

**Valley City State University
Budget No. 242
Senate Bill No. 2003**

	FTE Positions	General Fund	Other Funds	Total
2009-11 executive budget (bills as introduced)	86.86	\$17,572,585	\$18,500,000	\$36,072,585
2009-11 legislative appropriations	86.86	18,931,338	18,500,000	37,431,338
Legislative increase (decrease) to executive budget	0.00	\$1,358,753	\$0	\$1,358,753
Legislative increase (decrease) to 2007-09 appropriations	8.71	\$4,784,966	\$16,300,000	\$21,084,966

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2007-09 legislative appropriations	\$13,608,553	\$537,819	\$14,146,372
2009-11 legislative appropriations	16,626,417	2,304,921	18,931,338
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$3,017,864	\$1,767,102	\$4,784,966
Percentage increase (decrease) to 2007-09 appropriations	22.2%	328.6%	33.8%
2009-11 legislative increase (decrease) to executive budget	\$1,358,753	\$0	\$1,358,753
Percentage increase (decrease) to executive budget	8.9%	0.0%	7.7%

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The North Dakota University System budget request included funding for parity to provide for inflationary costs, including the general fund share of salary and health insurance increases. This method of funding these costs was not changed by the executive budget or the Legislative Assembly.

	Major Items			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Removed funding added in the executive budget for campus security and emergency preparedness		(\$50,000)		(\$50,000)
Added funding to limit tuition increases		176,888		176,888
Adjusted the distribution of campus equity payments included in the executive budget		114,865		114,865
Added funding to support strategic campus goals, offset enrollment impacts, and address other campus needs, including capital needs		800,000		800,000

Added funding for flood-related expenditures	317,000	317,000
Total	0.00	\$1,358,753
	\$0	\$1,358,753

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 86.86 FTE positions, an increase of 8.71 FTE positions from the authorized number of FTE positions for the 2007-09 biennium. The increase in FTE positions reflects the adjustment in the number of FTE positions to the level supported by the general fund. Pursuant to Section 20 of Senate Bill No. 2003, the State Board of Higher Education is authorized to adjust FTE positions as needed for institutions of higher education. Any FTE adjustment must be reported to the Office of Management and Budget prior to the submission of the 2011-13 budget request.

One-Time Funding

In Section 7 of Senate Bill No. 2003, the Legislative Assembly identified \$59,233,248 from the general fund and \$10,400,000 from the permanent oil tax trust fund for one-time funding items for the University System. Of this amount, \$1,000,000 from the general fund is for the development of a campus master plan at Valley City State University and \$1,304,921 from the general fund is for deferred maintenance at Valley City State University. This amount is not to be considered part of the agency's base budget for preparing the 2011-13 executive budget and Valley City State University is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

Other Income

The Legislative Assembly approved the executive recommendation, as provided in Section 16 of Senate Bill No. 2003 and Section 1 of Senate Bill No. 2038, to appropriate on a continuing basis (through June 30, 2011) all other funds, including tuition income, received by the institutions of higher education during the 2009-11 biennium. Consequently, the legislative appropriation for Valley City State University does not include a specific appropriation of other funds, except for capital projects.

Tuition Increases

The Legislative Assembly provided a total of \$8,215,467 from the general fund to higher education institutions to limit annual tuition increases to 4 percent at four-year campuses and provided for no tuition increases at two-year campuses for the 2009-11 biennium. Of this amount, Valley City State University received \$176,888. Section 30 of Senate Bill No. 2003 provided that an institution may not increase tuition by more than 4 percent annually without Budget Section approval.

Campus Marketing and Student Retention

Section 25 of Senate Bill No. 2003 provides that \$200,000 of the University System office unspent 2007-09 general fund appropriation be used for marketing and student retention at Valley City State University.

Equity Funding

The Legislative Assembly did not change the executive budget recommendation to provide a total of \$10 million from the general fund to higher education institutions for equity payments. Of this amount, the Legislative Assembly appropriated \$250,000 to Valley City State University, an increase of \$114,865 from the executive budget recommendation of \$135,135.

Extraordinary Repairs

The Legislative Assembly did not change the executive recommendation to provide funding of \$1,563,337 from the general fund for extraordinary repairs, an increase of \$767,102 from the 2007-09 biennium legislative appropriation of \$796,235. Of the \$1,563,337, \$258,416 is considered base funding and \$1,304,921 is considered one-time funding.

Capital Projects

The Legislative Assembly did not change the executive recommendation to provide \$1 million from the general fund for the development of a master capital plan and other campus repairs, \$15 million of special funds spending authority for the W. E. Osmon Fieldhouse project, and \$3.5 million of special funds spending authority resulting from the issuance of revenue bonds for the Snoeyenbos Residence Hall renovation project.