

**Department 243 - Dakota College at Bottineau
 House Bill No. 1003**

Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	48.96	\$11,621,122	\$10,648,194	\$22,269,316
2013-15 Legislative Appropriations ^{1,2}	36.12	9,179,870	7,600,789	16,780,659
Increase (Decrease)	12.84	\$2,441,252	\$3,047,405	\$5,488,657

¹The number of FTE positions for the 2013-15 biennium does not reflect an adjustment of 10.84 positions, from 36.12 to 46.96, pursuant to Section 36 of 2013 Senate Bill No. 2003 which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds for institutions and entities under its control.

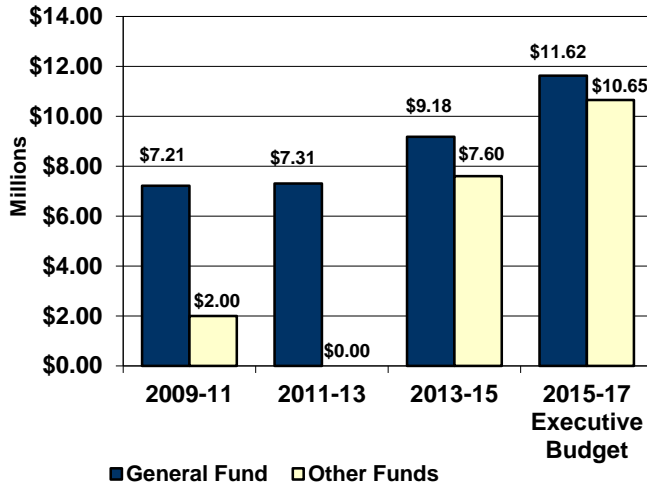
²The 2013-15 appropriation amounts do not include the following general fund allocations to the institution from one-time funding pools and one-time program funding appropriated to the North Dakota University System office:

- Deferred maintenance funding pool allocations of \$281,933.
- Capital projects contingency funding pool allocations of \$16,675.
- Grants received from the higher education challenge fund.

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$10,045,001	\$1,576,121	\$11,621,122
2013-15 Legislative Appropriations	8,006,050	1,173,820	9,179,870
Increase (Decrease)	\$2,038,951	\$402,301	\$2,441,252

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$11,621,122	\$10,648,194	\$22,269,316
2015-17 Base Level	8,006,050	0	8,006,050
Increase (Decrease)	\$3,615,072	\$10,648,194	\$14,263,266

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding increases through the higher education funding formula for the following components:			
• Formula adjustment to reflect an increase in completed student credit-hours	\$393,883	\$0	\$393,883
• Inflation adjustment for salary, benefit, and utility increases	599,767	0	599,767

• Equity adjustment to increase the level of institution credit-hour funding to the average of the highest two institutions within its tier	462,481	0	462,481
Total	\$1,456,131	\$0	\$1,456,131
2. Adds ongoing funding and 2 FTE positions for campus security	\$337,000	\$0	\$337,000
3. Adds funding to freeze tuition at two-year institutions during the 2015-17 biennium	\$197,133	\$0	\$197,133
4. Removes funding for internal audit assessments paid to the University System office. (Funding is added to the University System office for internal audit functions.)	(\$3,562)	\$0	(\$3,562)
5. Transfers funding for predictive analytics and document imaging to the University System office	(\$4,806)	\$0	(\$4,806)
6. Increases funding for base extraordinary repairs to provide total funding of \$171,062	\$57,055	\$0	\$57,055
7. Adds one-time funding to pay off outstanding special assessments	\$28,457	\$0	\$28,457
8. Adds one-time funding for campus security projects	\$448,875	\$0	\$448,875
9. Adds one-time funding for the following capital projects:			
• Nelson Science Center renovation	\$1,098,789	\$0	\$1,098,789
• Dormitory updates and remodeling	0	3,784,076	3,784,076
• Allied Health and Wellness Center	0	6,864,118	6,864,118
Total	\$1,098,789	\$10,648,194	\$11,746,983

Other Sections in Bill

Carryover authority - Section 7 continues the authorization through July 31, 2017, for institutions under the control of the State Board of Higher Education to carry over unexpended appropriations at the end of a biennium.

Transfer authority - Section 15 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 17 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 - Section 14 appropriates federal, private, and local funds received by institutions, including tuition revenue, during the 2015-17 biennium.

Significant Audit Findings

The State Auditor's office identified the following significant audit findings:

- The Dakota College at Bottineau Foundation received a qualified audit report;
- Controls surrounding noncash credit adjustments and student refunds are inadequate;
- Control procedures surrounding the awarding of waivers are not adequate;
- Proper controls have not been established for student residency determinations and subsequent changes to student residency status;
- Proper controls have not been developed surrounding student enrollment; and
- The Integrated Postsecondary Education Data System (IPEDS) report submitted to the federal government had enrollment information errors.

Major Related Legislation

House Bill No. 1043 - Prohibits increases in tuition rates at two-year institutions under the control of the State Board of Higher Education and provides \$2.5 million from the general fund to the State Board of Higher Education to offset any financial impact resulting from the prohibition on tuition rate increases.

House Bill No. 1233 - Tuition Increase Prohibited - Prohibits tuition rate increases at all University System institutions during the 2015-17 biennium and provides a \$29.7 million general fund appropriation to the State Board of Higher Education to offset the financial impact of not allowing tuition rate increases.