



## Vice President for Administration & Finance

### **Engrossed House Bill No. 1161**

Senate Appropriations Committee

Education & Environment Division

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Krista Lambrecht

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Chair Sorvaag and members of the committee, thank you for the opportunity to submit testimony in opposition to HB 1161. For the record, my name is Krista Lambrecht, and I serve as the Vice President for Administration and Finance at Minot State University.

Currently, NDUS institutions do not receive funding based on a per-FTE basis but instead on a funding formula based on the completion of scheduled credit hours. This funding is allocated as one amount and is not broken out into salary and operation lines like many other state agencies. The institution determines throughout the biennium how to best use the resources. Institution budgets are complex with numerous funding sources in addition to general fund appropriations including tuition, student fees, grant dollars, and auxiliary revenues (housing, food services, bookstore, etc.).

Flexibility is needed to be able to adjust to the ebbs and flows institutions experience. For any turnover experienced in a full-time benefited position, an analysis is done before refilling the position. Sometimes a decision is made not to refill the position due to known upcoming funding formula decreases the institution needs to prepare for or sometimes a strategic decision is made to reclassify the position to a different department that is experiencing growth. These are just a couple of examples of how institutions evaluate positions to strategically and efficiently best use their available resources.

HB 1161 would require additional reporting on top of significant reporting requirements already in place. In recent years many efforts have been made to reduce "red-tape" and this bill seems to be counterproductive to those initiatives.

In conclusion, I ask that you continue to let the NDUS institutions have the flexibility to manage their budgets without creating additional accounting and reporting requirements responsibilities and therefore ask for a DO NOT PASS recommendation on HB 1161.



Vice President for Administration & Finance