

Legislative Council

**North Dakota University System Office - Budget No. 215
Agency Worksheet - Senate Bill No. 2003**

	Senate Version				House Version				House Compared to Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			Total
									FTE Positions	General Fund	Other Funds	
2025-27 Biennium Base Level	162.83	\$133,218,615	\$26,260,897	\$159,479,512	162.83	\$133,218,615	\$26,260,897	\$159,479,512	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
FTE adjustment pursuant to Section 39 of House Bill No. 1003 (2023)	6.00			\$0	6.00			\$0				\$0
Salary increase		\$1,305,385	\$448,563	1,753,948		\$1,305,385	\$448,563	1,753,948				0
Health insurance increase		732,568	288,329	1,020,897		732,568	288,329	1,020,897				0
Reduces funding for bond payments		(936,521)		(936,521)		(936,521)		(936,521)				0
Removes ongoing funding for dual-credit scholarships			(1,500,000)	(1,500,000)			(1,500,000)	(1,500,000)				0
Transfers funding for state employee child care assistance from OMB		910,000		910,000		910,000		910,000				0
Adds funding for student financial aid system maintenance and operations		273,180		273,180		273,180		273,180				0
Adds funding for student financial aid software licensing		180,000		180,000		180,000		180,000				0
Increases funding for student financial assistance grants		2,000,000		2,000,000		2,000,000		2,000,000				0
Adds funding for supplemental student financial assistance grants				0		5,000,000		5,000,000		\$5,000,000		5,000,000
Increases special fund authority for systemwide purchases			249,047	249,047			249,047	249,047				0
Adds funding for information technology rate adjustment		226,175	39,913	266,088		226,175	39,913	266,088				0
Adds funding for campus IT infrastructure		1,000,000		1,000,000		1,000,000		1,000,000				0
Adds funding for inflationary increases		1,740,701		1,740,701		1,740,701		1,740,701				0
Increases funding for tribal college grants		200,000		200,000		200,000		200,000				0
Adds ongoing funding for the professional student exchange program				0		1,500,000		1,500,000		1,500,000		1,500,000
Adds funding for IT security				0		4,190,620		4,190,620		4,190,620		4,190,620
Total ongoing funding changes	6.00	\$7,631,488	(\$474,148)	\$7,157,340	6.00	\$18,322,108	(\$474,148)	\$17,847,960	0.00	\$10,690,620	\$0	\$10,690,620
One-Time Funding Items												
Adds one-time funding for dual-credit scholarships (BND profits)			\$1,500,000	\$1,500,000			\$1,500,000	\$1,500,000				\$0
Adds funding from SIIF for challenge grants			25,000,000	25,000,000			25,750,000	25,750,000			\$750,000	750,000
Adds funding to continue the Dakota Digital Academy		\$450,000		450,000		\$0		0		(\$450,000)		(450,000)
Adds funding from SIIF for the nursing education consortium			1,100,000	1,100,000			1,100,000	1,100,000				0
Adds funding for financial aid system enhancements		25,000		25,000		25,000		25,000				0

Adds funding for the professional student exchange program		1,500,000		1,500,000		0		0		(1,500,000)		(1,500,000)
Adds funding for workforce education innovation grants (SIIF)			12,000,000	12,000,000			12,000,000	12,000,000				0
Total one-time funding changes	0.00	\$1,975,000	\$39,600,000	\$41,575,000	0.00	\$25,000	\$40,350,000	\$40,375,000	0.00	(\$1,950,000)	\$750,000	(\$1,200,000)
Total Changes to Base Level Funding	6.00	\$9,606,488	\$39,125,852	\$48,732,340	6.00	\$18,347,108	\$39,875,852	\$58,222,960	0.00	\$8,740,620	\$750,000	\$9,490,620
2025-27 Total Funding	168.83	\$142,825,103	\$65,386,749	\$208,211,852	168.83	\$151,565,723	\$66,136,749	\$217,702,472	0.00	\$8,740,620	\$750,000	\$9,490,620

Federal funds included in other funds \$0 \$0 \$0

Total ongoing changes - Percentage of base level	3.7%	5.7%	(1.8%)	4.5%	3.7%	13.8%	(1.8%)	11.2%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	3.7%	7.2%	149.0%	30.6%	3.7%	13.8%	151.8%	36.5%	N/A	N/A	N/A	N/A

Other Sections in North Dakota University System Office - Budget No. 215

Section Description	Senate Version	House Version
Additional funds appropriation authority	Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities.	Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities.
Extraordinary repairs matching funds	Section 4 requires institutions to match state extraordinary repairs funding on a \$1 to \$1 basis using operations or other funding, except for UND and NDSU, which must match \$2 to \$1.	Section 4 requires institutions to match state extraordinary repairs funding on a \$1 to \$1 basis using operations or other funding, except for UND and NDSU, which must match \$2 to \$1.
Strategic investment and improvements fund	Section 5 identifies \$161,746,814 of the appropriation in section 1 is from SIIF.	Section 5 identifies \$186,496,814 of the appropriation in section 1 is from SIIF.
Bismarck State College separation agreement - Transfer	Section 6 provides for a transfer of \$500,000 from the North Dakota University System office to Bismarck State College for the cost of a separation agreement.	Section 6 provides for a transfer of \$500,000 from the North Dakota University System office to Bismarck State College for the cost of a separation agreement.
Lake Region State College separation agreement - Transfer		Section 7 provides for a transfer of \$342,000 from the North Dakota University System office to Lake Region State College for the cost of a separation agreement.
Bank of North Dakota profits - Dual-Credit Scholarship	Section 7 identifies \$1.5 million from Bank of North Dakota profits for dual-credit scholarships.	Section 8 identifies \$1.5 million from Bank of North Dakota profits for dual-credit scholarships.
Economic Diversification Research Grants - Bank of North Dakota - Appropriation	Sections 8 and 13 provide \$8 million from SIIF to the Bank of North Dakota for economic diversification research grants.	Sections 9 and 14 provide \$8 million from SIIF to the Bank of North Dakota for economic diversification research grants.
Capital building fund program	Sections 9, 10, 21, and 22 provide for the continuation of the capital building fund program, including a transfer of \$31.5 million from SIIF to the University System capital building fund.	Sections 10, 11, and 28 provide for the continuation of the capital building fund program, including a transfer of \$26.5 million from SIIF to the University System capital building fund.
Project management oversight	Section 11 requires capital projects authorized by the State Board of Higher Education to have adequate project oversight by an institution official or representative of an external entity.	Section 12 requires capital projects authorized by the State Board of Higher Education to have adequate project oversight by an institution official or representative of an external entity.
Bond issue	Section 12 authorizes the issuance of revenue bonds for capital projects at NDSU, MiSU, and DSU.	Section 13 authorizes the issuance of revenue bonds for capital projects at NDSU, MiSU, and DSU.
Tenure		Sections 15 and 24 amend law relating to academic tenure policy at institutions of higher education.
Challenge grants	Sections 14, 15, and 16 adjust campus allocations for the higher education challenge grant program.	Sections 16, 17, and 18 adjust campus allocations for the higher education challenge grant program.
Workforce education innovation program	Section 17 limits the \$12 million for workforce education innovation grants to University System institutions, excluding UND and NDSU.	Section 19 limits the \$12 million for workforce education innovation grants to University System institutions, excluding UND and NDSU.

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Dual credit		Section 20 allows any institution under the control of the Board to offer dual-credit courses in the county in which the institution's primary campus is located.	
Professional student exchange program		Sections 21 and 52 require repayment of professional student exchange program funding by students who do not return to work in the state.	
Presidential searches		Section 22 clarifies the authority and responsibility for the appointment of institution presidents, including who determines and selects a consultant to assist in the recruitment of applicants to be an institution president.	
Commissioner of Higher Education contract		Section 23 provides guidance regarding the terms of the contract for the Commissioner of Higher Education, including the source of funds for a position at an institution under the control of the Board awarded as a term of the contract.	
Higher education funding formula	Sections 18, 19, 20, and 37 adjust the higher education funding formula for credit weighting and credit completion factor changes, to continue target market equity and retirement contribution pool funding, to restore 2023-25 biennium equalization reductions, to equalize calculated base rates, and to provide a 4 percent inflationary increase.	Sections 25, 26, 27, and 48 adjust the higher education funding formula for credit weighting and credit completion factor changes, to continue target market equity and retirement contribution pool funding, to restore 2023-25 biennium equalization reductions, to equalize calculated base rates, and to provide a 4 percent inflationary increase.	
Student financial assistance grants	Section 23 amends Century Code to expand student financial assistance grants eligibility to North Dakota residents who did not graduate from a North Dakota high school.	Section 29 amends Century Code to expand student financial assistance grants eligibility to North Dakota residents who did not graduate from a North Dakota high school.	
Scholars program		Section 30 adjusts the ACT requirement for the scholars program.	
Carryover authority	Section 24 continues the authorization through July 31, 2027, for entities under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.	Section 31 continues the authorization through July 31, 2027, for entities under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.	
Bank of North Dakota profits - Career Builders Scholarship and Loan Repayment	Sections 25 through 29 extend transfer authority for unspent funds designated from BND profits for the Career Builders loan repayment and scholarship programs until June 30, 2027.	Sections 32 through 36 extend transfer authority for unspent funds designated from BND profits for the Career Builders loan repayment and scholarship programs until June 30, 2027.	
Hyperbaric Oxygen Therapy	Section 30 provides for UND SMHS hyperbaric oxygen therapy chambers to be granted to health care providers in the state.	Section 37 provides for UND SMHS hyperbaric oxygen therapy chambers to be granted to health care providers in the state.	
Larry Skogen Polytechnic Institute		Section 38 repeals Section 15-10-74 naming the BSC polytechnic center the Larry C. Skogen polytechnic institute.	
Transfer authority	Section 31 authorizes the State Board of Higher Education to transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines that additional funds are needed for capital assets.	Section 39 authorizes the State Board of Higher Education to transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines that additional funds are needed for capital assets.	
FTE positions	Section 32 authorizes the State Board of Higher Education to adjust FTE positions as needed, subject to the availability of funds, for institutions and entities under its control.	Section 40 authorizes the State Board of Higher Education to adjust FTE positions as needed, subject to the availability of funds, for institutions and entities under its control.	
Exemptions	Section 33 authorizes the continuation of unspent appropriation authority for certain projects and programs into the 2025-27 biennium.	Section 41 authorizes the continuation of unspent appropriation authority for certain projects and programs into the 2025-27 biennium.	
University of North Dakota land sale	Sections 34 and 35 authorize the sale of land by the University of North Dakota.	Sections 42 and 43 authorize the sale of land by the University of North Dakota.	

Other Sections in North Dakota University System Office - Budget No. 215

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School of Medicine and Health Sciences - Student residency		Section 44 directs UND to develop and implement student recruitment and acceptance strategies to increase resident student enrollment at the School of Medicine and Health Sciences and in the physician assistant program.	
Funding study	Section 36 provides for a newly created legislative management committee to study funding for higher education.	Section 45 provides for a newly created legislative management committee to study funding for higher education.	
Legislative Management report - Praxis exam		Section 46 provides for a Legislative Management report relating to the Praxis exam.	
Commissioner of Higher Education position		Section 47 provides for the hiring of a new Commissioner of higher education and directs the Board to study the costs and benefits of a system of higher education led by a chancellor compared to a commissioner.	
UND SMHS allied health facility expansion		Section 49 provides legislative intent to express support for the completion of the allied health facility expansion project at UND SMHS during the 2027-29 biennium.	
Separation and early retirement agreements		Section 50 provides legislative intent that the State Board of Higher Education not enter into any separation or early retirement agreements with a cost to the state and its institutions.	
Tuition increase limitation		Section 51 limits resident undergraduate tuition rate increases to 4% per year and allows an additional 1% per year increase for differentiated tuition rates, graduate programs, and professional programs.	