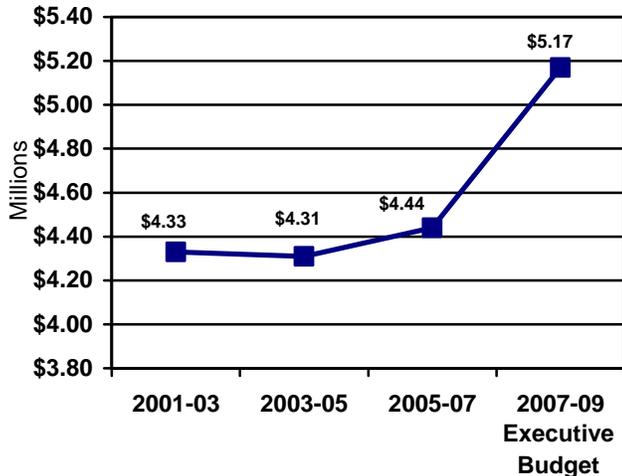


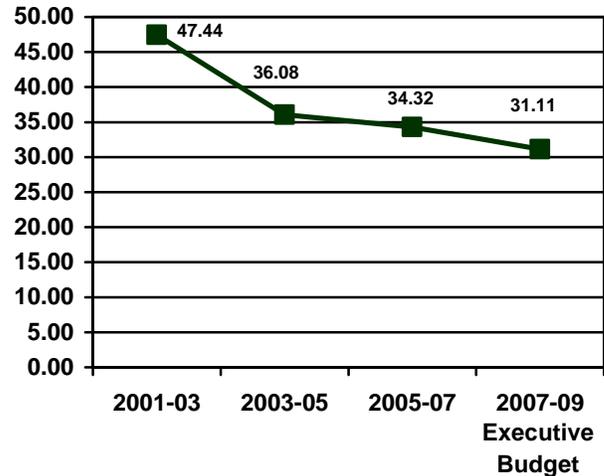
**Department 243 - Minot State University - Bottineau
 House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	31.11	\$5,169,274	\$12,905	\$5,182,179
2005-07 Legislative Appropriations	<u>34.32</u>	<u>4,444,185</u>	<u>6,000,000</u>	<u>10,444,185</u>
Increase (Decrease)	(3.21)	\$725,089	(\$5,987,095)	(\$5,262,006)

Agency Funding - General Fund



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides parity funding of \$398,275 for the following:			
Costs to continue fiscal year 2007 legislatively funded salary increases	\$46,865		\$46,865
5 percent per year salary increases	217,811		217,811
10 percent per year health insurance increases	110,368		110,368
2.4 percent per year operating inflation	<u>23,231</u>		<u>23,231</u>
Total (The executive recommendation only includes approximately 94 percent of the total general fund portion of parity costs of \$424,423. Operating inflation of \$26,148 is not included in the executive recommendation. An annual tuition increase of 7.1 percent would be needed to fund the remaining general fund portion of \$26,148 and to fund the student portion of parity costs of \$141,474.)	\$398,275		\$398,275
2. Provides equity funding of \$38,742. (The executive recommendation includes a \$10 million increase for equity distributed among the 11 higher education institutions. The amount distributed to each institution was determined by considering both the institution's dollar difference from their peer benchmark as well as a greater weighting factor to those institutions that are the furthest behind their peer benchmark.)	\$38,742		\$38,742
3. Provides funding for extraordinary repairs of \$158,702 equal to the 2005-07 base funding of \$109,725 plus a proportionate share, \$48,977, of the \$10 million increase that is included in the executive recommendation. (The additional funding of \$48,977 is identified as one-time funding in the executive budget.)	\$48,977		\$48,977

4. Removes major capital project funding provided in the 2005-07 biennium including \$3.5 million from special funds for an entrepreneurial center for horticulture and \$2.5 million from state bond proceeds for an addition to Thatcher Hall		(\$6,000,000)	(\$6,000,000)
5. Provides funding for a major capital project--steamline replacement--for the 2007-09 biennium	\$239,095	\$12,905	\$252,000

Other Sections in Bill

Transfer authority - Section 12 provides that the State Board of Higher Education may transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines that additional funds are needed for capital projects or extraordinary repairs.

FTE positions - Section 13 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Continuing Appropriations

Special revenue funds - NDCC Section 15-10-12 - Provides the continuing appropriation authority for higher education institutions' special revenue funds, including tuition, through June 30, 2007.

Major Related Legislation

House Bill Nos. 1030, 1031, and 1032 - These bills provide for the continuation of the following statutory provisions through June 30, 2009:

- The continuing appropriation authority for higher education institutions' special revenue funds, including tuition.
- The requirement that the budget request for the North Dakota University System include budget estimates for block grants for a base funding component and for an initiative funding component and a budget estimate for an asset funding component and the requirement that the appropriation for the University System include block grants for a base funding appropriation and for an initiative funding appropriation and an appropriation for asset funding.
- The North Dakota University System's authority to carry over at the end of the biennium unspent general fund appropriations.