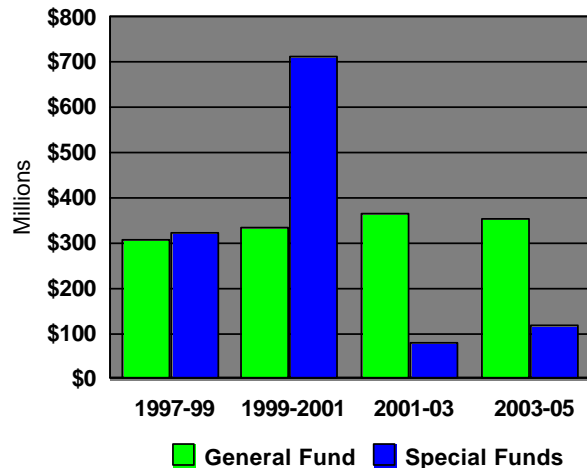


## HIGHER EDUCATION - OVERVIEW

The 2003 Legislative Assembly made the following higher education funding changes for the 2003-05 biennium compared to 2001-03 legislative appropriations for higher education:

1. Decreased **general fund** support by \$5,412,418, or 1.5 percent.
2. Increased support from **special funds** by \$30,179,574, or 37.6 percent, due to increasing major capital projects funded from special funds by \$31 million.
3. Adjusted the authorized number of **FTE positions** from 3,088.55 to 2,400.38 to reflect agency reductions and adjust the number of FTE positions to the level supported by the general fund.

Higher Education Appropriations



Biennium	General Fund	Special Funds	Total
1997-99	\$306,825,098	\$323,595,863	\$630,420,961
1999-2001	\$334,449,287	\$713,538,799	\$1,047,988,086
2001-03	\$366,953,836	\$80,367,201	\$447,321,037
2003-05	\$361,541,418	\$110,546,775	\$472,088,193

The special fund amounts prior to 2001-03 reflect the appropriation of tuition and local funds.

Major items include:

1. Funding of \$25,668,056 for University System pools including:
  - a. A **technology pool** of \$25,089,639 for the State Board of Higher Education to allocate to higher education institutions based on historic funding and the North Dakota University System information technology plan. The funds allocated must be used to support the Higher Education Computer Network, the Interactive Video Network, the On-line Dakota Information Network, and other technology initiatives.
  - b. An **operations pool** of \$578,417 for the State Board of Higher Education to allocate to higher education institutions.
2. Funding of \$4,750,000 from the general fund for **competitive research** matching funding, which is a \$750,000 increase from the previous biennium, and funding of \$1,550,000 from the general fund for **centers for excellence**. Of the \$4,750,000 funding for competitive research, \$100,000 is for a public private partnership for establishment of a design center at the University of North Dakota. Of the \$1,550,000 funding for centers for excellence, \$1,150,000 is for the John D. Odegard Center for Aerospace Science - Center for Excellence in Multimedia Technology and \$400,000 is for future centers for excellence.
3. Funding of \$2,930,215 for **student financial assistance grants**, which is a \$1,292,816 decrease from the previous biennium, \$1,678,300 for the **professional student exchange program**, which is a \$117,584 increase from the previous biennium, and \$816,386 for the **scholars program**, which is a \$45,656 increase from the previous biennium.
4. Funding of \$1,752,767, of which \$296,693 is from the general fund and \$1,456,074 is from the water development trust fund, is provided for **contingency and capital emergency funding**. The funding of \$296,693 from the general fund is to be used for unforeseen operations or capital asset needs and opportunities at higher education institutions. The funding of \$1,456,074 from the water development trust fund is for disaster response costs at the University of North Dakota (\$1,193,146) and North Dakota State University (\$262,928).
5. Funding of \$114,503,281 is provided for **capital improvements**, including:
  - a. \$7,034,247 for campus extraordinary repairs.
  - b. \$105,716,267 for major capital projects.
  - c. \$1,752,767 for contingency and capital emergency funding.

Of the \$114,503,281, \$7,330,940 is from the general fund and \$107,172,341 is from special funds. Please refer to the schedules under the **Capital Construction** section for additional information regarding capital improvements.

6. Funding of \$12,790,689 for capital construction lease payments. Of the \$12,790,689, \$11,448,189 is from the general fund, and \$1,342,500 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.

The schedules on the following pages include information on full-time equivalent student enrollments and tuition rates.