

North Dakota University System			Governor Burgum			Governor Armstrong		
Tab	Systemwide Projects / initiatives	SBHE Request	Executive Budget Recommendation	Variance from NDUS Request	Notes	Executive Budget Recommendation	Variance from NDUS Request	Notes
1	Nursing Education Consortium (ENVISION - CRITICAL)	\$ 2,049,000	\$ 1,100,000	\$ (949,000)	GF One-time funding	\$ 1,100,000	\$ (949,000)	SIIF One-time funding
2	Artificial Intelligence (AI) and Machine Learning (ML) (ENVISION - IMPORTANT)	3,000,000	0	(3,000,000)		0	(3,000,000)	
3	Planned Obsolescence of Technical Infrastructure – Core IT Infrastructure (ENVISION)	2,600,000	0	(2,600,000)		0	(2,600,000)	
4	High Demand Workforce Development (ENVISION)	3,000,000	0	(3,000,000)		0	(3,000,000)	
5	High Performance Computing NTN - UND/NDSU (ENVISION)	8,000,000	4,000,000	(4,000,000)	GF One-time funding	0	(8,000,000)	
6	Inflation Factor increase (ENVISION)	22,080,670	175,700	(21,904,970)	Forest Service - GF Ongoing Funds	175,700		Forest Service - GF Ongoing Funds
7	Dakota Digital Academy (ENVISION) (2023-25 ONE-TIME FUNDS) [NDUSO]	450,000	450,000	0	GF One-time funding	0	(450,000)	
8	Financial Aid Enhancement/Title IV Course Auditor [CTS]	1,100,000	900,000	(200,000)	GF One-time funding	900,000	(200,000)	SIIF One-time funding
	WSC Healthcare programs start up funding	0	1,490,000	1,490,000	GF One-time funding	0	0	
	Funding Formula Rate Averaging Burgum @ 75%/Armstrong @ 100% adj.	0	2,627,241	2,627,241	GF One-time funding	3,621,578	3,621,578	GF One-time funding
	Emerald Ash Borer Initiative - Forest Service	0	950,000	950,000	GF One-time funding	950,000	950,000	SIIF One-time funding
18	Challenge Grant		30,000,000	30,000,000	SIIF One-time	50,000,000	50,000,000	SIIF One-time funding
19	Capital Building Fund (Tier II/III)		20,000,000	20,000,000	SIIF One-time	20,000,000	20,000,000	SIIF One-time funding
25	Enterprise Resource Planning (ERP) - Cloud Readiness for PeopleSoft Replacement		10,000,000	10,000,000	SIIF One-time	0	0	
17	NDPERS Actuarially Determined Employer Contribution (ADEC)	SBHE Supported						
20	Workforce Education Innovation Program							
21	Economic Diversification Research funding							
	Compensation Package (Burgum 4%/3%; Armstrong 3%/3%) Salary/FB/Health Insurance (NDUSO/CTS/Forest Service)		2,735,371	2,735,371	GF Ongoing funding	2,400,509	2,400,509	GF Ongoing funding
	Funding Formula Inflation (10% Burgum; 9% Armstrong) (Includes: Compensation package, target market equity, Employer Retirement Contribution, NDIT rate adjustments)	0	54,230,781	54,230,781	GF Ongoing funding	47,755,665	47,755,665	GF Ongoing funding
	Working Parent Credit - Employee child care reimbursement program(HHS)	0	910,000	910,000	GF Ongoing funding	910,000	910,000	GF Ongoing funding
NDUSO - System Governance								
9	Student Financial Aid System [NDUSO]	273,180	273,180	0	GF Ongoing funding	273,180	0	GF Ongoing funding
10	Increase Shared Services [NDUSO]	200,000	0	(200,000)		0	(200,000)	
11	Internal Audit Software [NDUSO]	143,000	0	(143,000)		0	(143,000)	
NDUSO - Student Grants								
12	Professional Exchange Program (PSEP) [NDUSO]	1,500,000	1,500,000	0	GF One-time funding	0	(1,500,000)	
13	North Dakota State Grant [NDUSO]	1,000,000	1,000,000	0	GF Ongoing funding	1,000,000	0	GF Ongoing funding
14	Dual Credit Scholarship (2023-25 ONE-TIME FUNDS) [NDUSO]	1,500,000	1,500,000	0	GF One-time funding	0	(1,500,000)	
15	North Dakota State Grant - remove ND HS Graduate requirement (ENVISION) [NDUSO]	1,000,000	0	(1,000,000)		0	(1,000,000)	
Total		\$ 47,895,850	\$ 133,842,273	\$ 85,946,423		\$ 129,086,632	\$ 103,095,752	
NDUS Executive Recommendation Capital Projects								
16	MaSU - Old Main Capital Project - SIIF	\$ 34,924,814	\$ 34,924,814		SIIF	\$ 34,924,814		SIIF
Appropriation Authority for Capital Projects - Special Funds								
16	NDSU - Practice Wrestling Facility	13,000,000	13,000,000		SIIF	13,000,000		SIIF
16	DSU - Woods Hall Renovation	5,000,000	5,000,000		SIIF	5,000,000		SIIF
16	MISU - Student Center Renovation	3,100,000	3,100,000		SIIF	3,100,000		SIIF

Other sections for Agency Appropriation Bill (in Governor's recommended budget)

16

- Extend carryover authority for unexpended appropriations with the effective dates updated to July 31, 2027 (2023 HB1003, Section 36), and all capital projects authorized in 2023 HB1003, Section 2 & 5.
 - Extend carryover authority for BSC's capital projects authorized during the special Legislative Session in 2023 HB1543, Section 2 & 3.
- Update effective dates to extend to June 30, 2027, to allow the funds to remain at BND yet we still have access versus us drawing all down on 6/30/2025 and negatively affecting BND's reserves. (2023 HB1003, Section 7, 8, and 9)
- Update subsection 1 of section N.D.C.C. 15-10-48 to reflect new allocations for Challenge Grant awards to Institutions (2023 HB1003, Section 24, 25, and 26)
- Adjustment to funding formula rates in 2023 HB1003, Section 31 to included the 2023 target market equity and retirement contributions. (Special Session SB2393, sections 14 & 17)
- Continue to provide NDUS operational authorities, update effective dates for 2023 HB1003, Sections 3, 15, 38, & 29
 - Additional Federal, Private, and Other Fund – Appropriation exemption
 - Campus Capital Projects – Project Management
 - Exemption – Transfer Authority – Transfer between Operating and Capital Asset lines
 - Exemption – Full-Time Equivalent Position Adjustments
- Provide authority language for repayment of any BND borrowed funds for the MaSU Old Main renovation. (2023 HB1003, Section 13)
- Provide the ability to continue to use the obligated federal state fiscal recovery funds for Institutions (2023 HB1003, Section 42)
- Provide bonding language for the DSU (Woods Hall & Agriculture and Tech Education Building/Rodeo Arena), MiSU (Student Center Renovation), and NDSU (University Village & Memorial Union) special funds projects proposed to be paid for by bonds. Similar language can be found in Special Session HB1543 section 3 for BSC's project.
- Transfer Hyperbaric Oxygen Therapy (HBOT) chambers from SMHS to the appropriate hospitals in the State.

**2025-27 Institution Capital Project Requests
Recommended for Inclusion in Budget Request
BFC & SBHE Approved**

Institution	Institution Priority	Project Title	Project Total	Funding Source		Cap Bldg. Funds	Project Type	% PED	% DM	% LS	Amount DM/LS \$
				General Funds	Other Funds						
UND	1	Science, Technology, Engineering, and Math Building	79,500,000	55,640,000	23,860,000		New Construction	N/A	N/A	N/A	N/A
MiSU	1	Academic Building	8,132,000	8,132,000			Renovation	N/A	N/A	N/A	N/A
MaSU	**	Old Main Renovation or Loan Repayment	34,924,814	34,924,814			Major renovation to existing facility.	N/A	N/A	N/A	N/A
MiSU	1	Regional Health Sciences Institute – PHASE ONE	13,000,000	12,350,000	650,000		Lease Purchase Renovation / Other	90%		10%	1,300,000
DSU	1	Education Innovation & Academic Excellence Center	48,500,000	48,500,000	-		Major renovation to existing facility.	45%	25%	30%	48,400,000
DCB	1	Modernizing the Living & Learning Environment for Students	875,000	875,000	-		Demolition	20%	50%	30%	22,600,000
NDSCS	1	Revitalization of Johnson Educational Innovation Center	24,759,730	23,521,744	1,237,987		Major renovation to existing facilities	10%	75%	15%	22,283,757
MaSU	1	Campus Security: Lights, Cameras, and Card Access	1,311,630	1,311,630		-	Major renovation to existing facility.			100%	1,311,630
VCSU	1	McFarland Deferred Maintenance and Energy Project	27,300,000	25,935,000	1,365,000		Renovation		80%	20%	27,300,000
LRSC	1	Campus Infrastructure Repairs/Upgrades	6,087,341	6,087,341			Repairs, new construction, upgrades.		100%		6,087,341
State General Fund Projects			244,390,515	217,277,529	27,112,987	-					129,282,728

Non-General Funded Projects Requested

Institution	Project	Cost	Source of Funding
NDSU	Practice Wrestling Facility	13,000,000	Donations
NDSU	University Village	54,000,000	Self Liquidating Revenue Bond
NDSU	Memorial Union	50,000,000	Self Liquidating Revenue Bond/Donations/Local Funds
NDSU	Van ES Biosafety Lab	8,000,000	Grants/Local Funds
BSC	Remodel for additional Dorm rooms	1,400,000	Tier II/III Funding
DSU	Woods Hall & Agriculture and Tech Education Building/Rodeo Arena	12,500,000	Self Liquidating Revenue Bond
MiSU	Student Center Renovation	3,100,000	Self Liquidating Revenue Bond

Summary of Undesignated Appropriated Reserves as of June 30, 2024

BHE Policy 810.1 (2 a). Undesignated Reserve: Institutions shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7% of the previous fiscal years' actual general fund and net tuition revenue.

Schedules Prepared by the Campuses (September 2024)					
Undesignated Appropriated Reserves as of 6/30/2024					
	Required Amount (5%-7% FY23 GF & Net Tuition Revenue)	Actual Undesignated Approp Reserves 6/30/24	Undesignated Reserve Percentage (Calculated on 6/30/23 GF and Net Tuition Revenue)	Designated Approp Reserves 6/30/24	Total Approp Reserves 6/30/24
BSC	\$1.5 - \$2.1 million	\$2,122,912	7.0%	\$9,136,668	\$11,259,580
LRSC	\$564,500-\$790,400	\$790,365	7.0%	\$1,406,123	\$2,196,488
WSC	\$432,800-\$605,900	\$605,928	7.0%	\$640,077	\$1,246,005
UND	\$10.1 - \$14.1 million	\$10,200,000	5.1%	\$85,857,744	\$96,057,744
SMHS	\$2.7 - \$3.8 million	\$3,808,945	7.0%	\$28,100,090	\$31,909,035
NDSU	\$8.7 - \$12.2 million	\$12,183,079	7.0%	\$40,986,966	\$53,170,045
NDSCS	\$1.3 - \$1.8 million	\$1,824,356	7.0%	\$9,085,741	\$10,910,097
DSU	\$0.9 - \$1.3 million	\$1,286,770	6.9%	\$3,644,265	\$4,931,034
MaSU	\$0.75 - \$1.05 million	\$1,050,039	7.0%	\$5,505,669	\$6,555,708
MiSU	\$1.8 - \$2.5 million	\$2,479,966	7.0%	\$4,309,110	\$6,789,076
CSU	\$0.9 - \$1.3 million	\$1,296,609	7.0%	\$3,682,614	\$4,979,223
CB	\$411,700-\$576,400	\$576,421	7.0%	\$2,377,859	\$2,954,280
		\$38,225,389		\$194,732,926	\$232,958,316

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2013

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the commissioner of
2 university and school lands; and to provide for distributions from permanent funds.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
5 as may be necessary, are appropriated out of any moneys from special funds, to the
6 commissioner of university and school lands for the purpose of defraying the expenses of the
7 commissioner of university and school lands, for the biennium beginning July 1, 2025, and
8 ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
11 Salaries and wages	\$8,005,331	\$1,285,598	\$9,290,929
12 New and vacant FTE pool	0	201,144	201,144
13 Operating expenses	1,763,694	(164,362)	1,599,332
14 Contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
15 Total special funds	\$9,869,025	\$1,322,380	\$11,191,405
16 Full-time equivalent positions	33.00	0.00	33.00

17 **SECTION 2. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
18 commissioner of university and school lands may not spend funds appropriated in the new and
19 vacant FTE pool line item in section 1 of this Act, but may request the office of management and
20 budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages
21 line item in accordance with the guidelines and reporting provisions included in House Bill
22 No. 1015, as approved by the sixty-ninth legislative assembly.

1 **SECTION 3. DISTRIBUTIONS TO STATE INSTITUTIONS.** Pursuant to article IX of the
2 Constitution of North Dakota, the board of university and school lands shall distribute during the
3 biennium beginning July 1, 2025, and ending June 30, 2027, the following amounts, from the
4 permanent funds managed for the benefit of the following entities:

5 Common schools	\$584,677,350
6 North Dakota state university	8,770,000
7 University of North Dakota	6,948,000
8 Youth correctional center	3,136,000
9 School for the deaf	2,388,000
10 North Dakota state college of science	2,570,284
11 State hospital	1,976,284
12 Veterans' home	994,284
13 Valley City state university	1,566,000
14 North Dakota vision services - school for the blind	1,936,284
15 Mayville state university	1,102,000
16 Dakota college at Bottineau	406,284
17 Dickinson state university	406,284
18 Minot state university	<u>406,284</u>
19 Total	\$617,283,338