

		NDUS Request	Governor's Rec.
Systemwide Projects / Initiatives			
Student share of 3%/3% salary increases	Eliminate need for 1.1% to 2.0% tuition increase and improve student affordability	\$14,243,098	
Funding Formula - 2.5% per credit hour rate increase for Institution specific initiatives	Programmatic funding for behavioral & mental health; increased student services; workforce initiatives; new program start up; Title IX implementation; & other institutional needs	13,245,561	
Nursing Education Consortium	Transfer admin to System Office from UND (funding formula). Continue current distribution methodology	1,356,000	
Math Pathways	Develop rigorous and robust courses in the areas of statistics and quantitative reasoning to better align math coursework with field of study & career goals	150,000	
NDUSO - System Governance			
Salary market adjustments to 80% level.	Target is experienced employees at market. Interim goal is 80% market. Currently 18 at < 80%.	672,000	
Eliminate Campus Assessments	Now charged back to institutions.	325,000	
NDUSO - Student Grants			
ND AC/CTE Scholarship funding shortage	Requested 2019, but not approved; # eligible student continue to increase. Line item transfer this biennium to pay students.	4,200,000	4,200,000
North Dakota State Grant funding shortage	Maintain 6,200 need-based grants per year. If not increased will be 5,900 grants/year.	2,400,000	2,400,000
Financial Aid Systems - Licensing & Maintenance	Antiquated systems risk failure. Streamline processes & administrative effort	300,000	
Totals		\$ 36,891,659	\$ 6,600,000

Initiative	General Fund	Other Funds
Challenge Grant	\$ 10,000,000	
Challenge Grant - Contingent - If 6/30/2021 Legacy Fund earnings exceed \$515M. Current estimate = \$500M		\$ 10,000,000
NDSU Litigation Settlement - A Glenn Hill Center	125,000	
NDSU Litigation Fees - A Glenn Hill Center (in Deficiency Bill)	474,657	
Capital Tier Funding (Bonding)		19,000,000
NDSU Ag Products Development Center (Bonding)		14,000,000
DCB Nursing Renovation (Bonding)		2,000,000
Total	\$10,599,657	\$ 45,000,000

Essential Interim Committee Study Issues

1. Overall review & clean up of all higher ed statute to remove unnecessary sections or make other non-substantive changes
2. **VCSU Land Purchase:**

Purchase of land authorized. The state board of higher education, acting for and through Valley City State University, is authorized to purchase two parcels of land in Barnes county, described as (lot description here), from the Valley City State University Foundation for the use and betterment of Valley City State University, with local funds hereby appropriated for such purchase in the amount of \$309,000.

Parcel 1: 237 6th St. SE

The South Half of the East One-third of Lot One, in Block Four, of Andrus and Sifton's Addition to the City of Valley City, Barnes County, North Dakota, according to the certified plat thereof on file and of record in the office of the County Recorder in and for said County and State.

Parcel 2: 225 6th St. SE

The South One Hundred feet of the West One-third of the East Half and the East One-third of the West Half of Lot One, in Block Four, in Andrus and Sifton's Addition to the City of Valley City, Barnes County, North Dakota, according to the certified plat thereof on file and of record in the office of the Register of Deeds in and for said County and State.

3. **Title IX Amendment**

AMENDMENT. Subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

44-04-18.28. Title IX records at state universities and colleges exempt confidential.

Any record related to a complaint or investigation under title IX of the Education Amendments of 1972 [Pub. L. 92-318; 20 U.S.C. 1681 et seq.] at an institution under the control of the state board of higher education which contains personally identifiable information about a party to the complaint is an exempt a confidential record, subject to exceptions set forth in federal law. For purposes of this section, "personally identifiable information" means information that directly identifies an individual, and information that, alone or in combination with other information, is linked or linkable to an individual and would allow a reasonable person who lacks knowledge of the relevant circumstances to identify the individual.

4. **UND Technology Accelerator Refinancing**

On 1/28/2021 the SBHE authorized UND to request permission from the 2021 Legislative Assembly to pursue refinancing options for the Technology Accelerator Building bank loan.

UND has a loan with Bremer Bank to finance the purchase of UND's Technology Accelerator building, which was formerly known as the Research Enterprise and Commercialization (REAC) building. The purchase & original financing was authorized by the 63rd Legislative Assembly in 2013 Senate Bill 2003, Section 23.

The original \$9.8 million, 10-year loan was initiated in September 2013 with a fixed interest rate of 5.38% per annum and a balloon payment of \$7,376,579 due October 1, 2023. Payments are made monthly

resulting in annual expenditure of \$718,013. The balance of the loan as of December 1, 2020 was \$8,152,323.

If the refinancing is approved by the legislature, UND will solicit, through a request for proposal, a partner to assist with the marketing and negotiation of the refinancing. This will ensure UND maximizes its exposure to potential lenders and refinances the existing loan at the best possible rate. The terms of the loan will be determined based on the interest rate and keeping the annual debt service at or above the current amount but is expected to be between 16 and 20 years.

Without refinancing the loan, UND would need to have \$7,376,579 available in cash by October 1, 2023 to pay off the existing loan.