

2023-25

BIENNIAL BUDGET REQUEST

NDSU » AGENCY 235

DAVID COOK, PRESIDENT

**HOUSE APPROPRIATIONS-EDUCATION
AND ENVIRONMENT DIVISION**

REP MIKE NATHE, CHAIR

JANUARY 11, 2022

N O R T H D A K O T A S T A T E U N I V E R S I T Y

NDSU



North Dakota State University is pleased to submit for consideration this agency review and summary for the 2023-25 biennial budget request.

INTRODUCTION

NDSU has a longstanding commitment of bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability.

NDSU is proud to support the state's agriculture industry, while also excelling in engineering, health professions, pharmaceutical, biological and physical sciences. As the SBHE's designated site for high-performance computing, NDSU's Center for Computationally Assisted Science and Technology (CCAST) provides the super-computing facilities and staffing backbone for those data intensive disciplines, and is critical to key North Dakota initiatives, particularly in the UAS industry.

Our graduates enjoy an exceptional job placement rate in their fields of study, exhibit a high level of residency in the state after graduation, and make significant contributions to the state's tax base. The university's research success has led to federal research and development expenditures, licensing revenues and new business growth, resulting in job creation and a diversified economy.

As NDSU continues to evolve and grow, we also continue our commitment to affordability, efficiency and productivity. We look forward to addressing the needs and aspirations of North Dakota.

AGENCY OVERVIEW

Agency Statutory Authority ND Constitution, Section 215, North Dakota Century Code Chapter 15-12

AGENCY DESCRIPTION

NDSU is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

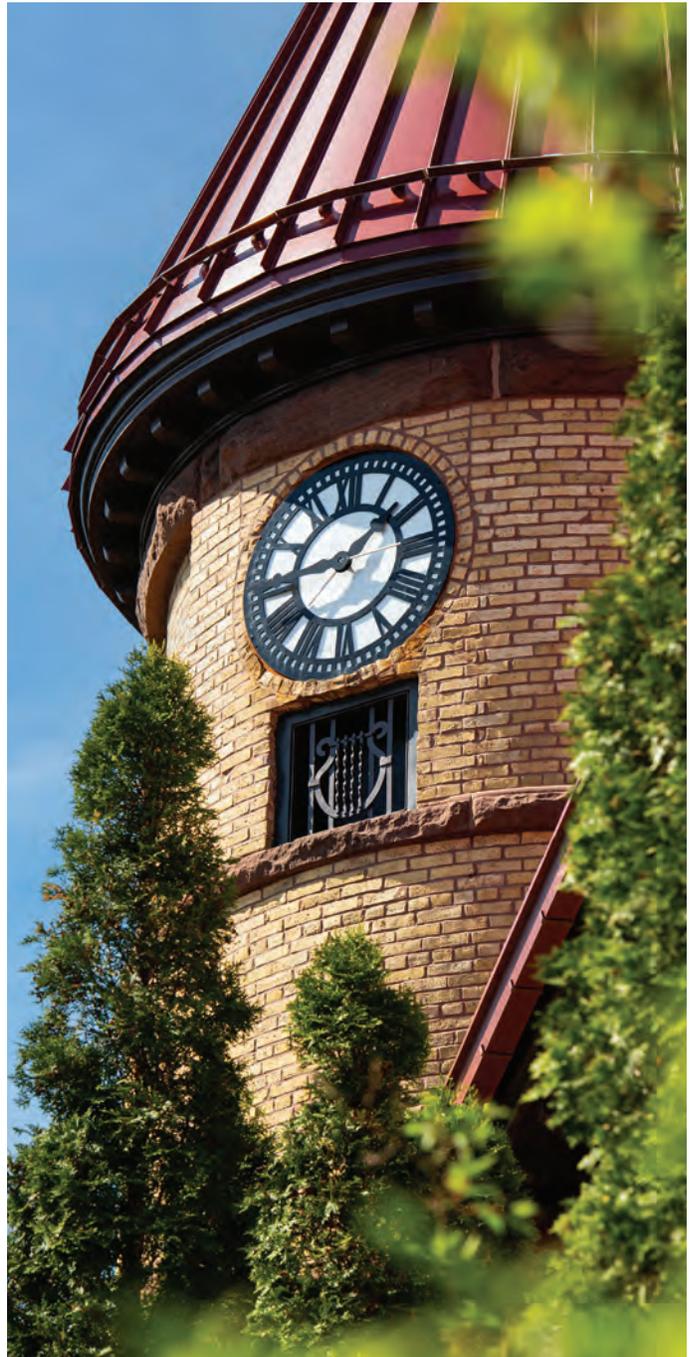
NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time enrollment. Our signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the NDUS whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

As NDSU continues to evolve, adapt and thrive, we also continue our commitment to affordability, efficiency and productivity. That commitment is reflected in the success of our students, local and service region communities and the statewide economic interests we serve. We look forward and remain committed to addressing the needs and aspirations of North Dakota by building on our land grant foundation.

AGENCY MISSION STATEMENT

We provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world.



PROGRAM NARRATIVE

PROGRAM GOALS AND OBJECTIVES

NDSU is proud of its tradition as the state's student focused, land grant, research institution. The mission of the university is to provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world. We embrace this responsibility as a cornerstone of our future productivity.

NDSU continues to excel in providing high-quality accessible and affordable education to meet academic and professional standards. Research productivity remains strong; our faculty compete successfully for corporate, state, and federal research grants, and our creative activity is vibrant and diverse. We serve, and are accountable to the constituents of the state.

The vision for NDSU as outlined in our strategic plan is to be innovative in education, research and outreach, and identifies goals and objectives in five areas including Diversity, Inclusion and Respect; Student Success and Achievement; Research and Creative Activity; Education, Extension and Outreach; and Resource Planning and Development. We incorporate best practices in teaching and learning to deliver high quality curricula approved by the State Board of Higher Education to meet student and labor force needs. As a land grant institution, we serve the constituents of the state through programmatic and outreach efforts. Additionally, the university's research and creative outputs are critical to improving the vitality of the state's economy and quality of life (https://www.ndsu.edu/fileadmin/president/pdf/NDSU_Strategic_Plan_0522.pdf).

In support of these goals and objectives, student services and institutional support is necessary. NDSU must meet the needs of students by providing traditional and innovative programs to assist in the total development of the student. Moreover, we must be responsive to labor-force demands and opportunities in the state through expanded offerings while balancing our portfolio for the best and responsible use of resources. In response to the pandemic, NDSU adopted the HyFlex (Fall 2020) learning model which synchronously incorporates traditional in-person classes with remote learning. We are now seeing increasing demand for asynchronous on-line programming as well, and will expand efforts accordingly.

We are also committed to supporting student achievement and academic excellence through career preparation and development. We promote a better quality of life for our students through wellness programs, the provision of alcohol-free social activities, counseling and personal growth opportunities, as well as services for first generation students, veterans, and students with disabilities.

PROGRAM STATISTICAL DATA

NDSU consists of eight colleges: College of Agriculture, Food Systems and Natural Resources; College of Arts, Humanities, and Social Sciences; College of Business; College of Engineering; College of Human Sciences and Education; College of Health

Professions; College of Science and Mathematics; and the College of Graduate and Interdisciplinary Studies.

NDSU offers a wide range of undergraduate majors, minors and certificate programs, as well as graduate programs at the doctoral, masters, specialist and certificate levels. As a land grant institution, we are responsive to workforce demands and provide undergraduate and graduate degree programs in high-need areas such as Engineering, Nursing, Software Engineering and Security, and Teacher Education. In response to societal needs and student demand, we have launched new programs such as a degree in Supply Chain Management, and on-line initiatives in Marketing and Natural Resource Management. Strengthening relationships with communities and tribal organizations occurs through joint research projects and leadership development programs. We also partner with NDUS institutions through articulation agreements in areas such as agriculture and health professions.

As of fall 2021, NDSU student enrollment headcount was 12,461 students.

EXPLANATION OF PROGRAM COSTS

Salaries and fringe benefits continue to make up the majority of NDSU's expenses, representing approximately 73% of the University's state educational and general fund operating budgets in the most recent fiscal year. At NDSU, in order to achieve and sustain the University's viability, programming and recognition as a leading student focused, land-grant, research university, sufficient funding is required for competitive compensation and start-up packages for faculty and staff, along with the capacity to retain those faculty and staff in a performance-based, market driven environment.

Non-salary operating expenses represent the remaining 27% of the state education and general fund operating expenses. NDSU's continued focus on operational efficiencies allows us to meet extra student demand of both undergraduate and graduate students.

PERFORMANCE MEASURES:

NDUS has adopted several data systems that help incorporate accountability measures and transparent reporting in accordance with the Board's vision and strategic plan. These data systems, including Dashboards, Predictive Analytic Reporting, Strategic Planning Online, and the State Longitudinal Data System, provide public reports on completion and retention rates, semester-by-semester enrollment, peer comparisons, financial aid and tuition, and much more. Additionally, the publicly-available data available throughout the systems provides real-time data to researchers and decision-makers. These analytical tools complement the system's biennial report on its strategic plan, which incorporates the "flexibility with accountability" expectations created in Senate Bill 2003 passed by the 2001 Legislative Assembly.



CRITICAL ISSUES

NDSU serves the state and its workforce needs in two primary ways: (1) retaining North Dakota students in the state, recruiting out-of-state students and retraining non-traditionally aged students; and (2) conducting world-class applied research that helps strengthen and diversify North Dakota's economy.

In serving this mission, NDSU's has many strengths including productive faculty, good name recognition, national visibility and an attractive surrounding community. However, numerous critical issues exist which may materially impact NDSU's operations:

- 1 Enrollment has been steadily declining since 2017, this has resulted in a decrease in student credit hour production under the Higher Education Funding Formula which has resulted in a base budget decrease of \$7.5M for the upcoming 2023-25 biennium.
- 2 Inflationary pressures and workforce competition are affecting NDSU's ability to retain existing faculty, staff and recruiting top talent.
- 3 Enhanced, modern laboratory and fabrication space for Engineering and AG Engineering key program areas (precision agriculture, cybersecurity, robotics, artificial intelligence, biomedical engineering, environmental engineering) is vital to enroll, retain and graduate students to make them successful on the job when they enter the workforce today and in the future. Modernized facilities will also promote interdisciplinary collaboration for faculty to be productive and advance research opportunities in these vital program areas.
- 4 Due to increasing competition to apply for federal research grant opportunities, NDSU needs to modernize dated instructional and research lab space, and technology infrastructure to continue to provide experiential education for students as well as prioritize our R-1 Carnegie Classification status in support of our land grant mission to meet the aspirational and economic needs of ND.

We are requesting ongoing base funding for continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.
- 5 Request modification to the Higher Education Funding Formula to reinstate a base funding minimum amount payable (NDCC 15-18.2-06), this would provide additional time to allow for evaluation and strategic planning for reductions in fixed programmatic and operational costs.
- 6 Affordability. Request consideration for additional base funding, provided through the HE Funding formula, in an amount to defray salary and operational costs so NDSU does not have to increase tuition for students during 2023-25. As student demographics change, many state markets have changed their strategy to compete for student enrollment and have not increased their tuition rates. This has created a difficult enrollment and pricing environment with future potential reciprocity agreement changes. Additional base funding to support affordable tuition pricing will provide a competitive recruiting advantage and support our land grant mission.



MAJOR ACCOMPLISHMENTS

- 1 NDSU helps fulfill the state's workforce needs by enrolling the largest number of face-to-face students of any institution in the NDUS. Each of these students was either a North Dakota resident retained in the state or an out-of-state student recruited to physically come to North Dakota. Not only will these students be the state's next generation of leaders and entrepreneurs, but while they are in college, they (along with their families) provide multiple years of beneficial economic impact for the state by working service jobs, paying rent and other living expenses and having their families visit.
- 2 NDSU has more graduates in numerous high-demand fields than any other institution in the NDUS including engineering, computer/information science and nursing.
- 3 NDSU has the highest four- and six-year graduation rates among the four-year institutions in the NDUS.
- 4 NDSU achieved post-graduation success rates (employment/graduate study) of 92 percent for undergraduate students and 94 percent for graduate students.
- 5 Among NDSU's recent graduates, 80% who started NDSU as a North Dakota resident were working in North Dakota after graduation and 41% who started NDSU as a Minnesota resident were working in North Dakota after graduation.
- 6 In 2021, NDSU completed the largest fundraising campaign in school and state history totaling \$586.7 million. In addition, the endowment grew from \$82 million in 2010 to \$457 million in 2021.
- 7 NDSU completed construction of Sugihara Hall which is a laboratory intensive building with approximately 105,000 square feet. In addition, NDSU started construction of the Peltier Complex, which will support a wide range of research involving food science, meat science, muscle biology, food safety, nutrition, consumer sensory traits and the development of new agricultural products. Designed to meet federal and state food processing and food handling regulations, the center's labs will expand research grant opportunities and partnerships with federal and state agencies.
- 8 NDSU's athletics program is ranked among the best overall NCAA Division-I programs in the nation. The new Nodak Insurance Football Performance Complex is expected to open in the fall of 2022. The entire cost of the estimated \$50 million building project is being privately funded, including a lead gift from Nodak Insurance Company, which was awarded naming rights.

NDSU AT A GLANCE



699

RANKED FACULTY AND LECTURERS



1,712

FULL-TIME EMPLOYEES



12,242

FALL 2022 ENROLLMENT

WHAT WE'RE ABOUT

VISION

To lead the advancement of our land-grant ideals through innovative education, research, and outreach.

VALUES

NDSU is committed to shared governance, transparency, responsible decision-making, and a sustainable future. Our core values include: collegiality, inclusivity, community, creativity, excellence, impact, innovation, integrity, resilience, responsiveness and transformation.

GOALS/OBJECTIVES

Provide transformational educational and research opportunities for our students, state and world.

WHO WE SERVE

STUDENTS

We're focused to retain/retrain/recruit the next generation of workforce and entrepreneurs.

THE COMMUNITY

NDSU supports and works with local leaders from the city of Fargo and Chamber of Commerce to contribute and ensure the success of our community.

STATE OF NORTH DAKOTA

Through workforce development, community and tribal engagement, NDSU fulfills our land grant mission for an educated citizenry.

THE WORLD

NDSU's research activities lead to the next generation of innovations and knowledge.

WHAT WE'RE PROUD OF

STUDENT FOCUSED

High-quality academic programs

Sustained delivery during the pandemic, students continued to make progress toward degree completion

Innovative learning with face-to-face, online and hyflex delivery.

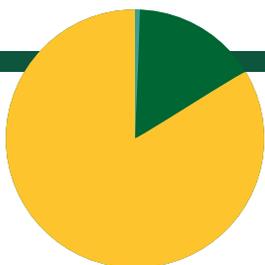
LAND GRANT

Faculty and student engagement in state and community service that enhances the public good.

RESEARCH

World-class faculty researchers, creating public/private partnerships leading to economic diversification and workforce innovation and advancement.

HOW WE DO IT



TOTAL AGENCY 2021-23 BUDGET: \$1.0B

● GENERAL: \$164.1M ● SPECIAL: \$839.5M ● ND CARES: \$2.1M



RECENT GRADUATES
92%
employed or continuing education

CARNEGIE CLASSIFICATION
R1
Very High Research Activity

FUNDRAISING CAMPAIGN
\$587M
Goal completed one year early

NATIONAL CHAMPIONS
9
FCS Division I Football

HOW WE MEASURE SUCCESS

STUDENT SUCCESS

- 3.17 avg NDSU student GPA
- 1,435 degrees awarded 2020-21
- 92% Undergrad career success (2021)
- 94% Graduate career success (2021)

WORKFORCE DEVELOPMENT

- Offer degree programs in 19 of top 20 hard to find jobs in ND.
- Engineering
 - Nursing
 - Software Engineering
 - Security Engineer/Analyst

FINANCIAL HEALTH AND STEWARDSHIP

- Aa3 issuer-Moody's Investors Service (Nov 2021)
- AA-/Stable: S&P affirmed (April 2021)
- FY21 Composite Financial Index (CFI) = 5.30

WHAT WE DO - PROGRAM HIGHLIGHTS

COLLEGE OF ENGINEERING
Mechanical, Civil, Environmental, Industrial, Biomedical Engineering programs. Computer Science, Cybersecurity, Autonomous systems, Robotics, Software Engineering.

COLLEGE OF AGRICULTURE, FOOD SYSTEMS, AND NATURAL RESOURCES
Animal Science, Agribusiness, Ag Econ, Plant Science, Crop and Weed Science, Vet Tech, Microbiology.

COLLEGE OF BUSINESS
Business Admin, Marketing, Finance, Accounting Management Info Systems, MBA, Transportation and Logistics, Supply Chain Management.

COLLEGE OF SCIENCE AND MATHEMATICS
Biological Sciences, Psychology, Biochemistry and Molecular Biology, Chemistry, Statistics, Geology, Mathematics.

COLLEGE OF HEALTH PROFESSIONS
Pharmacy, Pharmaceutical Sciences, Pharmacy Practice, Nursing, Allied Health, Public Health.

COLLEGE OF ARTS, HUMANITIES AND SOCIAL SCIENCES
Architecture, Landscape Architecture, Fine Arts, Political Science, Criminal Justice, History, English, Emergency Management, Communication.

COLLEGE OF HUMAN SCIENCES AND EDUCATION
Teacher Education and Educational Leadership, Counselor Education, Sport Management, Human Development and Family Science, Interior Design, Exercise Science, Apparel, Retail Merchandising and Design.

FALL 2022 ENROLLMENT



	Undergraduate	Professional	Graduate	Grand Total
NORTH DAKOTA	4,248	118	948	5,314
Cass	2,204	65	704	2,973
Burleigh	558	16	52	626
Morton	134	3	15	152
Ward	126	1	15	142
Grand Forks	121	6	19	146
Richland	108	2	14	124
Stutsman	82		8	90
Stark	76		10	86
Trails	66	2	3	71
Walsh	57	3	5	65
Barnes	55	2	8	65
Williams	50	3	9	62
Mercer	35		3	38
Dickey	32	1	4	37
Ransom	31		3	34
Sargent	30		2	32
Lamoure	29	2	2	33
McLean	28	1	2	31
Emmons	25		8	33
Ramsey	25	2	13	40
McHenry	23	1	2	26
McKenzie	23		4	27
Pierce	22	1		23
Foster	21	1	2	24
Bowman	20		2	22
Wells	20		1	21
Pembina	20		3	23
Mountrail	19	1	4	24
Bottineau	18	1	5	24
Benson	17		4	21
Rolette	17		2	19
McIntosh	16	1	3	20
Cavalier	15	1	1	17
Eddy	14		2	16
Hettinger	12		1	13
Renville	12		1	13
Nelson	10		2	12
Grant	9			9
Steele	7		3	10
Griggs	7	1		8
Kidder	7		1	8
Oliver	6		1	7
Adams	6		1	7
Dunn	5			5
Golden Valley	5			5
Logan	5			5
Burke	4			4
Towner	4		1	5
Sioux	4		1	5
Divide	4	1		5
Billings	2			2
Sheridan	2		1	3
Slope			1	1
MINNESOTA	5,018	111	333	5,462
OTHER	830	15	621	1,466
TOTAL	10,096	244	1,902	12,242

PERFORMANCE INDICATORS

RETENTION	2018-19	2019-20	2020-21	2021-22	2022-23
First-year retention	78.90%	78.90%	82.00%	76.10%	75.20%
Second-year retention	71.35%	71.05%	72.09%	71.10%	68.80%
4 year graduation rate	37.80%	41.22%	43.27%	44.70%	46.30%
6 year graduation rate	57.60%	60.32%	62.33%	64.90%	63.20%
OTHER INDICATORS	2018-19	2019-20	2020-21	2021-22	2022-23
Student-faculty ratio	19:1	18:1	19:1	18:1	
Percentage of first-year students taking at least 15 credits	83%	81%	71%	73%	65%



NDSU RESEARCH OVERVIEW

THE NATIONAL SCIENCE FOUNDATION RANKED NDSU 97 AMONG ALL PUBLIC INSTITUTIONS, 139 AMONG ALL INSTITUTIONS AND 108 AMONG NON-MEDICAL SCHOOLS.

TOP 100 NSF RANKING

For FY20, NDSU is listed in the top 100 research universities in the U.S. in these categories:

- Agricultural Sciences
- Business Management and Business
- Communications
- Natural Resources and Conservation Sciences
- Social Sciences
- Sociology, Demography, and Population Studies
- Visual and Performing Arts
- Material Science
- Industrial Engineering
- Ag Engineering



Days 3/22 **1,262** PROPOSALS

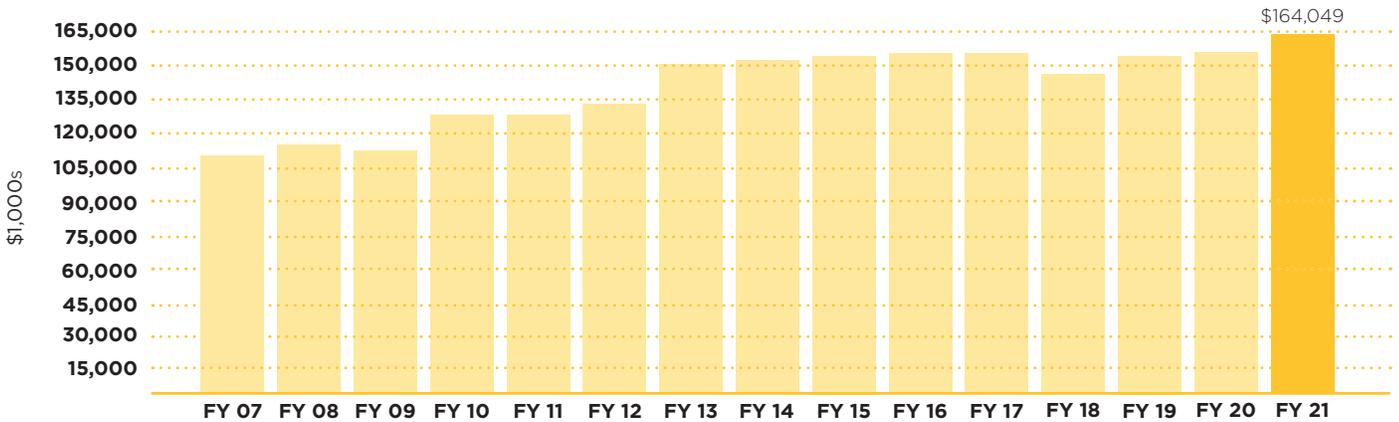
FY21 PROPOSALS PROCESSED THROUGH SPONSORED PROGRAMS ADMINISTRATION

Private sector	69
Commodity Groups.....	289
Federal agencies	526
Foundations	214
Other	5
Other Governmental Offices	29
State/Local	130
TOTAL.....	1,262

NDSU RESEARCH ACCOMPLISHMENTS

GROWTH OF NDSU RESEARCH AND DEVELOPMENT EXPENDITURES

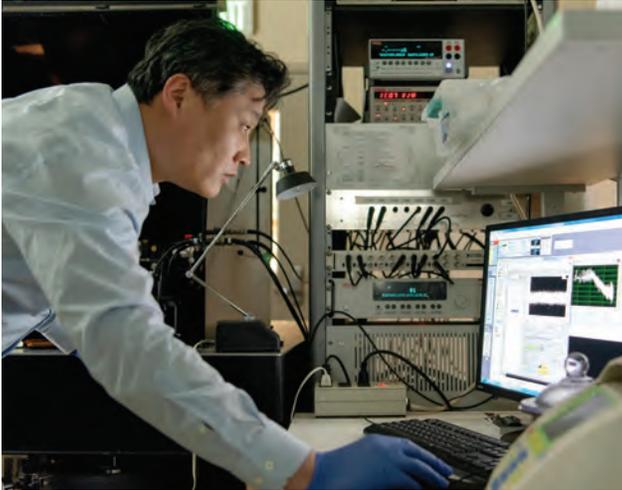
MORE THAN \$2.425 BILLION IN RESEARCH EXPENDITURES SINCE FY2004; \$164 MILLION IN FY2021



Source: National Science Foundation Higher Education Research & Development Survey



RESEARCH FOUNDATION ACCOMPLISHMENTS



380+

MORE THAN 380 TECHNOLOGIES UNDER MANAGEMENT

25+

AVERAGING MORE THAN 27 POTENTIAL IP WORTHY INVENTION DISCLOSURES PER YEAR IN FY21 AND FY22

92

92 TOTAL ISSUED PATENTS

- 60 U.S. ISSUED PATENTS
- 2 U.S. ISSUED PLANT PATENTS
- 39 PENDING PATENT APPLICATIONS
- 37 PENDING PATENT APPLICATIONS

91

91 ACTIVE US PVP ISSUED (includes varieties that are no longer commercially available)

72 ACTIVE US PVP ISSUED (commercially available varieties)

24 ACTIVE FOREIGN PBR ISSUED

34 ACTIVE US TM ISSUED

20 ACTIVE FOREIGN TM ISSUED

PENDING US PVP = 9

PENDING FOREIGN PBR = 5

\$3.1M

\$3.1+ MILLION IN LICENSING REVENUE FROM NDSU IP IN FY21 AND FY22

RESEARCH CORPORATE PARTNERS

CORPORATE PARTNERS ENGAGED IN RESEARCH WITH NDSU THROUGH SPONSORED RESEARCH, CAPSTONE PROJECTS AND THE CENTER FOR BIOPLASTICS AND BIOCOMPOSITES IN FY21 AND FY22

3M	eScience & Technology Solutions, Inc.	ND Corn Council
Action Fabricating	Evolve Golf	ND Insurance Reserve Fund
Adams County Development Corporation	Evonik	ND Pharmacy Service Corporation
Adaptive Surface Technologies, Inc	Falkirk Mining Company	Noridian Healthcare Solutions
ADM	FargoRate LLC	Northern Plains Railroad
Adventium Labs	Farm Credit Services of North Dakota	Northern Plains Sustainable Ag Society
Agri Industries Inc.	FAST Global Solutions	Northwest Green Chemistry
Akzo Nobel Coatings Inc.	Felling Trailers	Nuseed
Amazon	Ford Motor Company	ONEOK, Inc.
American Crystal Sugar Company	Fortus Medical	OpREMS LLC
American Simmental Association	Futamura	Pedigree Technologies LLC
Applied Technologies Group, Inc	GA Group	PepsiCo. Inc.
Architecture Technology Corp.	Garlock Equipment Company	Pioneer Hi-Bred International Inc.
Ardent Mills	GC Innovation	Plain Sight Innovations LLC
AURI	Great Big Kid Toys	Powder Coating Research Group
Avery Dennison	Greater ND Chamber of Commerce	PPG Industries
BASF Corporation	Green Dot Bioplastics	Precision Food Equipment, LLC
Bayer Crop Science	GreenLight Biosciences, Inc.	Premier 1 Supplies
Benson Hill Biosystem	Hercon Environmental Inc	PRx Performance LLC
BioConsortia, Inc	Horizon Resources	Purina Mills
Biogemma USA Corp	Horn Plastics	Resource Systems Group
Bioplastics Magazine	Hyundai	RheTech
Bioscience Association of North Dakota	Idaho Forest Group Timber LLC	RWDC
Blue Cross Blue Shield ND	Indigo Agriculture, Inc.	Sanford Health
BNI Energy, LTD.	Inwerken AG	Scheels Information Services
Boehringer-Ingelheim	iWALKFree, Inc.	Shaw
Border States Electric	J.R. Simplot Company	Sherwin Williams
Bobcat Company	John Deere & Company	Sheyenne Tooling & Manufacturing
Branson Ultrasonics	KFH Group	Southpointe Pharmacy
Brewers Association, Inc.	Kimberly-Clark Corporation	Syngenta Crop Protection Inc.
BTD Manufacturing	Kinesio Taping Association International	Synoptic Data Corp.
Bushel, Inc	Koch Ag & Energy LP	Tesoro Logistics Operations LLC
Cargill Inc.	KWS Seeds, LLC	toXcel
Ceres Imaging, Inc.	Lignite Energy Council	Triton Systems, Inc.
Chase Steel Services	Longboard Power LLC	TSR Parts
CHS, Inc.	M-Base	UNFI United Natural Foods, Inc
Clam Outdoors	Macaulay-Brown Inc.	UPL NA Inc.
Clark Equipment Company	Marvin	Valent BioSciences LLC
CNH Industries	Massman Automation Designs, LLC	Valent USA
Corteva Agriscience	Meadowlark	Valley Fiber Processing Inc.
Coteau Properties Company	Medtronic	Verdesian Life Sciences
Cotton Incorporated	Merck Sharp & Dohme LLC	WCCO Belting
Coyote Creek Mining Company, LLC	Mid-American Athletic Trainers' Assn	Western Cooperative Credit Union
Dakota Fiber	Minn-Dak Growers Ltd	Western Dakota Energy Association
Door Stud LLC	Monsanto Co.	Westrock
Eastman Chemical Company	Native American Fiber Program	Williams County Ag Improvement Association
Elinor Specialty Coatings	NatureWorks LLC	Winfield United
Ellingson Companies	Nau Country	Zymergen, Inc.

Final Enrollment of SB2003

2019-21 Adjusted General Fund Appropriation **\$ 132,714,983**

Base adjustments:

1/ Funding formula: Credit Hour completion adjustment	(29,096)
2/ Funding formula adjustments	3,763,288
3/ 2021-23 Salary increase 1.5% / 2.0%	2,083,656
4/ 2021-23 Health insurance increases	23,494
5/ Other Adjustment: Legal Settlement	125,000

One-time adjustments:

5/ Other Adjustment: Legal Settlement	(125,000)
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Total Base and One-time Adjustments	5,841,342
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2021-23 Total General Funds-Base, One-time **\$ 138,556,325**

4.4%

- 1/ Student Credit Hour production change
- 2/ HE Funding model adjustments; per Interim HE Committee recommendation
- 3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
- 5/ Other adjustment for Legal Settlement

Other 67th Legislative Assembly approval:

	NDSU	Capital Bldg Fund
Capital Building Fund/Extraordinary repair tier matching funds		
Tier I: Extraordinary Repairs (\$2,732,244 base + 2:1 match)	\$ 8,196,732	
Tier II: Capital Building Fund (1:1 match)	\$ 2,899,596	\$ 2,899,596
Tier III: Capital Building Fund (2 NDSU : 1 Capital Bldg match)	\$ 4,500,000	\$ 2,250,000

Agricultural Product Development Center authorization \$85m

- State Bonds \$50m
- General Funds \$20m
- Other Funds \$15m

ADDITIONAL ITEMS

2021-23 ONE-TIME FUNDING ITEMS (SB2003):

As outlined in SB2003, Section 2; NDSU received \$125,000 in one-time funding which was authorized for the A. Glenn Hill Center settlement agreement. The amount authorized by the 66th Legislative Assembly was remitted (7/22/2021) as per the SBHE approved settlement agreement to the general contractor, Roers Construction.

FEDERAL STATE FISCAL RECOVERY FUNDING (SB2345):

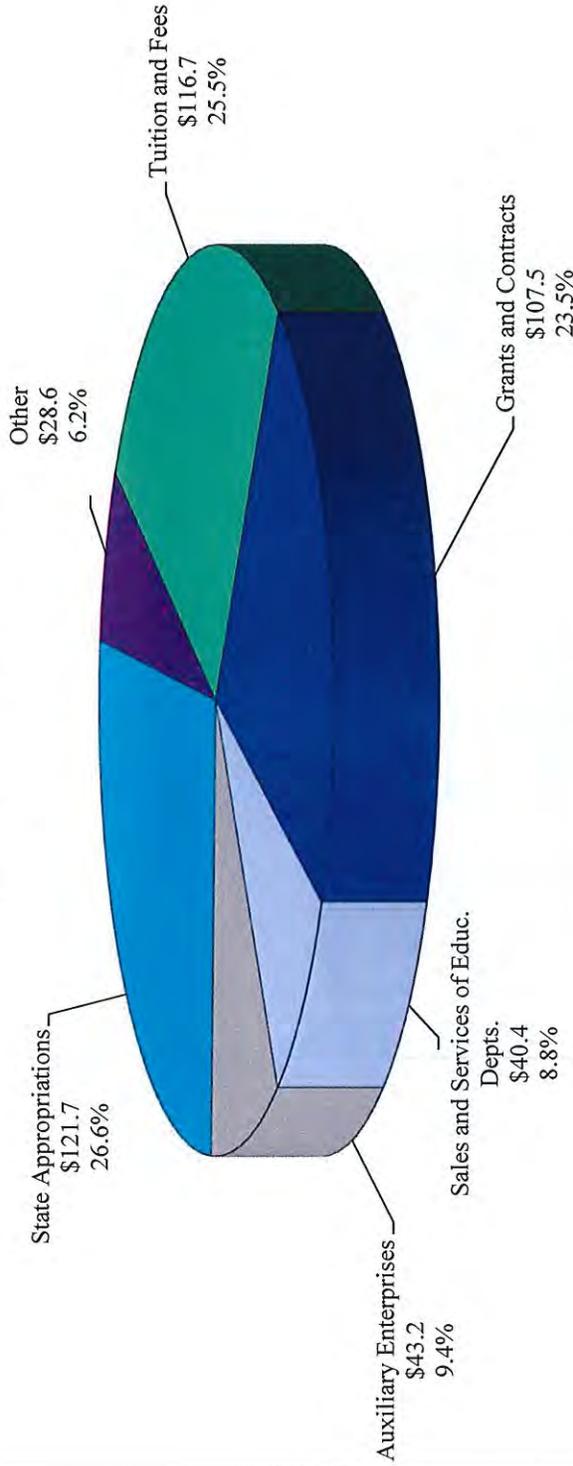
During the November 2021 special legislative session, NDSU was appropriated \$1,600,000. These funds were provided for computational research (high performance computing). As of November 30, 2022, \$898,294 has been expended, \$499,268 has been encumbered and the remaining amount has been committed. The funds will provide additional network storage for researchers, off site storage and backup, replace data center infrastructure, provide more compute power and supporting infrastructure such as high-speed network interconnect between compute nodes within the data center.

NDSU has no audit findings to report.

NDSU's change in FTE is due to increased grant and contracts activity.

North Dakota State University Total Revenue, Excluding Capital Fiscal Year 2022

(**\$ in millions**)
Total Revenue: \$458.1 million



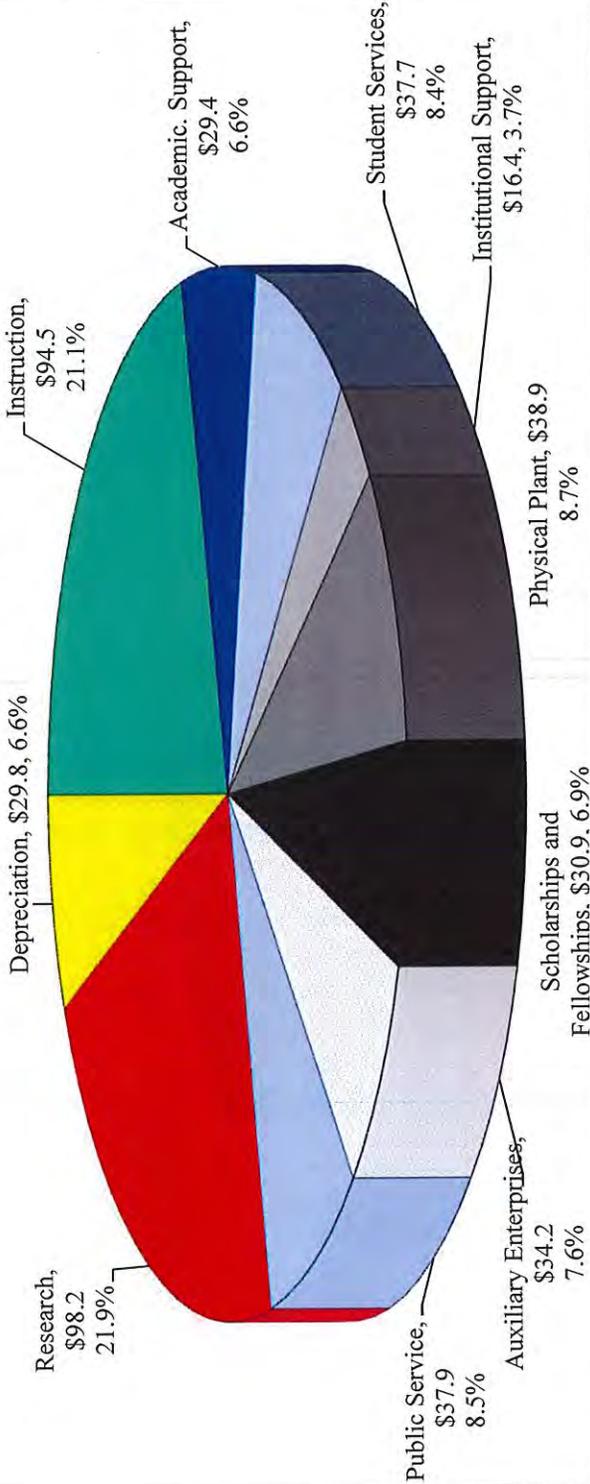
Source: Audited NDUS Financial Statements, June 30, 2022

Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

**North Dakota State University
Operating Expenses by Function
(excluding capital items and other nonoperating expenses)
Fiscal Year 2022**

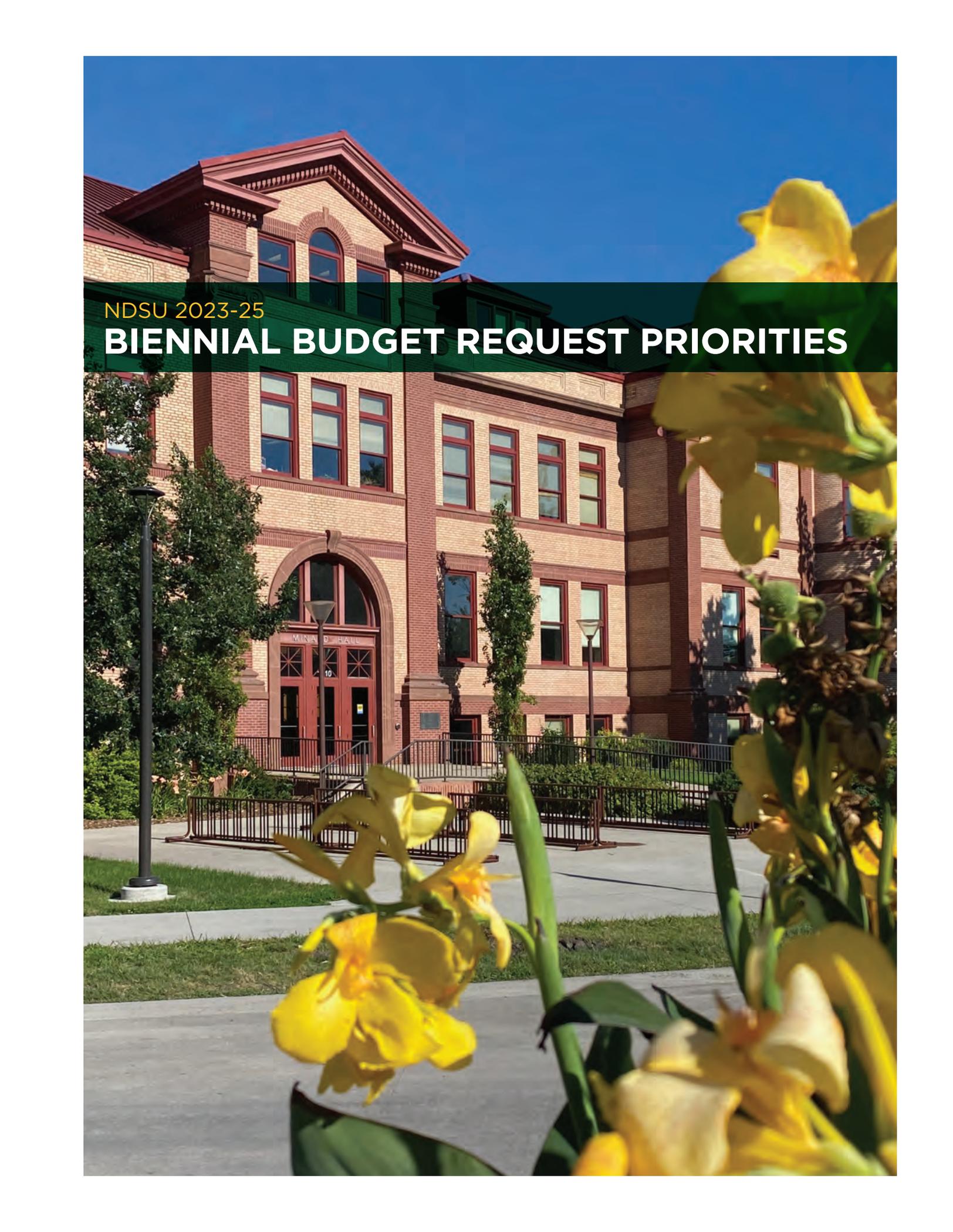
**Total Operating Expenses: \$447.9 million
(in millions)**



Source: Audited NDUS Financial Statements, June 30, 2022

The **instructional function** includes 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 offices that provide a specific service to students, including career services, registration, admission and counseling. **Institutional support** includes staff that supports 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 activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

Conference Committee Final Version										
HB1003 Capital Building Fund										
Tier I 2:1 match; Tier II 1:1 match; Tier III 2:1 match - No Tuition Component										
Total Capital Fund = \$80.3 million										
Tier I - Extraordinary Repairs				Tier II - Capital Building Fund			Tier III - Capital Building Fund			Totals
Institution	Base Funding Formula allocated to Extraordinary Repairs (General Funds)	2 for 1 Institution Match (Special Funds)	Tier I Appropriation & Required Match	Institution Match at 1 to 1 (Special Funds)	\$10M State Funds	Tier II Totals	State Funds	2 for 1 Match	Tier III Totals	
BSC	417,673	835,346	1,253,019	425,693	425,693	851,386	500,000	1,000,000	1,500,000	3,604,405
DCB	114,007	228,014	342,021	106,064	106,064	212,128	500,000	1,000,000	1,500,000	2,054,149
LRSC	155,367	310,734	466,101	177,375	177,375	354,750	500,000	1,000,000	1,500,000	2,320,851
NDSCS	1,012,379	2,024,758	3,037,137	500,695	500,695	1,001,390	500,000	1,000,000	1,500,000	5,538,527
WSC	197,801	395,602	593,403	137,947	137,947	275,894	500,000	1,000,000	1,500,000	2,369,297
DSU	409,078	818,156	1,227,234	268,862	268,862	537,724	500,000	1,000,000	1,500,000	3,264,958
MASU	358,992	717,984	1,076,976	240,029	240,029	480,058	500,000	1,000,000	1,500,000	3,057,034
MISU	899,620	1,799,240	2,698,860	572,801	572,801	1,145,602	500,000	1,000,000	1,500,000	5,344,462
VCSU	408,319	816,638	1,224,957	309,137	309,137	618,274	500,000	1,000,000	1,500,000	3,343,231
NDSU	2,732,244	5,464,488	8,196,732	2,899,596	2,899,596	5,799,192	2,250,000	4,500,000	6,750,000	20,745,924
UND	4,411,566	8,823,132	13,234,698	4,361,801	4,361,801	8,723,602	2,250,000	4,500,000	6,750,000	28,708,300
TOTAL	11,117,046	22,234,092	33,351,138	10,000,000	10,000,000	20,000,000	9,000,000	18,000,000	27,000,000	80,351,138

The image is a cover page for a document titled "NDSU 2023-25 Biennial Budget Request Priorities". The background is a photograph of a large, multi-story brick building with a prominent arched entrance. The entrance is labeled "MIKA D. HALL" and "10". The building has a red brick facade with lighter-colored brick accents. In the foreground, there are several bright yellow flowers, possibly ranunculus, which are slightly out of focus. The sky is a clear, bright blue. A dark green horizontal band is overlaid across the middle of the image, containing the title text in white and yellow.

NDSU 2023-25

BIENNIAL BUDGET REQUEST PRIORITIES

2023-25 BIENNIAL BUDGET REQUEST PRIORITIES

NDSU HAS PREPARED A NEEDS-BASED BUDGET, AS APPROVED AND DIRECTED BY THE ND STATE BOARD OF HIGHER EDUCATION ALONG WITH OTHER PRIORITIES FOR CONSIDERATION.

PRIORITIES REQUEST

REQUEST

1. HE Funding Formula: Minimum amount payable (Hold Harmless) \$2,054,479 - \$7,591,732

- Permanent restoration of the minimum amount payable NDCC15-18.2-06; slows funding decreases as credit production drops. Provides additional time for strategic planning and efficient reduction of fixed operational costs.

2. HE Funding Formula: Inflationary increase adjustment

- Provide a permanent salary increase adjustment for the student share of 2023-25 compensation package increase. College affordability is a significant factor in recruiting ND students and recruiting out-of-state students.
- Provide permanent operating increase adjustment from general funds

3. IT Network Infrastructure \$3,201,100

- Request for base general funds for including network infrastructure funding, research and education network resources for Internet2 connectivity, Computational Research, Cybersecurity Maturity Model Certification (CMMC).

4. Behavioral Health Initiative \$1,100,000

- Provides for additional services, to meet the student demand for outreach and prevention efforts to ensure the well-being for campus students.

CAPITAL PROJECT REQUEST

1. Priority – Engineering Project \$111,600,000

- General Funds: \$83,700,000
- Special Funds: \$27,900,000

CAPITAL PROJECT AUTHORIZATION REQUEST - SPECIAL FUNDS

Music Building Addition/Renovation \$20,000,000

Sudro Hall Small Animal Research Facility Expansion and Renovation \$3,000,000

ADDITIONAL PRIORITIES:

- Challenge Grant funding – increased pool amount, providing equal amounts to NDSU, UND.
- Capital Building Fund eliminate the proposed revisions by the Interim HE Committee – for private funding match (30%), continue to allow use for academic and auxiliary type buildings with Tier funds.
- Legacy Fund Research Initiative –to create permanent research funding to advance competitive initiatives.

NORTH DAKOTA UNIVERSITY SYSTEM 2019 - 2021 COMPLETED STUDENT CREDIT HOUR REPORT SUMMARY AND FINAL 2023-25 ESTIMATED INCR (DECR) IN BASE FUNDING

Institution	2019-21 Completed Student Credit Hrs (SCH)	2019-21 Adjusted Weighted SCH	2021-23 Base Funding per Credit Hour	2021-23 Total Base Funding	Prelim Estm'd Incr (Decr) Base Funding	Percentage Increase (Decrease)	2023-25 Adjustment for 96% Min. Amt. Payable	2023-25 Funding Formula (includes Min. Amt. Pay)	2023-25 Total Funding Formula Increase (Decrease)	Percentage Increase (Decrease)
BSC	139,377	316,931	\$98.84	\$32,084,055	\$(860,213)	-2.68%		31,223,842	(860,213)	-2.68%
DCB	31,746	100,836	\$98.84	\$9,537,862	\$428,768	4.50%		9,966,630	428,768	4.50%
LRSC	54,480	132,380	\$98.84	\$14,242,152	\$(1,157,713)	-8.13%	588,027	13,672,466	(569,686)	-4.00%
NDSCS	106,401	317,625	\$98.84	\$35,714,792	\$(4,320,737)	-12.10%	2,892,145	34,286,200	(1,428,592)	-4.00%
WSC	37,801	115,583	\$98.84	\$11,286,737	\$137,487	1.22%		11,424,224	137,487	1.22%
DSU	60,000	229,391	\$92.60	\$20,242,730	\$998,877	4.93%		21,241,607	998,877	4.93%
MASU	47,249	209,125	\$92.60	\$18,679,828	\$685,147	3.67%		19,364,975	685,147	3.67%
MISU	128,850	421,203	\$92.60	\$41,206,630	\$(2,203,232)	-5.35%	554,967	39,558,365	(1,648,265)	-4.00%
VCSU **	67,531	266,115	\$92.60	\$24,161,377	\$480,872	1.99%	24,642,249	480,872	1.99%	
NDSU	629,828	2,116,803	\$61.81	\$138,431,325	\$(7,591,732)	-5.48%	2,054,479	132,894,072	(5,537,253)	-4.00%
UND	630,113	3,375,173	\$61.81	\$150,927,126	\$(1,616,332)	-1.07%		149,310,794	(1,616,332)	0.12%
UND SMHS				\$57,446,808	\$1,861,841	3.24%		59,308,649	1,861,841	
UND SMHS-HWI				\$10,676,150	\$-	0.00%		10,676,150	-	
Institution Total	1,933,376	7,601,165		\$564,637,572	\$(13,156,967)	-2.33%	6,089,618	546,894,073	(7,067,349)	

PRIORITIES

MINIMUM AMOUNT PAYABLE \$2,054,479

Request to restore NDCC 15-18.2-06, to provide a minimum amount payable of the previous biennium funding. By restoring this section of the code provides additional time for strategic planning and efficient reduction of fixed operational costs. Increased tuition costs for students may result when institutions need to implement cost reductions without time to evaluate the most effective and efficient strategy.

INFLATIONARY INCREASE ADJUSTMENT

College affordability is a significant factor in student access, retention and completion. Tuition and fee rates are a major component of affordability. Any tuition increase, particularly in the current economy, could prohibit students from obtaining the education needed to join the ND workforce.

If funded, this request would replace the need to increase annual tuition (2-year tuition freeze) for an approximate 65% of the approved compensation package. NDSU is requesting general funds for the student share of the legislatively approved compensation package increase.

To assist with retention of faculty and staff increased salaries due to job market (locally and nationally) pressures on wages. And address the loss of purchasing power due to local and national inflationary effects on operating budgets.

NDSU looks forward to working with the Governor and Legislative Assembly to address inflation as part of a statewide plan, request consideration of an increase in the funding formula per credit hour rate for the university system institutions.

IT NETWORK INFRASTRUCTURE \$3,201,100

We are requesting base funding for ongoing research efforts and network infrastructure including continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

- Northern Tier Network-Internet2 Connectivity \$650,000
An independent network that serves research and educational institutions. This network provides direct, and high-speed access to collaborators and government laboratories across the nation that is essential to successful research operations within the state.
- Computational Research \$1,551,100
Hiring experts to support faculty research on existing cutting-edge computational resources, so that most research disciplines can effectively utilize resources available. A small portion of the base funding will be used to support regular maintenance operations on the equipment.

- Cybersecurity Maturity Model Certification (CMMC) \$1,000,000
CMMC is a set of security standards issued by the Department of Defense (DoD) intended to protect Controlled Unclassified Information, which constitutes most information associated with or produced by DoD grants and contracts. The vast majority of DoD grants and contracts in the future will require CMMC level 2 certification.

To meet this requirement, NDSU will be required to implement new infrastructure for desktops, servers, networks, and other information services. Funds will cover additional staffing, equipment, and licensing.

BEHAVIORAL HEALTH INITIATIVE \$1,100,000

This initiative will provide for additional counseling, disability and care team staff in support of outreach and prevention efforts to ensure the well-being of campus students. Request four FTE's \$1,025,000 (estimated salary and benefits) and \$75,000 operating funds.

- One 12-month provider
- One 12-month Disability Specialist Position
- One 10-month Nurse Practitioner for prescribing and medication management
- One 12-month Case Manager for students on Care Team

Additional operating funds to assist with professional development/training (required), educational programming, intern/trainee stipends, software.

REQUEST: ENGINEERING PROJECT

NDSU PRIORITY #1

TOTAL PROJECT ESTIMATED COST: \$111,600,000

STATE GENERAL FUNDS: \$83,700,000 (75%) SPECIAL FUNDS: \$27,900,000 (25%)

BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3: PED: 15% DMP:70% LSS: 15%



NDSU seeks to meet North Dakota’s workforce needs by recruiting and educating future generations of leaders in engineering, innovation, and entrepreneurship.

NDSU is the land grant university for North Dakota, and this heritage continues to be at the core of our mission. Originally signed into law by Abraham Lincoln, the Morrill Act created land grant universities to provide agricultural and engineering research and education throughout the country. Guided by this spirit, NDSU has been the state’s leading provider of engineering research and education for more than 100 years.

The innovative and entrepreneurial ability of our graduates has led to technological revolutions in agriculture, energy, and infrastructure that have resulted in one of the strongest economies in the nation.

NDSU provides in-person, interdisciplinary hands-on education to thousands of engineering students annually, contributing to the workforce needs of North Dakota. Industry leaders demand talent that learns in face-to-face collaborative environments. Online students account for less than 1% of enrollment in engineering and computer science programs at NDSU.

We seek growth in the following areas of high economic impact to the state, region, and world:

- **Precision agriculture and autonomous systems**
Designing the farm of the future that will improve the efficiency of food production for a growing global population.
- **Energy stewardship**
Harnessing our abundant resources in a manner that promotes the responsible and efficient generation, conversion, distribution, and storage of power and energy.
- **Computer science, cybersecurity, and artificial intelligence**
Providing advanced technological solutions for safety and security in a world that is becoming more driven by autonomous systems and marketplaces.
- **Entrepreneurship and commercialization of new technology**
Accelerating research to move innovative ideas from the lab into technology start-ups with solutions that benefit society.

A new engineering facility has been a capital project priority of NDSU since 2014, driven by increasing demands for graduates across the state and upper Midwest. Existing facilities are inadequate to meet the current and future workforce demands of the state. Laboratories are small, overcrowded, and oversubscribed for multiple purposes, resulting in safety concerns and inefficient utilization. Programs are spread out across campus, stifling collaboration in various disciplines. Student workspace is in short supply, limiting the design/build/test educational philosophy that we cultivate in our programs as demanded by our industry partners. We currently are at a serious disadvantage in attracting and retaining students who are needed to support workforce demands in high growth areas that have a critical economic impact on the state.

The space shortage has recently become more acute with the necessity to demolish the Agricultural and Biosystems Engineering Building due to safety issues, rising deferred maintenance costs, and accessibility limitations. This will create an even greater shortage of space for students and faculty working in the precision agriculture sector, an area of great importance to the state.

Accreditation visits as far back as 2012 have listed facilities as a concern, noting that limited space and overcrowded laboratories may limit the quality and capacity of our educational programs.

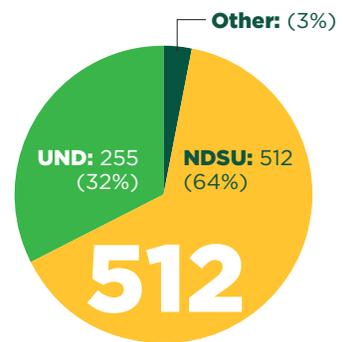
Opportunities provided by innovative new learning space:

- Collaborative learning spaces allow students to work together in multidisciplinary, team-based, face-to-face environments.
- Hands-on fabrication facilities and equipment for prototyping and testing products, devices, and systems.
- Modern educational laboratories with state-of-the-art testing facilities allow students to simulate real-world conditions using industry-standard equipment.
- Digital fabrication laboratories for rapid prototyping of engineering designs.
- Virtual reality studios allow students to simulate and test large-scale system designs in real time.
- Research facilities to expand our experimental capabilities in precision agriculture, autonomous systems, energy stewardship, cybersecurity, advanced materials, biomedical devices, among others. Dedicated research laboratories are needed to allow our faculty to remain competitive in attracting state, federal, and industry funding.
- A Center for Engineering Entrepreneurship and Innovation, highlighted by a technology acceleration center, will assist students and faculty to cultivate new ideas and facilitate commercialization of ideas into workable solutions and products for introduction into the marketplace. This center will help build new product development capacity and stimulate high-technology economic development in the state.



5,800

Job openings (in ND) requiring
College of Engineering degrees (2022)



Engineering and Computer Science
Graduates (2022)

80%

NDSU graduates from
North Dakota who stay in
North Dakota for their first job

41%

NDSU graduates from Minnesota
who stay in North Dakota
for their first job

REQUEST FOR AUTHORIZATION: MUSIC BUILDING ADDITION/RENOVATION

TOTAL PROJECT: \$20,000,000

PRIVATE DONATIONS: \$18,000,000

DEFERRED MAINTENANCE MATCHING FUNDS: \$2,000,000

BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3: PED: 85% DMP: 10% LSS: 5%



MASTER PLAN ALIGNMENT

Over the past 18 years, the Challey School of Music has become the destination program for music training in our region, offering degrees from bachelors through doctorates, serving a population of about 160 music majors. It provides the region with outstanding K-12 music teachers and the nation's universities with excellent professors in performance and conducting. While several of our regional competitors' music programs have diminished in size and scope, the Challey School of Music has grown, quadrupling the number of majors and greatly expanding the breadth of programs. Hundreds of students, faculty, and staff utilize the Reineke Fine Arts Center each day, and thousands of people attend campus and community events in the performance spaces each year.

The School and its continued growth are vital to the region and the nation because of these things; however, adequate space for rehearsals, classrooms, technology, and performances are a major challenge impeding this progress.



SCOPE OF WORK

Music building is a 96,886 square-foot building that was constructed in 1982. While the overall building is in good shape, many of the spaces lack adequate acoustical characteristics that are essential to the program. The building is deficient in other areas, as well:

- The band room is too small to hold the entire marching band simultaneously.
- Rehearsal spaces are inadequate in both size and quantity.
- Graduate student spaces, not previously designed in the original building, are in high demand.

This project will create an addition for spaces that aren't feasible in the current building. The exact size is yet to be determined but could be in the 12,000 square foot range. Some of the existing spaces will be repurposed, renovated or improved for the performance of the space. There are also plans to improve one of the entrances for better accessibility and as a more prominent feature.

Besides the programmatic improvements to the building, various deferred maintenance items will be addressed at the same time.

REQUEST FOR AUTHORIZATION: SUDRO HALL SMALL ANIMAL RESEARCH FACILITY EXPANSION AND RENOVATION

TOTAL PROJECT ESTIMATED COST: \$3,000,000

SPECIAL FUNDS: \$3,000,000 (100%)

BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3: PED: 90% DMP: 5% LSS: 5%

MASTER PLAN ALIGNMENT

The Department of Pharmaceutical Sciences' mission is to teach pharmacists how basic science is applied to the profession of pharmacy. In addition to teaching professional (Pharm.D.) students, the department has M.S., Ph.D., and Pharm.D./Ph.D. graduate programs and participates in a multidisciplinary Ph.D. program in Cellular and Molecular Biology. The department faculty are greatly contributing to the research mission of NDSU which recently was designated an R1 research institution by the Carnegie Classification of Institutions of Higher Education. Over the past five years, the College of Health Professions has procured a total of more than \$38.6M in highly competitive research grant funding from various federal sources. The long-term plan of the department is to continue to grow its research success to create new drug discoveries that improve human health and help NDSU sustain its prestigious Carnegie R1 national ranking. The future research success of the department, however, is heavily dependent on faculty access to a contemporary small animal research facility to conduct animal studies. Given the increased funding from NIH and potential for exponential growth in future research funding, the current small animal research facility in Sudro Hall is inadequate in size and scope to accommodate the anticipated research growth of the department. Without a major expansion of the current small animal research facility, the future growth of research within the department will be greatly hindered. We believe renovation and expansion of the Small Animal Research Facility located in Sudro Hall are warranted in order to conduct the biomedical research safely and effectively and accommodate the growing research needs of the pharmaceutical sciences department at NDSU.

Once Aldevron Tower was finished, space became available in Sudro for other activities. With space opening up, an opportunity presented itself to expand the small animal research facility. Although a minor renovation to the animal research facility in Sudro Hall was completed in 2016, an expansion is needed to help support research activities.

SCOPE OF WORK

The current animal facility will be upgraded to include more animal chambers, behavioral research rooms, surgical space with imaging equipment, animal breeding space, and additional support spaces. Mechanical, electrical, and other associated components of the current animal research facility will be addressed as needed.



NDSU 2023-25

EXECUTIVE RECOMMENDATION



NDSU request compare to Exec Recommendation

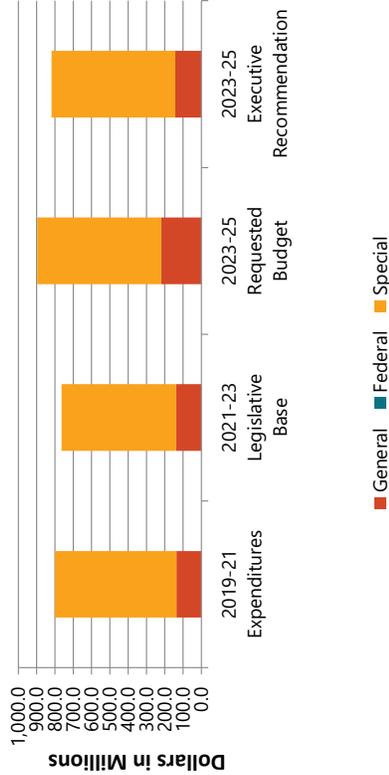
	Request	Executive Rec	Executive Rec difference from Budget Request
2021-23 Adjusted General Fund Appropriation	\$ 138,431,325	\$ 138,431,325	\$ -
General Fund Base adjustments:			
1/ Funding formula: Credit Hour completion adjustment	(7,591,732)	(7,591,732)	-
2/ Funding formula adjustments- 4% minimum payable adjustment	2,054,479	2,054,479	-
3/ 2021-23 CTC Salary package	696,301	696,301	-
3/ 2023-25 Salary package: Exec Rec 6.0% / 4.0% (total incl benefits)	-	8,521,002	8,521,002
5/ Behavioral Health Initiative	1,100,000	-	(1,100,000)
<i>Total change to GF base funding</i>	\$ (3,740,952)	\$ 3,680,050	
<i>% change to base</i>	-2.7%	2.7%	
Total General Fund Base with adjustments	\$ 134,690,373	\$ 142,111,375	
Other adjustments:			
6/ IT Network Infrastructure (not incl in SBHE request)	3,201,100	-	(3,201,100)
Capital Project:			
Engineering Building	83,700,000	-	(83,700,000)
<i>Total project request \$111.6m = GF \$83.7m + SF \$27.9m</i>			
Total GF Base and One-time Adjustments	83,160,148	3,680,050	(79,480,098)
2023-25 Total General Funds-Base, One-time, Capital Project funding	\$ 221,591,473	\$ 142,111,375	\$ (79,480,098)

Notes:

- 1/ Student Credit Hour production change
- 2/ HE Funding model adjustments: 2021-23 Base (\$61.81/SCH), Exec Recom (\$66.16/SCH-adj for comp pkg)
- 3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
Executive Recommendation includes 2023-25 compensation package of 6% (yr 1) / 4% (yr 2)
- 5/ Behavioral Health Initiative was included in the Executive Recommendation as part of the ND University System budget.

235 North Dakota State University

Agency 235



enrollment. Signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the North Dakota University System (NDUS) whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

NDSU continues to evolve, adapt and thrive, and continues its commitment to affordability, efficiency and productivity. That commitment is reflected in the success of the students, local and service region communities and the statewide economic interests served. NDSU remains committed to addressing the needs and aspirations of North Dakota by building on the land grant foundation.

Executive Budget Recommendation

- Reduces \$7.6 million from the General Fund higher education funding formula due to a decrease in adjusted student credits.
- Adds \$2.1 million from the General Fund for 96.0 percent minimal amount payable adjustment.
- Provides \$20.0 million of special fund authority for music building addition/renovation.
- Provides \$3.0 million of special fund authority for Sudro Hall small animal research facility expansion/renovation.
- Provides \$8.5 million from the General Fund as an inflationary increase, which includes the increase in employee health insurance and the executive compensation plan.
- Provides \$142.1 million from the General Fund for the state share of campus operations at \$66.16 per adjusted student credit hour.

Statutory Authority

North Dakota Constitution, Section 215; North Dakota Century Code Chapter 15-12.

Agency Description

North Dakota State University (NDSU) is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. NDSU's commitment remains focused on affordable access to a high-quality education for students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time

235 North Dakota State University

Agency 235

Request/Recommendation Comparison Summary Biennium: 2023-25

Description	2019-21 Biennium Expenditures	2021-23 Legislative Base	2023-25 Requested Budget	2023-25 Recommendation Comparison to Leg. Base		2023-25 Executive Recommendation
				Increase (Decrease)	% Change	
By Line Item						
Campus Operations	744,420,100	756,174,321	745,747,665	23,024,118	3.0%	779,198,439
Operating Expenses	-	(125,000)	-	125,000	(100.0%)	-
Capital Assets	55,973,448	7,799,104	128,038,668	8,639,564	110.8%	16,438,668
Capital Improv-Off System	-	-	23,000,000	23,000,000	0.0%	23,000,000
Total Line Items	\$800,393,548	\$763,848,425	\$896,786,333	\$54,788,682	7.2%	\$818,637,107
By Funding Source						
General	136,007,619	138,431,325	218,390,373	3,680,050	2.7%	142,111,375
Federal	-	-	-	-	0.0%	-
Special	664,385,929	625,417,100	678,395,960	51,108,632	8.2%	676,525,732
Total Funding Source	\$800,393,548	\$763,848,425	\$896,786,333	\$54,788,682	7.2%	\$818,637,107

Total FTE 1,870.16 1,829.43 1,871.50 38.07 2.1% 1,867.50

NORTH Dakota

Be Legendary.™

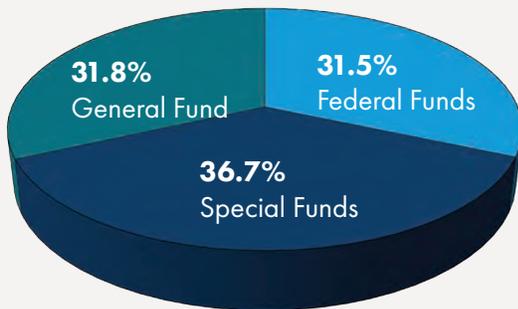
2023-25 EXECUTIVE BUDGET RECOMMENDATION

The executive budget recommendation is developed in conjunction with state agencies and the North Dakota Office of Management and Budget staff. It reflects Governor Doug Burgum's priorities and financial plan for the 2023-25 biennium.

2023-25 RECOMMENDED TOTAL APPROPRIATIONS - \$18.45 B

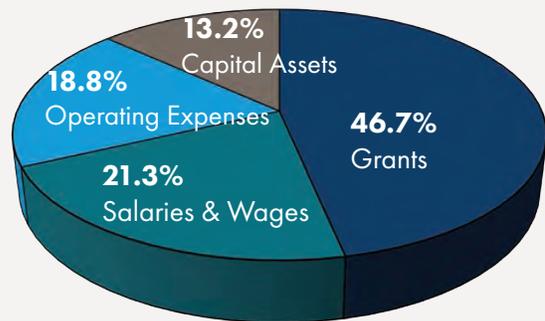
RECOMMENDED FUNDING SOURCE Total Funds

- \$5.86 billion (31.8%) from the state General Fund
- \$5.81 billion (31.5%) from federal funds
- \$6.77 billion (36.7%) from state special funds



RECOMMENDED EXPENDITURES Total Funds

- \$3.94 billion (21.3%) for salaries and wages
- \$3.47 billion (18.8%) for operating expenses
- \$2.43 billion (13.2%) for capital assets
- \$8.61 billion (46.7%) for grants

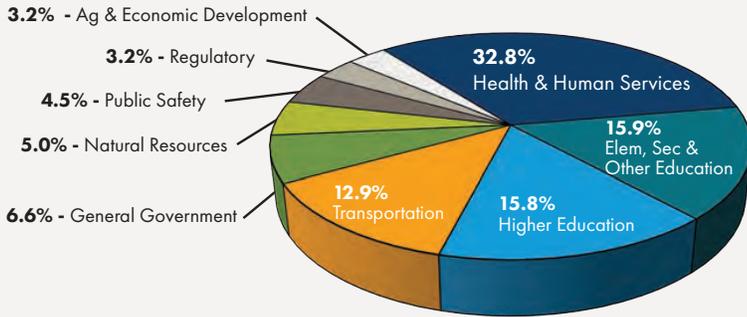


2023-25 BUDGET PROCESS

The 2023-25 biennium begins July 1, 2023, and ends June 30, 2025. After gathering information from state agencies regarding requested budgets for the upcoming biennium, the Office of Management and Budget prepared the Governor's recommended budget, presented to the legislature in December of 2022.

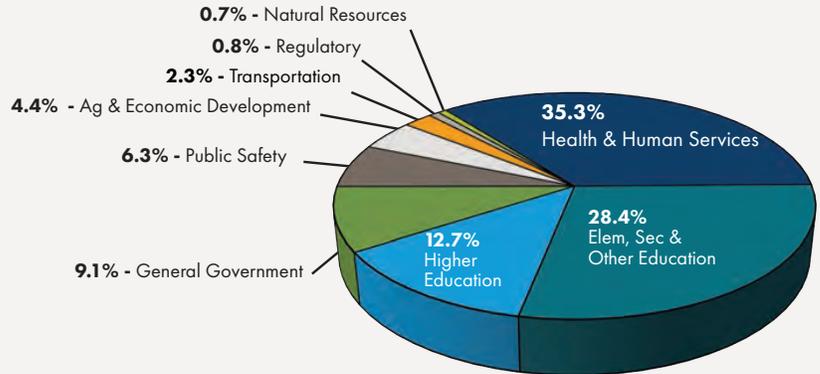
The legislature convenes in January 2023 to begin consideration of the Governor's budget and enact the appropriations bills which set the budget for the upcoming biennium.

RECOMMENDED APPROPRIATIONS FUNCTION



TOTAL FUND RECOMMENDATION

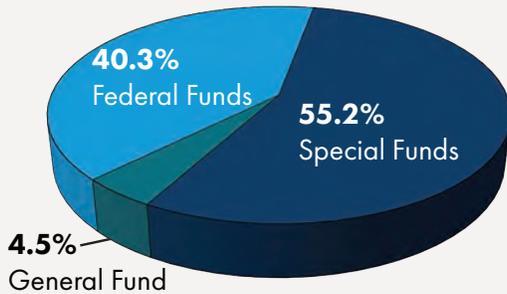
GENERAL FUND RECOMMENDATION



RECOMMENDED INVESTMENT IN INFRASTRUCTURE - \$2.75 B

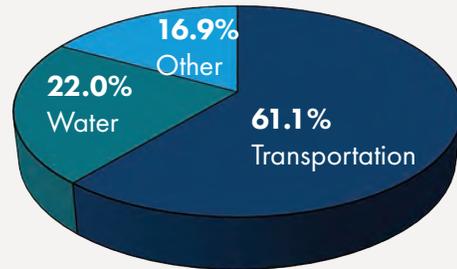
RECOMMENDED FUNDING SOURCE Infrastructure

- \$125 million (4.5%) from the state General Fund
- \$1.11 billion (40.3%) from federal funds
- \$1.52 billion (55.2%) from state special funds



RECOMMENDED PURPOSE Infrastructure

- \$1.68 billion (61.1%) for DOT infrastructure
- \$607 million (22.0%) for water infrastructure
- \$464 million (16.9%) for other projects





NDSU NORTH DAKOTA
STATE UNIVERSITY

BRUCE BOLLINGER

VICE PRESIDENT FOR FINANCE AND ADMINISTRATION
NDSU DEPT 3000
PO BOX 6050
FARGO, ND 58108-6050

P: 701.231.8412 **F:** 701.231.6194 **E:** bruce.bollinger@ndsu.edu

CYNTHIA ROTT

BUDGET DIRECTOR
NDSU DEPT 3000
PO BOX 6050
FARGO, ND 58108-6050

P: 701.231.7458 **F:** 701.231.6194 **E:** cynthia.rott@ndsu.edu