

HIGHER EDUCATION - OVERVIEW

The 2001 Legislative Assembly made the following higher education funding changes for the 2001-03 biennium compared to 1999-2001 legislative appropriations for higher education:

1. Increased **general fund** support by \$32,504,549 or approximately 9.7 percent.
2. Removed \$177,746,228 of **tuition and other income** from the appropriation process (\$159,495,220 was appropriated for the 1999-2001 biennium).
3. Removed \$578,112,820 of **local funds** from the appropriation process (\$523,858,540 was appropriated for the 1999-2001 biennium).

Major items include:

1. The **University System office** salaries and wages, operating, and equipment line items were consolidated into one line item--operations, and the line items for institutions were consolidated into two line items--operations and capital assets.
2. Funding of \$31,567,243 for University System pools including:
 - a. An **equity and special needs pool** of \$4,628,824 for the State Board of Higher Education to allocate to campuses. The funding is for:
 - (1) Critical needs in campus operations.
 - (2) One-time funding for innovation initiatives.
 - (3) Equity salary adjustments.
 - (4) Other equity and special needs.
 - b. A **technology pool** of \$26,938,419 for the State Board of Higher Education to allocate for:
 - (1) University System equipment (\$217,020).
 - (2) Increased system technology and network costs (\$1,200,000).
 - (3) Costs associated with the implementation of the statewide information technology network (\$3,295,474).
 - (4) Costs associated with the operation of the Interactive Video Network (**IVN**), On-line Dakota Information Network (**ODIN**),

and Higher Education Computer Network (**HECN**) (\$22,225,925).

3. Funding of \$4,000,000 for **competitive research** matching funding, which is a \$2,028,900 increase from the previous biennium, \$4,223,031 for **student financial assistance grants**, which is a \$227,250 decrease from the previous biennium, \$1,560,716 for the **professional student exchange program**, which is a \$250,000 increase from the previous biennium, and \$770,730 for the **scholars program**, which is a \$64,500 increase from the previous biennium.
4. Transferred funding of \$1,407,513 for **Prairie Public Broadcasting** from the University System office budget to the Information Technology Department budget.
5. Funding of \$87,001,409 for **capital improvements** including:
 - a. \$6,917,247 for extraordinary repairs.
 - b. \$75,452,720 for capital projects.
 - c. \$4,287,133 for energy improvement projects.
 - d. \$344,309 for capital projects contingency.

Of the \$87,001,409, \$11,402,556 is from the general fund, and \$75,598,853 is from special and federal funds. Please refer to the schedules under the "Capital Construction" section for additional information regarding capital improvements.

6. Funding of \$12,730,841 for **capital construction lease payments**. Of the \$12,730,841, \$11,261,502 is from the general fund, and \$1,469,339 is from special and federal funds. The funding for the capital construction lease payments relates to bonds issued by the North Dakota Building Authority for building projects authorized by the Legislative Assembly. Previously, the general fund appropriation for capital construction lease payments was provided to the Industrial Commission.