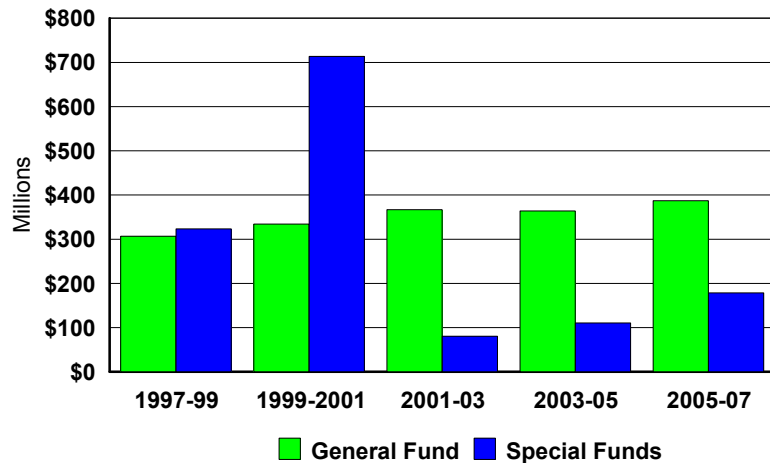


## HIGHER EDUCATION - OVERVIEW

The 2005 Legislative Assembly for the 2005-07 biennium made the following funding changes as compared to the 2003-05 legislative appropriations for higher education:

1. Increased **general fund** spending by \$23,127,955, or 6.4 percent.
2. Increased spending from **special funds** by \$68,005,333, or 61.5 percent, due to increasing major capital projects funded from special funds by \$67.8 million.
3. Reduced the authorized number of **FTE positions** from 2,400.38 to 2,194.42 to reflect agency reductions and to 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	\$364,029,938	\$110,546,775	\$474,576,713
2005-07	\$387,157,893	\$178,552,108	\$565,710,001

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

Major items include:

1. Funding of \$22,951,652 for University System pools including:
  - a. A **common information services pool** of \$20,563,093 for the State Board of Higher Education to allocate to higher education institutions based on the North Dakota University System information technology plan and technology priorities. 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 related technology initiatives.
  - b. An **operations pool** of \$388,559 for system priorities as determined by the State Board of Higher Education.
  - c. An **equity pool** of \$2 million to address equity at higher education institutions and other campus needs as determined by the State Board of Higher Education. The State Board of Higher Education may not select a formula for distributing the equity funding until January 1, 2006.
2. Funding of \$5,190,000 from the general fund for the **competitive research** program, a \$440,000 increase from the 2003-05 biennium.
3. Funding of \$1,885,000 from the general fund for **board initiatives**, a \$1,418,858 increase from the previous biennium. Of the \$1,885,000, \$200,000 is for a grant to the space grant consortium. The remainder of the funding may be used to support University System and statewide goals linked to the State Board of Higher Education strategic plan and the Higher Education Roundtable report. The State Board of Higher Education is to consider using a substantial amount of funding for an international student initiative.
4. Funding of \$3,504,402 for **student financial assistance grants**, a \$574,187 increase from the previous biennium, \$1,864,780 for the **professional student exchange program**, a \$186,480 increase from the previous biennium, and \$862,077 for the **scholars program**, a \$45,709 increase from the previous biennium.
5. Funding of \$436,923 from the general fund for **contingency and capital emergency funding**. The funding must be used to meet unforeseen operations or capital asset needs and opportunities as determined by the State Board of Higher Education.

6. Funding of \$183,107,183 is provided for **capital improvements**, including:
- a. \$7,034,054 for campus extraordinary repairs.
  - b. \$2,331,554 for energy improvement projects.
  - c. \$173,304,652 for major capital projects.
  - d. \$436,923 for contingency and capital emergency funding.

Of the \$183,107,183, \$8,129,852 is from the general fund and \$174,977,331 is from special funds. Please refer to the schedules

under the **Capital Construction** section for additional information regarding capital improvements.

7. Funding of \$14,278,141 for capital construction lease payments. Of the \$14,278,141, \$12,998,391 is from the general fund, and \$1,279,750 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 higher education building projects authorized by the Legislative Assembly.

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