR CAMPUS-BASED PROGRAMS	DECREASE FUNDING FOR CONTINGENCIES AND BOARD INITIATIVES	ADD CAPITAL CONSTRUCTION FUNDING 4
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						\$916,720
Dickinson State University						
Mayville State University						4,000,000
Minot State University						
Valley City State University						
Minot State University - Bottineau						
Forest Service						
<b>Total other funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,916,720</b>

	REMOVE CAPITAL CONSTRUCTION FUNDING 5	TOTAL OTHER FUNDS CHANGES
University System Office		
Bismarck State College		
Lake Region State College		
Williston State College		
University of North Dakota		
UND Medical Center		
North Dakota State University	(\$550,820)	(\$550,820)
State College of Science	(1,000,000)	(83,280)
Dickinson State University		
Mayville State University		4,000,000
Minot State University	(2,774,000)	(2,774,000)
Valley City State University		
Minot State University - Bottineau		
Forest Service		
<b>Total other funds</b>	<b>(\$4,324,820)</b>	<b>\$591,900</b>

### Senate Bill No. 2003 - University System - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
University System Office	\$77,765,508	\$355,909	\$78,121,417
Bismarck State College	15,017,975		15,017,975
Lake Region State College	4,724,062		4,724,062
Williston State College	5,183,247		5,183,247
University of North Dakota	95,008,583		95,008,583
UND Medical Center	28,571,646		28,571,646
North Dakota State University	87,013,261	(550,820)	86,462,441
State College of Science	26,776,628	(83,280)	26,693,348
Dickinson State University	13,454,794		13,454,794
Mayville State University	8,594,596	4,000,000	12,594,596
Minot State University	28,004,343	(2,774,000)	25,230,343
Valley City State University	11,882,904		11,882,904
Minot State University - Bottineau	4,083,153		4,083,153
Forest Service	<u>2,819,395</u>		<u>2,819,395</u>
<b>Total all funds</b>	<b>\$408,900,095</b>	<b>\$947,809</b>	<b>\$409,847,904</b>
FTE	3,087.39	0.00	3,087.39

### Detail of Senate Changes to All Funds

	ADJUST MARKET EQUITY SALARY INCREASE 1	INCREASE FUNDING FOR STUDENT GRANT PROGRAMS 2	INCREASE FUNDING FOR COMPETITIVE RESEARCH 3	DECREASE FUNDING FOR CAMPUS-BASED PROGRAMS	DECREASE FUNDING FOR CONTINGENCIES AND BOARD INITIATIVES	ADD CAPITAL CONSTRUCTION FUNDING 4
University System Office	(\$2,991)	\$370,000	\$528,900	(\$360,000)	(\$180,000)	
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						\$916,720
Dickinson State University						
Mayville State University						4,000,000

Total all funds	(\$2,991)	\$370,000	\$528,900	(\$360,000)	(\$180,000)	\$4,916,720
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	REMOVE CAPITAL CONSTRUCTION FUNDING <sup>5</sup>	TOTAL ALL FUNDS CHANGES				
University System Office		\$355,909				
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University	(\$550,820)	(550,820)				
State College of Science	(1,000,000)	(83,280)				
Dickinson State University						
Mayville State University		4,000,000				
Minot State University	(2,774,000)	(2,774,000)				
Valley City State University						
Minot State University - Bottineau						
Forest Service						
Total all funds	(\$4,324,820)	\$947,809				
FTE	0.00	0.00				

<sup>1</sup> **University System Office** - This amendment reduces, from \$19,490 to \$16,499, the amount provided for a market equity salary increase for the counsel and human resources director. The amount included in the bill will provide for a salary increase of \$623 per month for counsel and \$162 per month for the human resources director for the last 18 months of the biennium.

<sup>2</sup> **University System Office** - This amendment increases funding for student grant programs by \$370,000, from \$6,623,559 to \$6,993,559. The Hoeven executive budget recommended an increase in funding for student grant programs of \$830,000.

<sup>3</sup> **University System Office** - This amendment increases funding for competitive research by \$528,900, from \$3,471,100 to \$4 million, which represents a \$2,028,900 increase from the 1999-2001 biennium.

<sup>4</sup> **State College of Science** - This amendment adds special funds of \$531,720 for renovation of the Blikre Activities Center and \$385,000 for renovation of the Skills and Technology Training Center. A section of legislative intent is also added requiring all funds for the renovation of the Blikre Activities Center be raised before the start of the renovation project and any necessary additional funding required for the renovation to be from non-general fund sources.

**Mayville State University** - This amendment adds \$4 million of special funds for renovation of the Lewy Lee Fieldhouse.

<sup>5</sup> **North Dakota State University** - This amendment removes special funding of \$550,820 for Robinson Hall renovation as funding for the project was provided in Senate Bill No. 2137.

**State College of Science** - This amendment removes special funding of \$1 million for parking lot improvements as the funding would be addressed in Senate Bill No. 2023.

**Minot State University** - This amendment removes the local fund match requirement of \$2,774,000 and Section 7 of the bill as introduced relating to the Old Main renovation project. The university's local match requirement would be addressed in Senate Bill No. 2023.

## Senate Bill No. 2003 - Other Changes - Senate Action

This amendment also:

- Provides for a Legislative Council study regarding the State Board of Higher Education's implementation of the performance and accountability measures report required by Senate Bill No. 2041.
- Provides a section of legislative intent regarding higher education accountability measures.
- Incorporates the provisions of Senate Bill No. 2037 relating to the appropriation of special funds and the carryover of unexpended appropriations and Senate Bill No. 2038 relating to the University System budget request and appropriations bill that would expire on June 30, 2003.
- Removes Section 6 of the bill as introduced relating to the local match requirement for Old Main renovation project at Minot State University as the university's local match requirement would be addressed in Senate Bill No. 2023.
- Removes Section 7 of the bill as introduced relating to the establishment of a reserve fund for utility and repair costs for the College of Business building to be constructed at North Dakota State University.

- Amends Section 11 of the bill as introduced to clarify that the estimated income appropriated in Subdivision 13 of Section 1 includes \$120,000 from the State Forester reserve account for the construction of the Towner Nursery tree storage building.

The following is a summary of the Senate general fund changes to the Schafer executive budget and the Hoeven executive budget recommendations:

	SCHAFFER EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION	HOEVEN EXECUTIVE BUDGET	INCREASE (DECREASE) TO HOEVEN BUDGET
University System					
System governance	\$3,502,149	(\$2,991)	\$3,499,158	\$3,502,149	(\$2,991)
Student grant programs	5,071,409	370,000	5,441,409	5,901,409	(460,000)
Campus-based programs	51,423,520	168,900	51,592,420	51,952,420	(360,000)
Contingencies and board initiatives	2,790,106	(180,000)	2,610,106	2,790,106	(180,000)
Capital bond payments	<u>11,261,502</u>		<u>11,261,502</u>	<u>11,261,502</u>	
Subtotal	\$74,048,686	\$355,909	\$74,404,595	\$75,407,586	(\$1,002,991)
Bismarck State College	\$15,017,975		\$15,017,975	\$15,017,975	
Lake Region State College	4,724,062		4,724,062	4,724,062	
Williston State College	5,183,247		5,183,247	5,183,247	
University of North Dakota	83,798,583		83,798,583	83,798,583	
UND Medical Center	28,571,646		28,571,646	28,571,646	
North Dakota State University	65,262,441		65,262,441	65,262,441	
State College of Science	25,776,628		25,776,628	25,776,628	
Dickinson State University	13,454,794		13,454,794	13,454,794	
Mayville State University	8,594,596		8,594,596	8,594,596	
Minot State University	25,230,343		25,230,343	25,405,343	(\$175,000)
Valley City State University	11,882,904		11,882,904	11,882,904	
Minot State University - Bottineau	4,083,153		4,083,153	4,083,153	
Forest Service	<u>1,768,869</u>		<u>1,768,869</u>	<u>1,768,869</u>	
Total	\$367,397,927	\$355,909	\$367,753,836	\$368,931,827	(\$1,177,991)

**NOTE:** For the campus-based programs line item, the Senate change of \$168,900 consists of a \$528,900 increase for competitive research which increases the funding provided for competitive research to the level recommended in the Hoeven executive budget and a \$360,000 decrease in funding which decreases both the Schafer executive budget and the Hoeven executive budget for campus-based programs.