

**68<sup>TH</sup> LEGISLATIVE ASSEMBLY**  
**HOUSE APPROPRIATIONS COMMITTEE**  
**EDUCATION & ENVIRONMENT DIVISION MEETING**

**WEDNESDAY, JANUARY 11, 2023**







Dr. Brian Van Horn  
President



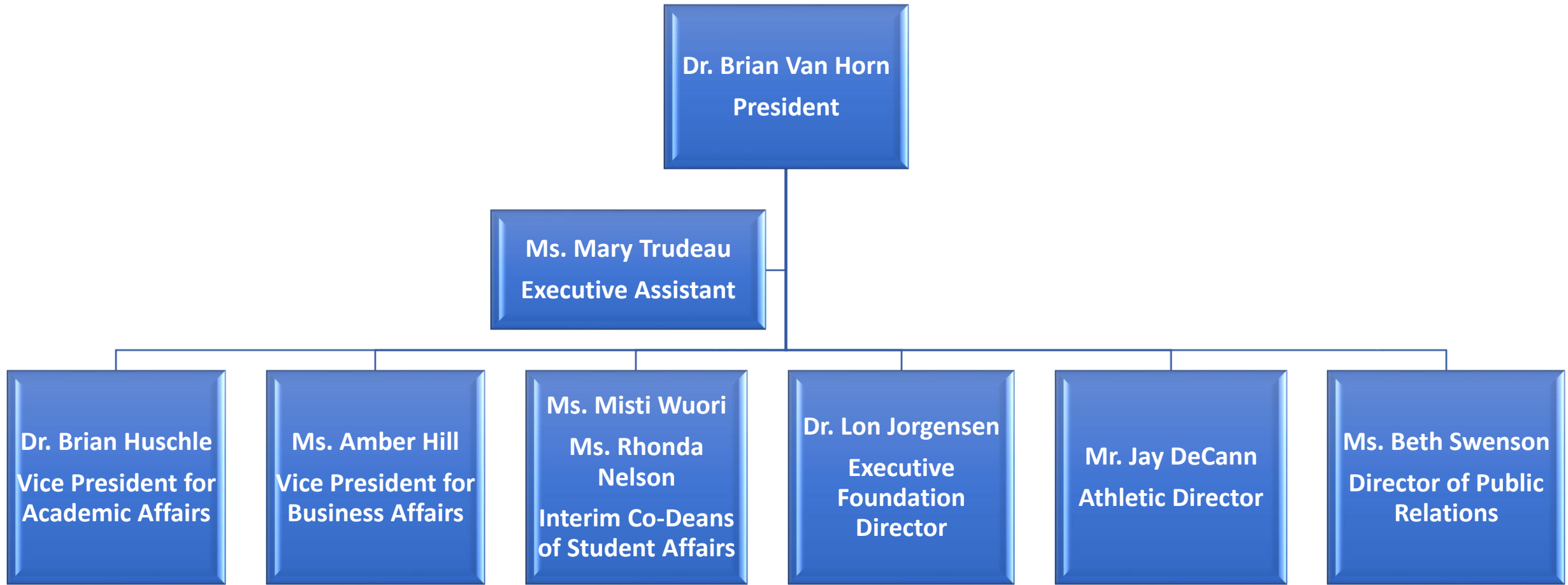
Ms. Amber Hill  
Vice President for  
Business Affairs

Mayville State was established by constitutional charter in 1889 and is a member of the North Dakota University System. ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

### **Mayville State University Mission**

Mayville State University is dedicated to excellence in teaching, service, and scholarship in dynamic, inclusive and supportive learning environments that are individually focused. We offer quality undergraduate and master's programs enriched with practical experiences to prepare all learners for a global economy.

*Approved by the State Board of Higher Education  
November, 2016*





# Accomplishments for 2021-2023

1. CFI score improvement from .41 to 3.92.
2. Development of workforce degrees (nursing, special education, master's degrees).
3. Restoration of reserves.





# Challenges for 2023-2025

1. Salary equity to keep a stable workforce at University (currently 73% median of NDUS salaries).
2. Deferred maintenance reduction.
3. Budgetary consistency to remain revenue neutral.







## Highlights

- In 2021, of the 56 ND Math Education graduates who passed the Praxis, 11 came from Mayville State.
- Ranked highest of North Dakota's public colleges and universities on WalletHub Best Colleges List.
- Developed Special Education degrees and courses to raise interest in this high-need area.
- The last two bienniums, Mayville State has added degrees in Education, Agribusiness, and Nursing to aid our state's workforce.

**80+** graduate, major, minor, certificate, and pre-professional programs

## **Graduate Programs**

### **MASTER OF EDUCATION**

Master of Education (M.Ed.)

Adult Teaching & Learning Track

Innovative Teaching Practices Track

Special Education Track

Graduate Certificate in Educational Studies

Graduate Certificate in Special Education

Graduate Certificate in Online Digital Teaching

### **MASTER OF ARTS IN TEACHING**

Master of Arts in Teaching (M.A.T.)

### **MASTER OF SCIENCE IN NURSING**

Master of Science in Nursing (M.S.N.)

Nursing Leadership & Management Track

Nurse Educator Track

Nurse Educator Certificate

Nursing Leadership & Management Certificate

# 80+ graduate, major, minor, certificate, and pre-professional programs

## **BIOLOGY**

Biology B.S.  
Biology Minor  
Composite in Science Education  
B.S.Ed.

## **BUSINESS**

Accounting B.S.  
Business Administration B.S.  
Business Administration B.A.S.  
Business Management A.A.  
Accounting Minor  
Business Administration Minor

## **CHEMISTRY**

Chemistry B.S.  
Chemistry Minor

## **COMMUNICATION**

Communication B.A.  
Communication Minor

## **EARLY CHILDHOOD**

Early Childhood A.A.  
Early Childhood B.A.  
Early Childhood Education  
B.S.Ed.  
Early Childhood Education Minor

## **EDUCATION**

Elementary Education B.S.Ed.  
Secondary Professional Education

## **ENGLISH**

English B.A.  
English Education B.S.Ed.  
English/English Education Minor

## **GEOGRAPHY<sup>a</sup>**

Geography Minor

## **HEALTH, PHYSICAL EDUCATION &**

## **RECREATION**

Allied Health B.S.  
Coaching Minor  
Fitness and Wellness B.S.  
Fitness and Wellness Minor  
Health Education B.S.Ed.  
Health Education Minor  
Physical Education B.S.Ed.  
Physical Education Minor  
Sport Coaching B.S.  
Sport Management B.S.  
Sport Management Minor  
**HISTORY**  
History/History Education Minor

## **HUMANITIES**

Music Minor  
University Studies A.A.  
University Studies, B.U.S.

## **LIBRARY MEDIA AND INFORMATION SCIENCE**

Library Media and Information Science  
Minor

## **MATHEMATICS**

Mathematics B.S.  
Mathematics Education B.S.Ed.  
Mathematics/Mathematics Education  
Minor

## **NURSING**

Nursing (RN-to-BSN) B.S.

## **PSYCHOLOGY**

Applied Psychology B.A.  
Psychology Minor  
Psychology Education Minor

## **SCIENCE**

Agribusiness B.S.  
General Science Minor  
Physical Science Minor  
Science for the Elementary Teacher  
Minor

## **SOCIAL SCIENCE**

Composite in Social Science Education  
B.S.Ed.  
Social Science B.A.  
Social Science/Social Science Education  
Minor

Sociology Minor

## **SPECIAL EDUCATION**

Special Education - Early Childhood B.S.Ed.  
Special Education - Elementary Educ. B.S.Ed.  
Special Education - Secondary B.S.Ed.  
Special Needs Minor

## **Certificates**

Biotechnology Certificate  
Business Studies Certificate  
Kindergarten Endorsement  
Online Digital Teaching Certificate  
Special Education Certificate  
Developmental Adapted Physical Education  
Certificate  
Emergency Response Certificate Program  
Certificate in College Studies

## **Pre-Professional**

Some students find it convenient to complete the first few years of college here before transferring to other institutions for advanced specializations.



# Building Our Workforce

With over 80 major and minor programs, Mayville State University builds North Dakota's workforce by teaching in-demand workplace skills through traditional academic programming, such as bachelor's degrees in Special Education, Mathematics, Communications, Applied Psychology, and Biology while also offering bachelor's degrees in workforce programs such as Accounting, Business Administration, Nursing, Early Childhood Education, Elementary and Secondary Education, and Sport Management, and many pre-professional tracks.

Mayville State constantly innovates to meet the workforce needs of North Dakota. Two recent examples include:

## Bachelor of Science in Special Education

- Prepares teacher candidates for entry to special education professional practice with knowledge and skills to practice safely, ethically, and effectively with a multi-categorical population of students with special needs.
- Fast-track option as well as an option for currently licensed teachers.

## Bachelor of Science in Agribusiness

- Prepares students to fill workforce needs in sales, cooperatives, banking, finance, and other agribusiness fields with skills found in the many facets of agriculture-related businesses in North Dakota and beyond.
- This program is purposefully developed for delivery in traditional, online, and hybrid models.



Jack Gerber  
2022 Graduate - Agribusiness  
Hometown: East Grand Forks, MN

# Advancing Our Workforce

## Master of Education

M.Ed. degree offered online provides teaching professionals with online opportunities to advance their education.

- 8-week block programming allows currently licensed teachers to complete a Master of Education in as little as one year.
- Professional Teachers can choose from three tracks: Adult Teaching and Learning; Innovative Teaching Practices; or Special Education.



## Master of Arts in Teaching

MAT degree allows people with a non-teaching bachelor's degree to enter the teaching profession with a master's degree.

- Program is fully online, offering adults flexible and affordable advancement.
- Graduates enter the teaching profession in Social Studies, Mathematics, English, and Health and Physical Education.

## Master of Science in Nursing

Prepares nurses who hold a BSN for advanced nursing roles in healthcare leadership and management settings. Innovative program includes two tracks offered entirely online in five-week blocks.

- Nurse Educator Graduate Track prepares the baccalaureate-level registered nurse for advanced educator roles in academic and practice settings.
- Nursing Leadership & Management Graduate Track prepares the baccalaureate-level registered nurse for advanced nursing roles in healthcare leadership and management.





# Mayville State University Child Development Programs

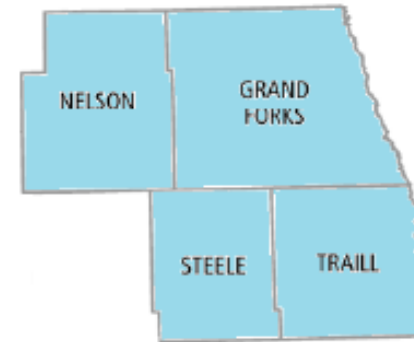
(Head Start, Early Head Start, Early Head Start/Child Care Partnerships, Child Care, Lab School, and Pre-K Collaborations)

Mayville State University Child Development Programs (MSU CDP) leads the field of early childhood education in North Dakota by innovative collaborations with school districts, childcare centers, communities, higher education, and state agencies.

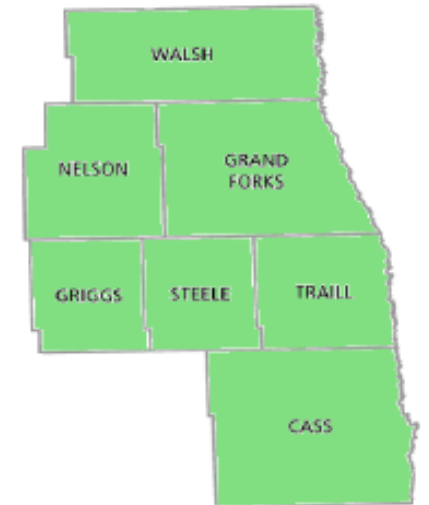
The program's **\$4.8 million dollar annual budget** serves over **300** children and their families across **seven (7) counties**: Traill, Steele, Griggs, Nelson, Walsh, Cass, and Grand Forks.

Mayville State Child Development Programs centers and classrooms are situated in **seven (7) locations** in these communities: Mayville, Portland, Hillsboro, Buxton, Grand Forks, Fargo, and West Fargo.

## Service Areas

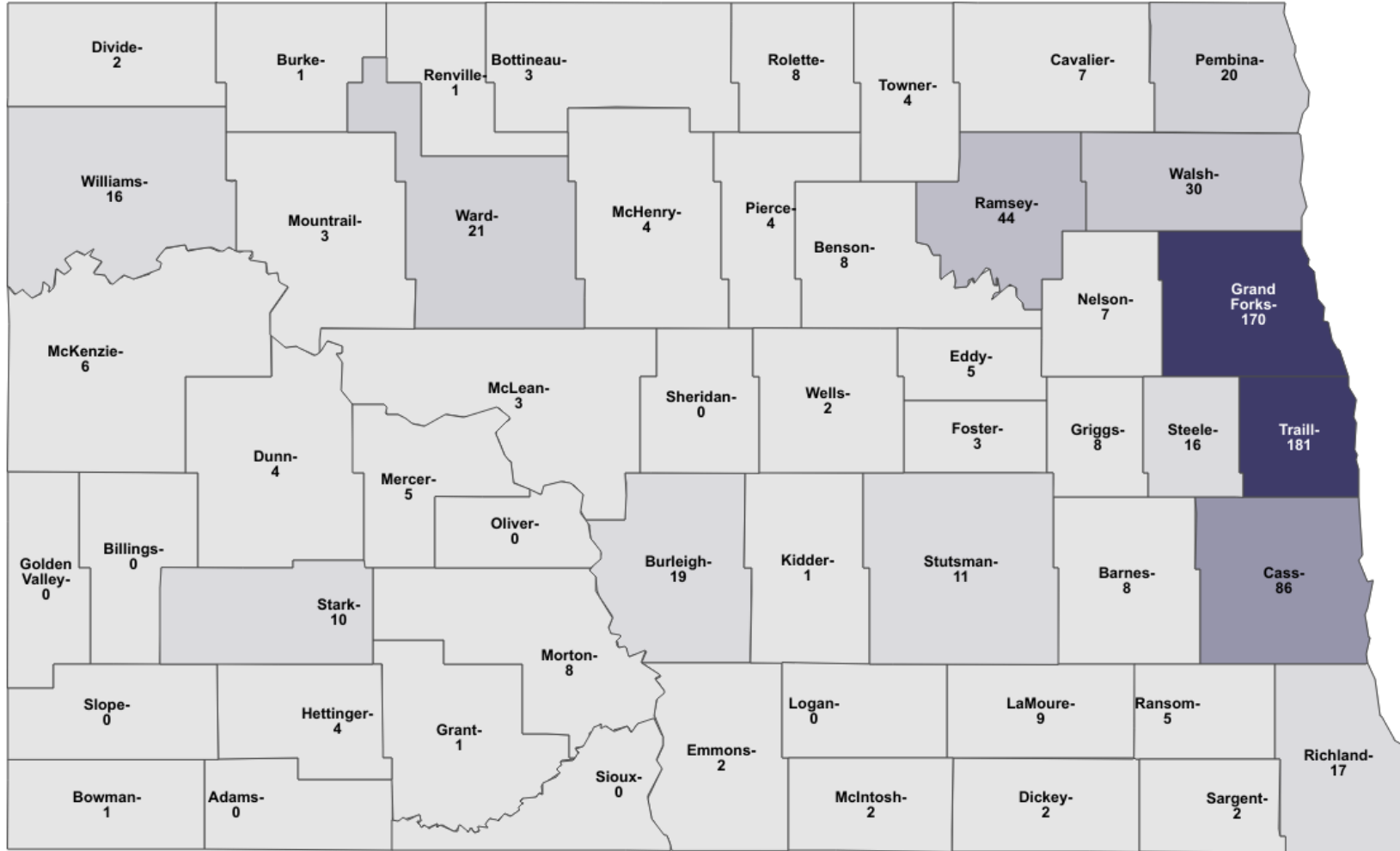


Head Start /  
Early Head Start



Early Head Start /  
Child Care  
Partnership

# Serving North Dakota Students



**69%**

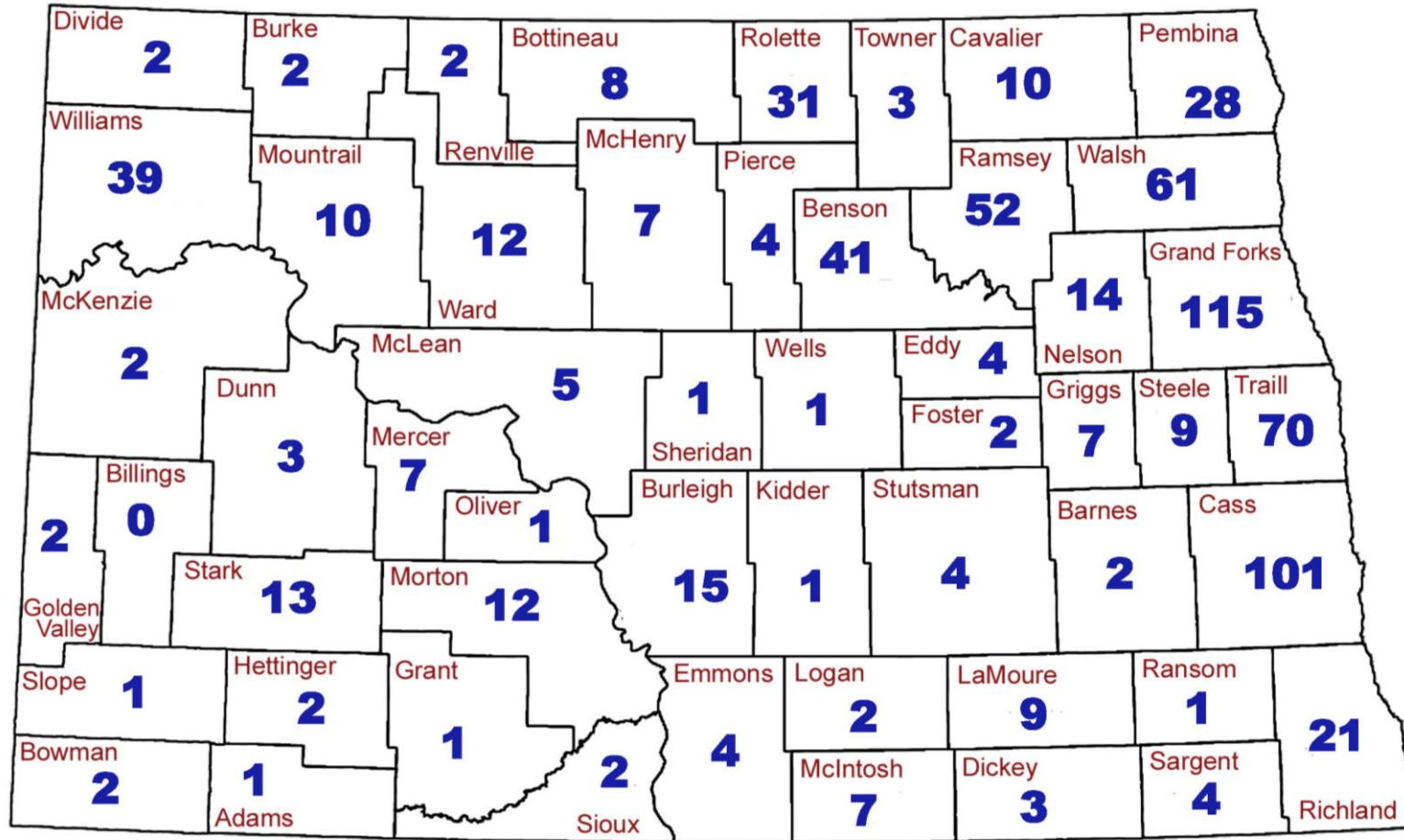
of ALL our students are from North Dakota (chart at left)

**79%**

of freshman students are from North Dakota



# MSU Grads Produce Educator Workforce in ND



2021-22

Nearly **800**  
of our graduates are  
teachers or  
administrators in North  
Dakota (chart at left)

**69%**  
of ALL Mayville State  
graduates are employed in  
North Dakota and/or  
continuing their education

# What Sets Mayville State Apart?

Education/Development of the Whole Student at Mayville State



Intellectual  
development



Personal  
growth



Volunteerism



Community



Character  
development



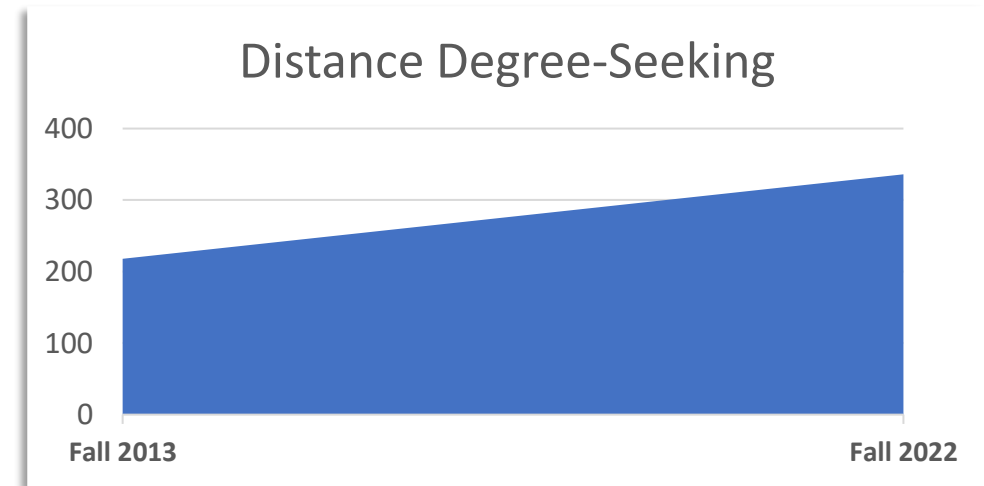
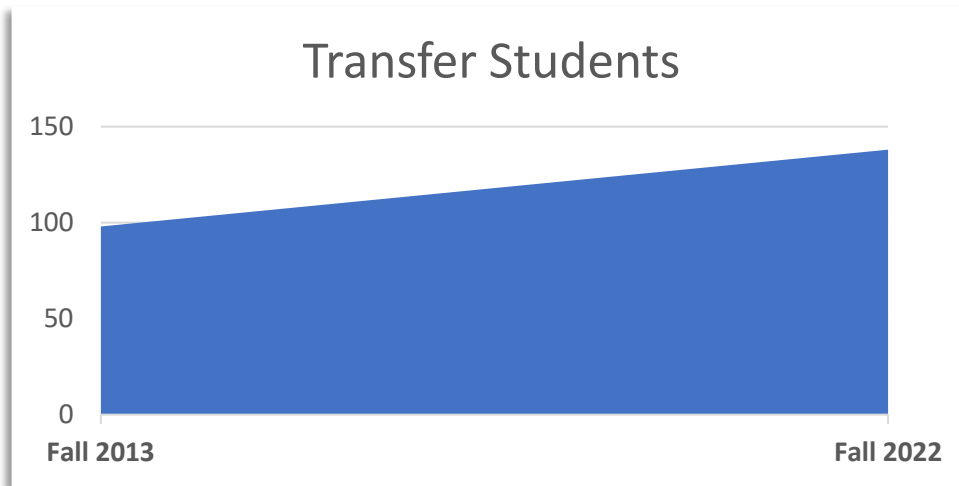
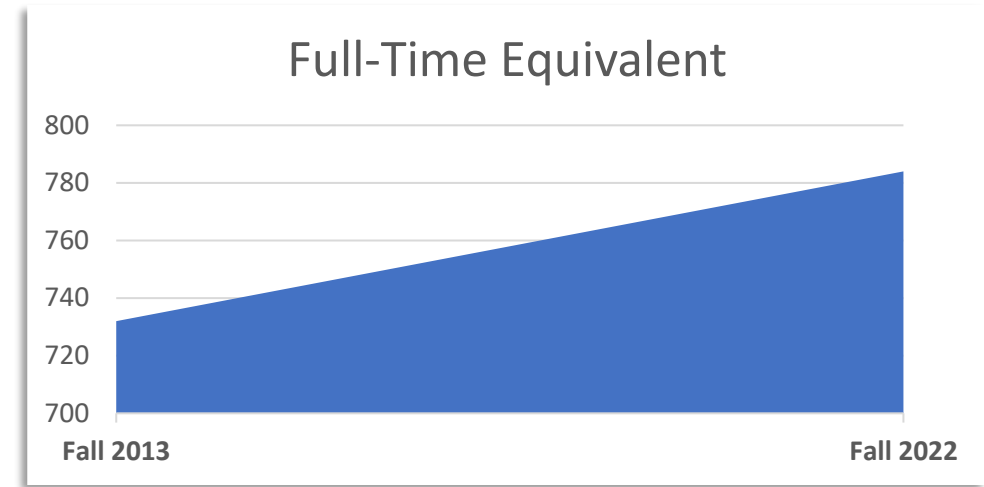
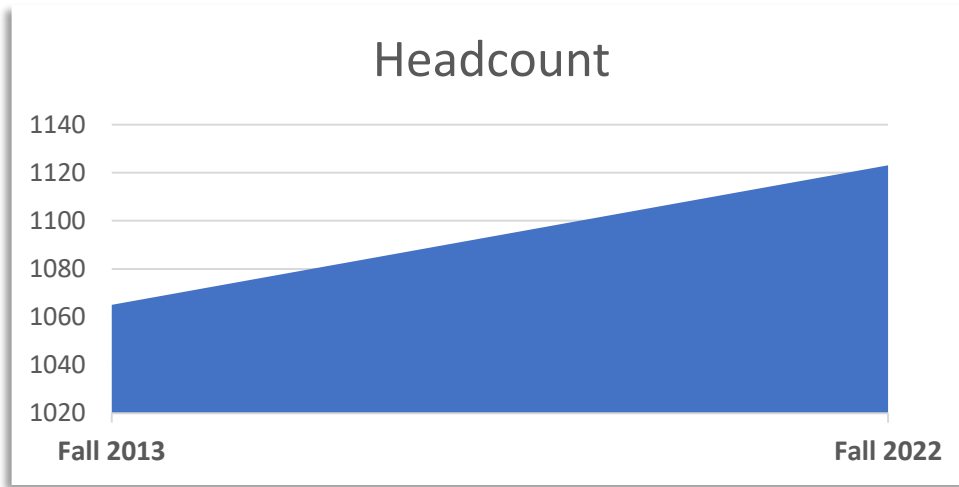
Social,  
emotional  
and personal  
development



Leadership  
development



# Enrollment Initiatives Yield Steady Increases



# Our Students

**8.2%**  
**INCREASE**

in retention rate of first-time, full-time students in last 10 years

**58.2%**  
**RETENTION**

rate of first-time, full-time students

**55%** of students who start at Mayville State  
**COMPLETE** their degrees at Mayville State or transfer to another institution and graduate from another institution

**64%**

Female students

**36%**

Male students

**76%**

Students under 25

**24%**

Students over 25

**20%**

diverse population on our campus



# Our Student Success

**99%**

Graduates are employed and/or are continuing their education

**93%**

Graduates are employed in field related to their studies

**80%**

Nursing program students are from North Dakota and are working full-time

**69%**

Master's program graduates employed in North Dakota and/or continuing education

**98%**

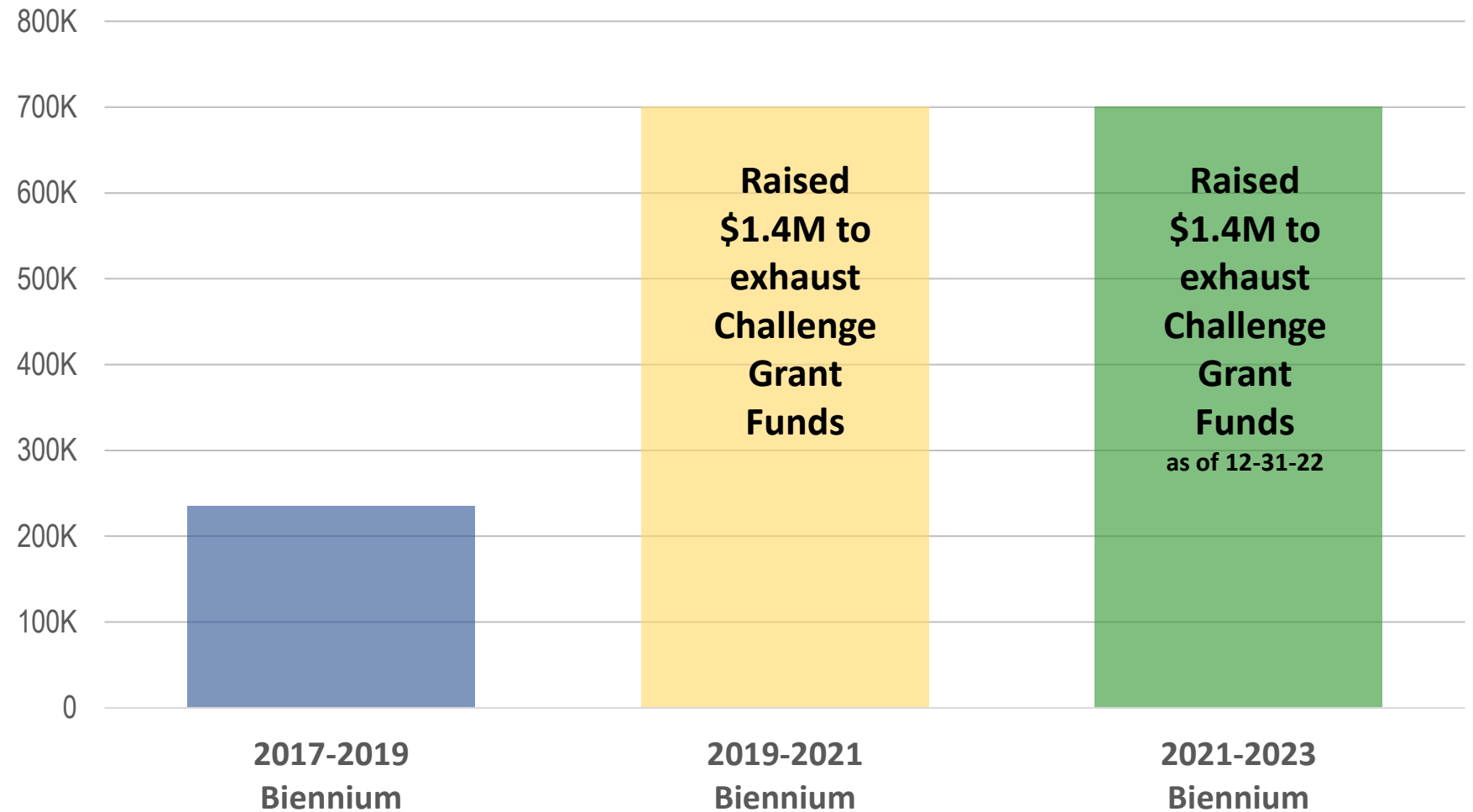
Master's program graduates employed and/or continuing education

**92%**

Master's program graduates employed in field related to their studies

# Huge Impact of Challenge Grant Funds for Students

- Nearly \$3 million generated for scholarships from inception.
- Over 1/3 of our students receive scholarship funding.
- Donors appreciate opportunity to spread their gift further with matching funds.

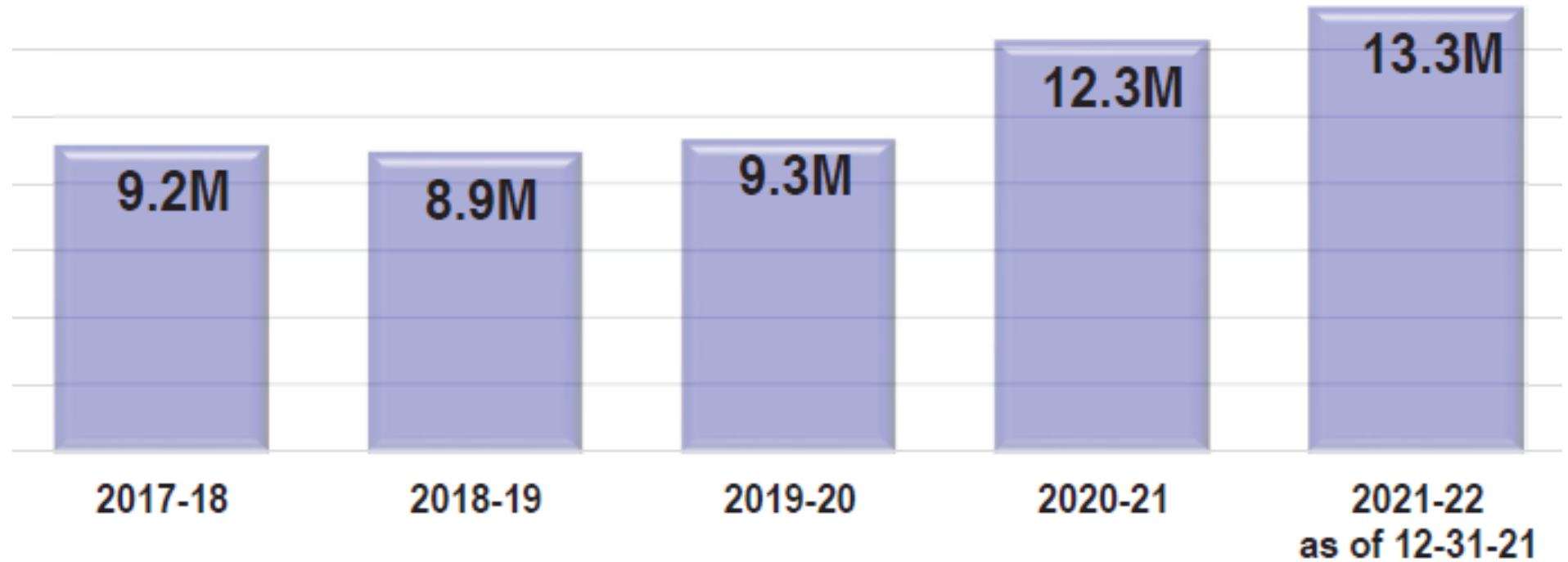




# Steady Increase in Foundation Assets

The MSU Foundation manages endowment programs for scholarships and annual giving programs for both scholarships and operations.

The true purpose behind our existence is to provide every opportunity and open every door possible to our students.



All information taken from MSU Foundation Balance Sheet June 30 of each year



# Shared Services, Collaborations, and Partnerships

- Nursing collaboration at Mayville with Dakota Nursing Program; articulation with LRSC, BSC, WSC, DCB, NDSCS for RN-to-BSN program.
- Collaboration with North Dakota Center for Distance Education (NDCDE) for dual credit offering of eleven courses in 2022-23.
- Shared services across NDUS include: payroll and benefit services, research support, NSF EPSCoR research, IRB, and IACUC with NDSU; telephone system, NIH INBRE, and NASA EPSCoR research with UND.
- Support of Dakota Digital Academy.



# Audited process improvements for 19-21 Biennium

**Controls, Training and Processes Regarding Payroll** - Numerous errors were discovered leading to the following corrections:

- A formal pay form was created requiring signature by employee, supervisor, cabinet, and payroll.
- Ensure all changes and/or deletions are supported, and documentation is maintained.
- Internal controls and processes implemented.

**Bank Reconciliations** - Bank reconciliation were not reconciled timely.

- Statements are reconciled in the Peoplesoft system timely and verified by another individual.

**Controls Surrounding System Reconciliations** - Financial systems were not reconciled against each other (Peoplesoft, Quickbooks and Students.)

- The bursar now reconciles the student account ledger to the general ledger detail and CDP Quickbooks balances.

**Controls Surrounding Journal Entries** - Journals were not reviewed and documented before posting.

- Support is attached, funding structure coding review and approval documented in Peoplesoft.

**Purchasing Card Exceptions** – Pcards included taxed items, were not properly authorized, and did not maintain proper support.

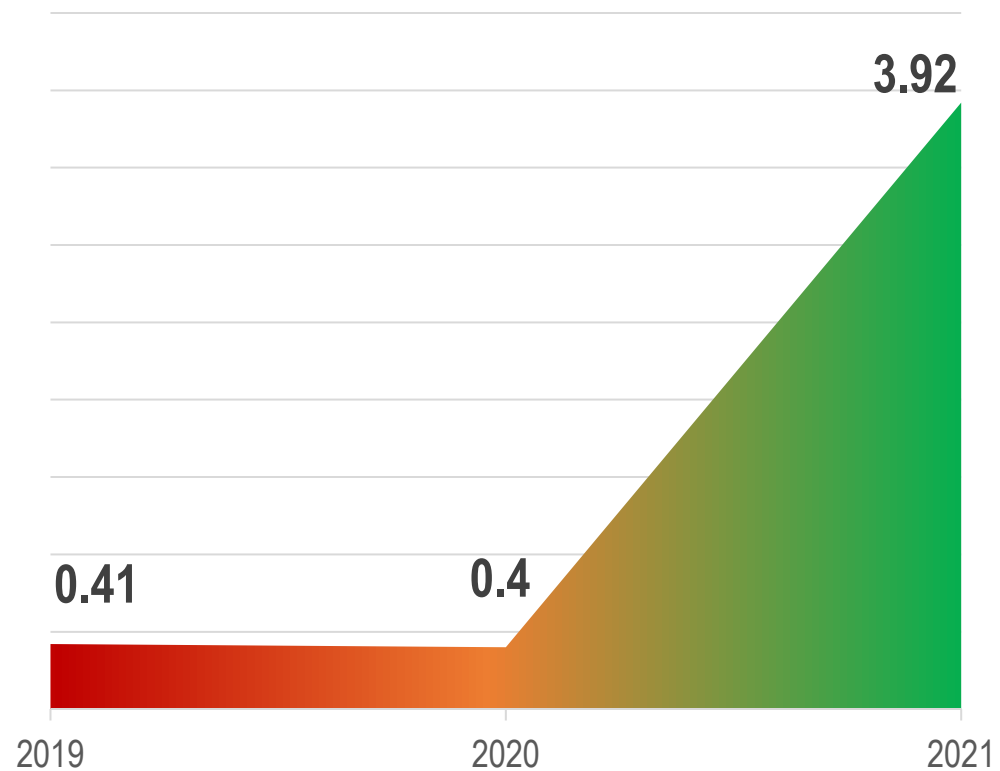
- Purchasing card reconciliations are reviewed monthly, receipts are attached and verified and properly authorized.

**Waivers Awarded Improperly** – Waivers were posted to student accounts without a formal approval process and criteria documentation.

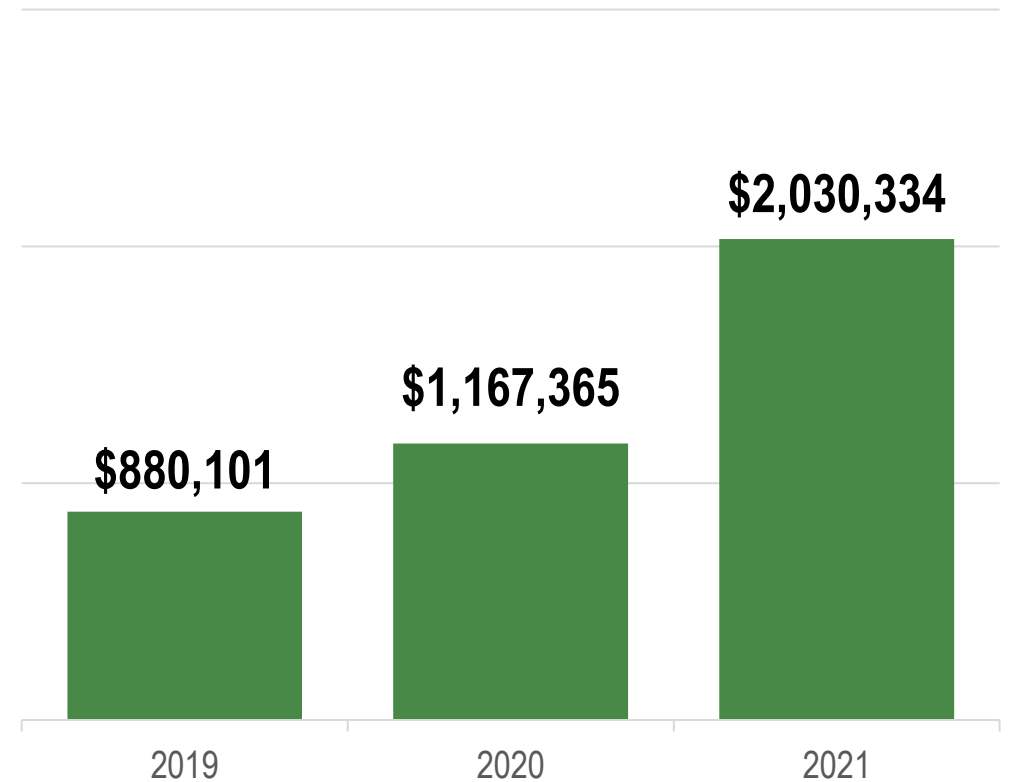
- Processes were implemented to establish documentation of criteria for waiver eligibility in addition to a committee approval verification.

# Improved Financial Health

**Raised Composite Financial Index (CFI) score.**



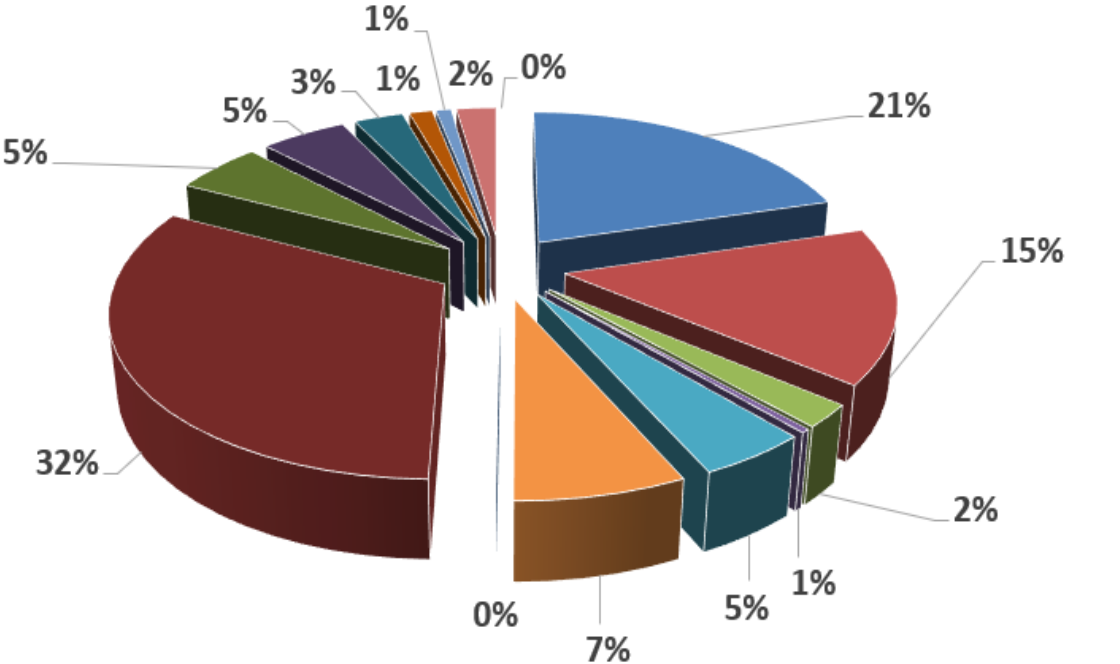
**Increase in Appropriated Reserves**



# Revenue and Expenses

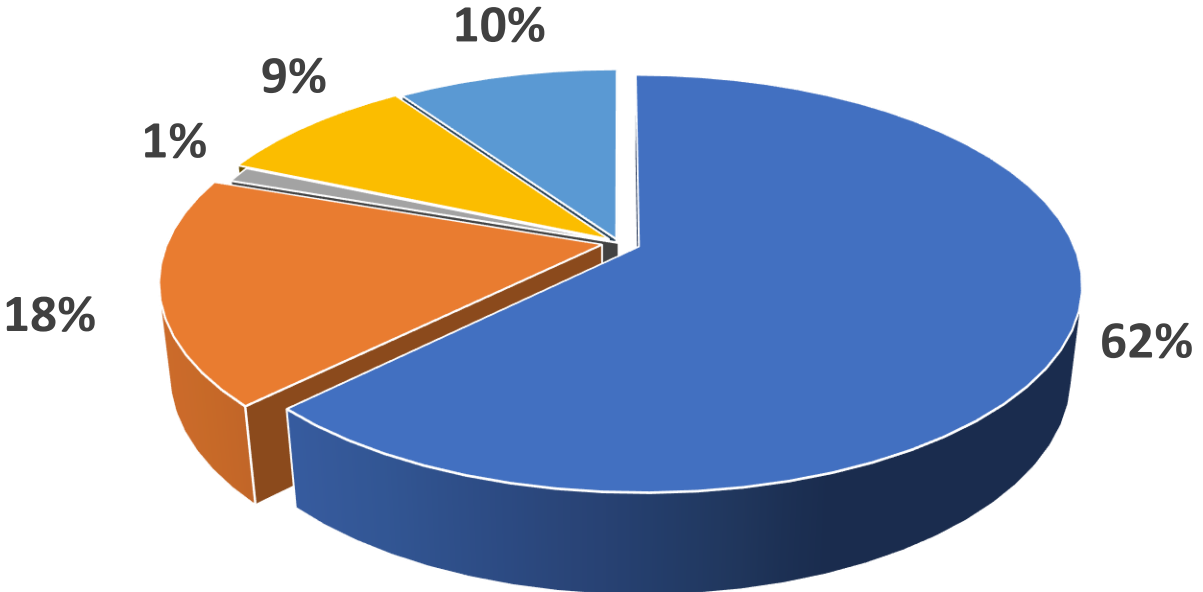
(Audited 2022 Financials)

**2021-22 Revenue**



- Student tuition and fees
- State grants and contracts
- Sales and services of educational departments
- Other operating revenue
- Federal grants and contracts
- Gifts
- Tax revenues
- Federal grants and contracts
- State appropriations
- Federal grants and contracts stimulus
- Endowment and investment income
- State appropriations - capital assets

**2021-22 Operating Expenses**



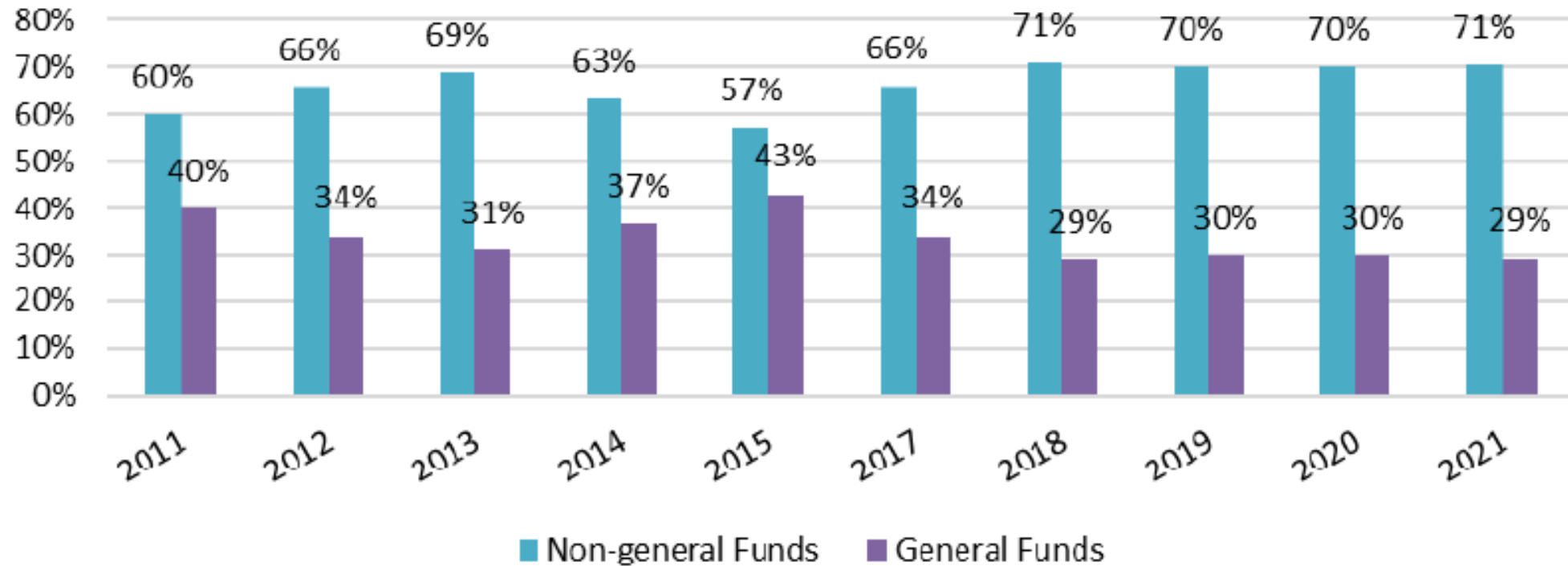
- Salaries and wages
- Operating Expenses
- Data processing
- Depreciation expense
- Scholarships and fellowships



# General Appropriations Leverage

NDUS ECONOMIC CONTRIBUTION REPORT FY2021

Figure 1. General Funds and Non-general Funds as a Percentage of Total Expenditures, Mayville State University, 2011-2021



(2016 not reported by NDUS)

# Compensation Equity

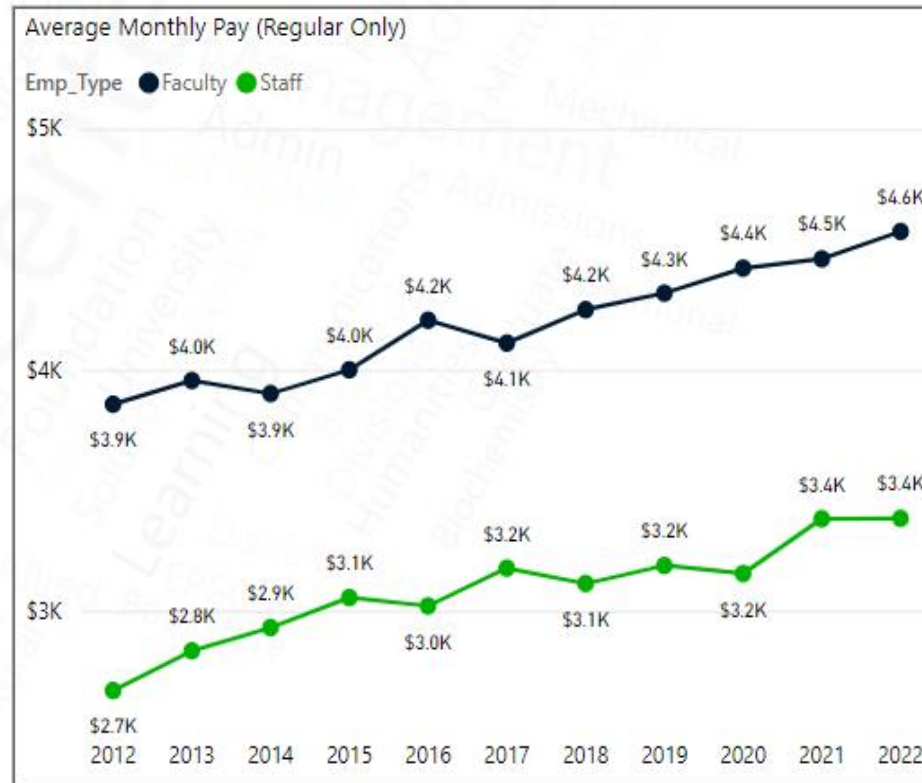
On average, a full-time benefitted Mayville employee makes **73%** of their counterpart at other NDUS institutions.

The **27%** median pay gap widens when compared to other North Dakota and neighboring competitive institutions.

This growing competitive disadvantage significantly hampers Mayville's ability to attract and retain workforce talent.

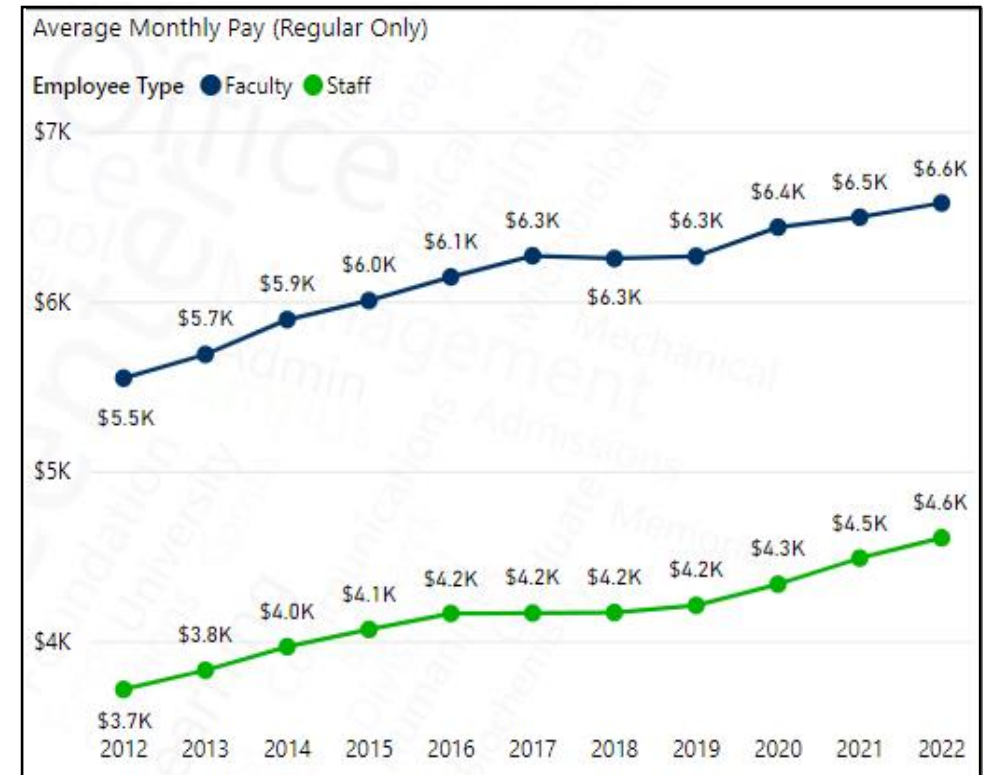
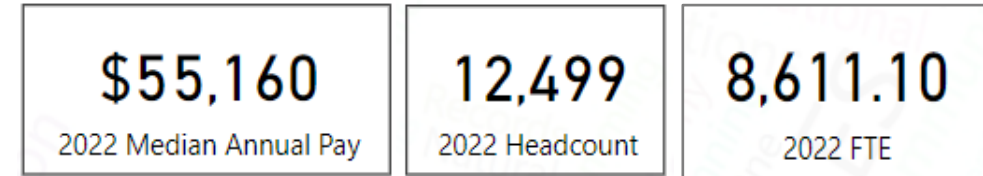
## Mayville State University

### Human Resource Measures 2011-2022



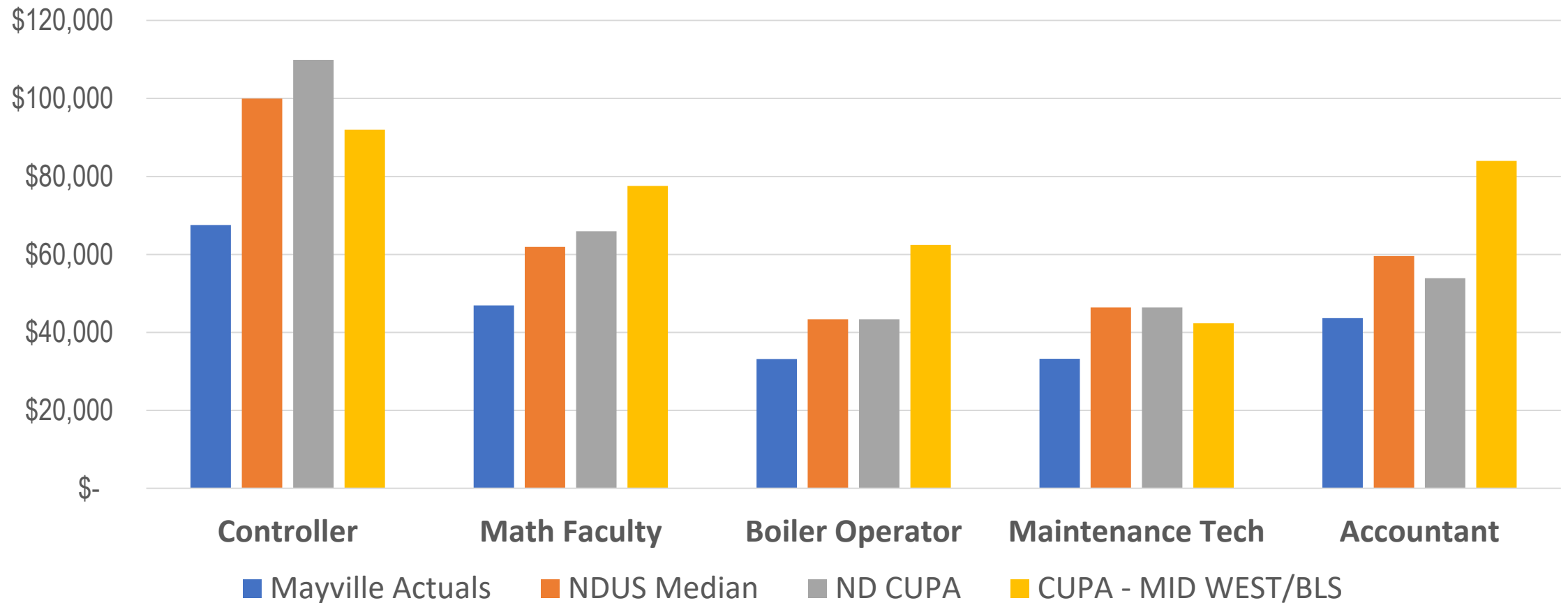
## North Dakota University System

### Human Resource Measures 2011-2022, Summary



# Retention and Attraction Challenges

## Mayville State Compensation Lag



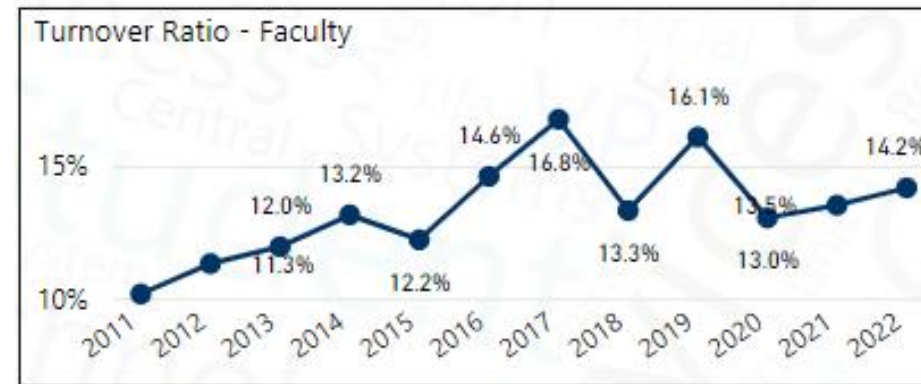
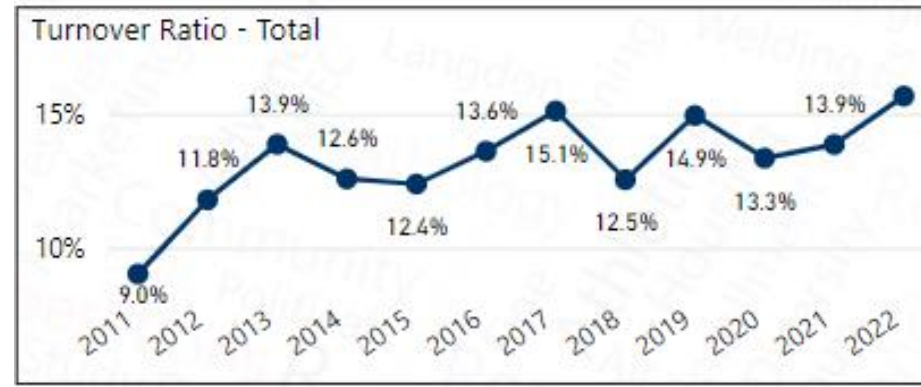


# Resulting Retention Impacts

## Mayville State University



## NDUS



The pay equity gap results in a turnover rate that is more than double the NDUS median for STAFF and FACULTY.

Closing this gap is second in priority only to renovating Old Main at Mayville.

MAYVILLE STATE UNIVERSITY

# 2023-25 Appropriation Funding Request

**Comparison of 2021-23 Base Budget  
to 2023-25 SBHE Request and Executive Recommendation**

	2021-23 Base Level	Requested Adjustments	2023-25 SBHE Needs-Based Budget	Executive Recommendation	Difference from 2021-23 Base Level	Difference from SBHE Needs-Based Budget
Campus Operations	\$ 50,603,276	\$ 1,208,580	\$ 51,811,856	\$ 54,664,638	\$ 4,061,362	\$ 2,852,782
Capital Assets	\$ 358,992	\$ 49,970,100	\$ 50,329,092	\$ 4,138,092	\$ 3,779,100	\$ (46,191,000)
<b>Total Appropriation</b>	<b>\$ 50,962,268</b>	<b>\$ 51,178,680</b>	<b>\$ 102,140,948</b>	<b>\$ 58,802,730</b>	<b>\$ 7,840,462</b>	<b>\$ (43,338,218)</b>
General Fund	\$ 18,679,828	\$ 51,053,571	\$ 69,733,399	\$ 20,691,490	\$ 2,011,662	\$ (49,041,909)
Special Funds	\$ 32,282,440	\$ 125,109	\$ 32,407,549	\$ 38,111,240	\$ 5,828,800	\$ 5,703,691
<b>Total Funding Sources</b>	<b>\$ 50,962,268</b>	<b>\$ 51,178,680</b>	<b>\$ 102,140,948</b>	<b>\$ 58,802,730</b>	<b>\$ 7,840,462</b>	<b>\$ (43,338,218)</b>
<b>FTE</b>	<b>230.35</b>	<b>-3.43</b>	<b>226.92</b>	<b>226.92</b>	<b>-3.43</b>	<b>0</b>

MAYVILLE STATE UNIVERSITY

# Additional Requests to Executive Budget

## Itemized Listing of Change Requests to Executive Budget

	2021-23 Base Level	2023-25 SBHE Needs-Based Budget	Executive Recommendation	Additional request to Executive Recommendation	Total Appropriations requested	
Campus Operations	\$ 50,603,276	\$ 51,811,856	\$ 54,664,638		\$ 54,664,638	
Tuition portion of 6/4%				\$ 530,062	\$ 530,062	*Would require 7.5% tuition increase
Tuition portion of Health Insurance increase				\$ 299,961	\$ 299,961	
Tuition portion of Pay Equity				\$ 191,047	\$ 191,047	
SBHE/NDUS Operational 7.5% cost increase				\$ 1,588,735	\$ 1,588,735	
Capital Assets	\$ 358,992	\$ 50,329,092	\$ 4,138,092	\$ 46,191,000	\$ 50,329,092	*Remaining capital request for Old Main Renovation funding
<b>Total Appropriation</b>	<b>\$ 50,962,268</b>	<b>\$ 102,140,948</b>	<b>\$ 58,802,730</b>	<b>\$ 48,800,805</b>	<b>\$ 107,603,535</b>	
General Fund	\$ 18,679,828	\$ 69,733,399	\$ 20,691,490	\$ 48,800,805	\$ 69,492,295	
Special Funds	\$ 32,282,440	\$ 32,407,549	\$ 38,111,240	\$ -	\$ 38,111,240	
<b>Total Funding Sources</b>	<b>\$ 50,962,268</b>	<b>\$ 102,140,948</b>	<b>\$ 58,802,730</b>	<b>\$ 48,800,805</b>	<b>\$ 107,603,535</b>	



# Current Impact of Real Cost Increases

	2022	2023	Price increase
Scrambled egg mix	\$ 32	\$ 45	39%
Tater tots case	\$ 29	\$ 59	106%
Crinkle cut fries	\$ 42	\$ 68	62%
Contractor - HVAC	\$ 65	\$ 90	38%
Contractor - Excavation	\$ 100	\$ 130	30%
Utilities	\$ 556,443	\$ 667,252	20%

# Legislative Bill Draft Impacts

## Positive Legislative impacts

- **HB 1033: Challenge Grant funding** – Continue funding the highly impactful Challenge Grant.
- **HB 1034: Increased funding for Tiers/Capital and Change Tier Funding for Tiers I and III from 2:1 and 1:1** – Mayville has been unable to utilize all of Tier I and none of Tier II and III for years. Changing this matching formula will make this funding “more affordable” for our campus. This, in conjunction with the change in matching, will make a significant impact on our campus for deferred maintenance and capital projects.
- **Construction Inflation Adjustment Fund** – this can mitigate the impact of increased costs of construction mid-project.
- **Creation of a Higher Ed Stabilization Fund similar to K-12** – to aid in mitigating the impact of ebbs and flows in year-to-year operations.

## Unfunded Legislative draft impact

- **HB 1039: Interim Retirement Committee NDPERS sunseting the defined benefit plan** – The unfunded liability that this will assess on our campus results in an approximate \$230k-plus annual burden on our campus. To put this in perspective, we struggle to cash match the Tier I funding that is a similar amount. We ask that the state consider funding the liability in whole at this time to relieve a measurable ongoing burden to the campuses.

# Economic Impact to State and Local Community

DATA FROM FY21 NDUS ECONOMIC CONTRIBUTION REPORT RELEASED 2022



**\$62.4M**

Total economic  
Contribution



**\$24.7M**

Direct economic  
contribution from  
MSU operations



**\$20.7M**

Total direct and secondary  
impact of student  
spending in Mayville area

Mayville State students work part-time in the surrounding communities. For example: Crystal Sugar, SRS Commodities, Kelley Bean, Casey's General Store, Cenex Convenience Stores, local eateries, local farms. Many stay in the area after graduation.



# Reduced \$1.4M of deferred maintenance and repurposed space

- 2021 A boiler replacement project in the Campus Center. 60+-year-old electric boilers were replaced to improve ventilation and controls within the building. The project also included repair/replacement of air handling units (\$660,000).
- 2021 Replacement of Library and Campus Center roofing (\$94,000).
- 2022 Addition of natural gas heating plant (\$1,600,000).
- 2022 New home for Campus Health. The Classroom Building lounge and auditorium storage space has been renovated to provide a new, more appropriate space to serve students (\$150,000).
- 2022 New science classroom and lab space. Outdated IVN classrooms and library bookshelf space has been repurposed to provide an additional classroom and adjacent research lab (\$290,000).
- 2023 Security card access and doors have been updated in several campus locations (\$150,000).
- 2023 Pool filter replacement (\$50,000).



ABOVE: Unused space renovated to provide centrally-located Campus Health office.



LEFT: Outdated areas repurposed for new science lab and classroom purposes.



# #1 PRIORITY OF NORTH DAKOTA UNIVERSITY SYSTEM

Mayville State University Appropriation Funding Request

## **Old Main Renovation Capital Project**

### **\$49,970,100**

Old Main is the iconic face of Mayville State University. The four-story 55,000 sq. ft. building, constructed in two phases in 1890 and 1905, is the original building on the Mayville State campus. Old Main has served the campus and community for decades.

This project is extremely important for the life safety of our students, faculty, and staff.



# OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

## Instructional and Academic Needs

**Old Main is 83% Instructional and Academic Space – 4 Floors**



 Instructional/Academic Space



# OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

## Beginning Timeline and Budget Details



### Timeline:

Project design/construction will take approximately 36 months, with construction completion estimated for June 2026.

### Budget:

Planning, Design, Testing	\$ 3,779,100
Construction, Building Renovation	37,315,000
Hazardous Material Abatement	1,000,000
Furniture, Fixtures, Equipment	5,876,000
Other (Temporary Facilities/Relocation Costs)	2,000,000
<b>Total Budget</b>	<b><u><u>\$ 49,970,100</u></u></b>

# OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

## Life Safety Benefits

- Address life safety concerns including replacing fire alarms, adding emergency notification system, and new or enhanced automatic fire suppression system.
- Reconfigure interior stairway access to address fire safety concerns.
- Repair foundation deterioration and cracking.
- Gut and replace obsolete electrical power and lighting systems.
- Address ADA compliance with accessible restrooms, elevator to all levels, staircase for egress from theatre, and housing for new mechanical systems and equipment.
- Address renovation of theatre.



Challenges with accessibility.



Life safety issues with side-by-side open stairwells.

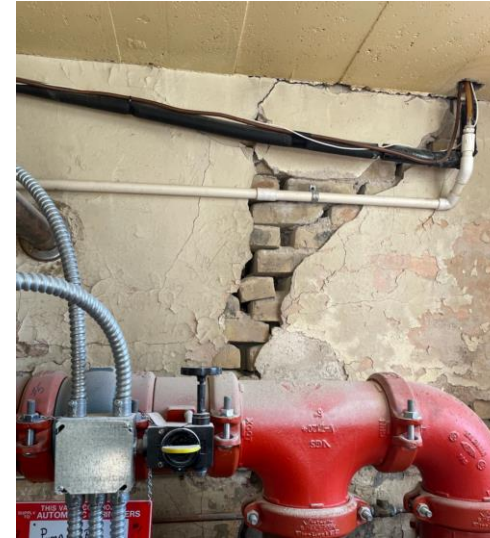


# OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

## Deferred Maintenance

- Address the most significant deferred maintenance on campus.
- Gut and replace inadequate HVAC system.
- Replace antiquated plumbing system.
- Update and seal the building exterior.
- Reorganize administrative/instructional areas to meet current/future needs.
- Provide new technology, data, and communication systems, and infrastructure.
- Engineering firm conducted an initial assessment and determined that the foundation is viable.

Building a new structure is estimated to increase project cost by \$150 per sq. ft.



Foundation deterioration and cracking.



Our facilities crew trapped 12 live bats in classroom space over a 2-week period during the fall semester.



# OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

## Water Damage on January 5, 2023

Damage January 5, 2023 in a classroom that houses the Dakota Nursing Program on the third floor of Old Main.



# Hear from Our Students

**Sadie Mathews**

Elementary Education Major  
Hometown: Horace, ND

**Ezera Wuori**

Elementary Education Major  
Hometown: Rolla, ND



# FUNDING REQUEST

## Summary

1. Support of the Old Main Renovation capital project \$49,970,100.
2. Support of employee compensation equity and retention.
3. Support stabilization of funding stream for higher education.





*the school of personal service*

MayvilleState.edu