Department 241 - Minot State University
Senate Bill No. 2003

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget[1,2]	441.65	$42,400,182	$62,255,966	$104,656,148
2015-17 Adjusted Legislative Appropriations[3,4]	204.10	45,958,789	0	45,958,789
Increase (Decrease)	237.55	($3,558,607)	$62,255,966	$58,697,359

[1]The 2017-19 biennium executive budget recommendation for higher education FTE employees reflects a reporting change. See the **FTE Positions** section below for additional information.

[2]The 2017-19 biennium executive budget recommendation includes the appropriation of certain special funds which were not specifically appropriated in previous bienniums. See the **Special Funds Appropriations** section below for additional information.

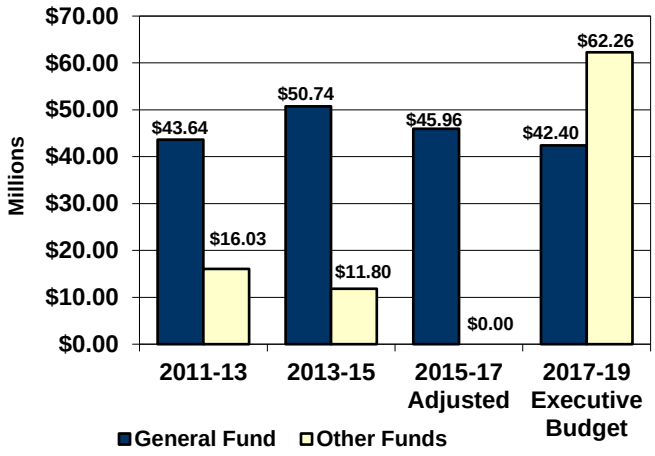
[3]The 2015-17 biennium institution appropriations amounts reflect general fund budget reductions made in August 2016.

[4]The 2015-17 biennium institution appropriations amounts reflect transfers to North Dakota University System institutions from the campus security funding pool, but exclude transfers from the deferred maintenance funding pool.

Ongoing and One-Time General Fund Appropriations

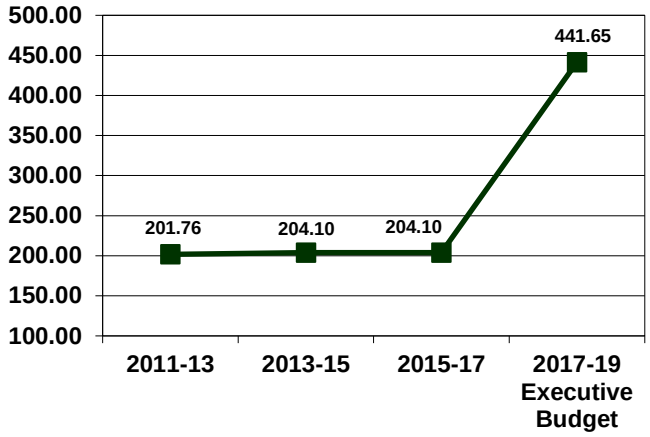
	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	$42,400,182	$0	$42,400,182
2015-17 Adjusted Legislative Appropriations	45,536,886	421,903	45,958,789
Increase (Decrease)	($3,136,704)	($421,903)	($3,558,607)

Agency Funding



NOTE: The 2017-19 biennium executive budget recommendation includes the appropriation of certain special funds. See the **Special Funds Appropriations** section below for additional information.

FTE Positions



NOTE: The 2017-19 biennium executive budget recommendation includes a change in reporting methods for University System FTE positions. See the **FTE Positions** section below for additional information.

Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	$42,400,182	$62,255,966	$104,656,148
2017-19 Base Level	45,536,886	0	45,536,886
Increase (Decrease)	($3,136,704)	$62,255,966	$59,119,262

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Dalrymple and Burgum Executive Budget Highlights (With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding adjustments through the higher education funding formula as follows:			
• Reduces funding for institution operations. (This is in addition to the August 2016 general fund budget reduction of	($4,109,654)	$0	($4,109,654)

$3,221,295 for institution operations.) (The Burgum budget further reduced funding for institution operations.)			
• Adjusts funding to reflect changes in completed student credit-hours	282,587	0	282,587
• Adds funding for inflationary increases, including employee compensation and benefit adjustments. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) **The Senate removed funding for the salary increases.**	690,363	0	690,363
Total	($3,136,704)	$0	($3,136,704)

FTE Positions

The 2017-19 biennium executive budget recommendation includes authorization of all FTE positions for institutions and entities under the control of the State Board of Higher Education, including positions supported by special funds. Previously, only FTE positions supported by the general fund were authorized.

Special Funds Appropriations

The 2017-19 biennium executive budget recommendation includes appropriation authority of all special funds received by the University System office and institutions. Previously, special funds appropriations for the University System office and institutions were provided only for certain items, such as capital projects.

Other Sections in Senate Bill No. 2003

Carryover authority - Section 4 continues the authorization through July 31, 2019, for institutions under the control of the State Board of Higher Education to carry over unexpended appropriations at the end of a biennium.

Additional funds appropriation authority - Section 5 appropriates any additional special funds received by entities under the control of the State Board of Higher Education to the respective entities.

Project management oversight - Section 6 requires capital projects authorized by the State Board of Higher Education to have adequate project oversight by an institution official or representative of an external entity.

Transfer authority - Section 8 provides that the State Board of Higher Education may transfer funds between an institution's operations and capital assets line items.

FTE positions - Section 9 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.

Tuition rate increase limit - Section 14 limits resident tuition rate increases to 3 percent per year during the 2017-19 biennium except for programs under the UND School of Medicine and Health Sciences, UND School of Law, and NDSU College of Pharmacy. The section authorizes the State Board of Higher Education to increase resident tuition rates by an additional 1 percent per year if the funding is matched $2 to $1 by an institution and used for deferred maintenance and other capital needs.

Extraordinary repairs matching funds - Section 15 requires institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding.

Employee reductions - Section 17 provides legislative intent that if an institution reduces FTE positions, any reductions are to be applied among all classifications of employees with emphasis on senior administrator positions. The section also requires reports to the Legislative Management regarding employee reductions, including whether any employees in an administrative position have been transferred to a different position at an institution.

Additional Funds Appropriation Authority

Additional special funds received - Section 5 of Senate Bill No. 2003 appropriates any additional federal, private, and other local funds received by entities under the control of the State Board of Higher Education, including tuition revenue, to the respective entities during the 2017-19 biennium.

Significant Audit Findings

There were no significant audit findings for this institution.

Major Related Legislation

House Bill No. 1030 - Legislative approval of campus improvements - Increases the minimum cost of higher education campus improvements that require the consent of the Legislative Assembly or the Budget Section from $385,000 to $700,000 and removes the authority of the Budget Section to approve the construction of any new building or any addition to a building under the control of the State Board of Higher Education.

Senate Bill No. 2013 - Permanent funds distributions - Provides distributions to University System institutions from permanent funds established for the benefit of the institutions.

Senate Bill No. 2242 - Minot State University capital projects - Appropriates $2,284,000 of special fund authority to Minot State University for the Gordon B. Olson Library art center project ($1,400,000), Herb Parker Stadium air-supported seasonal dome project ($634,000), and completion of the facilities building project ($250,000).

North Dakota University System Institutions
Senate Bill No. 2003
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	2,297.00	$566,966,411	$0	$566,966,411	2,297.00	$566,966,411	$0	$566,966,411
2017-19 Ongoing Funding Changes								
Operating reduction to 85 percent (net of August 2016 budget reductions)		($45,331,500)		($45,331,500)		($45,331,500)		($45,331,500)
Operating reduction to 80 percent		***(31,438,514)***		***(31,438,514)***		(31,438,514)		(31,438,514)
Student credit-hour completion adjustment		11,889,022		11,889,022		11,889,022		11,889,022
Hold-harmless provision		***2,432,723***		***2,432,723***		2,309,626		2,309,626
Salary increase				***0***				0
Health insurance increase		5,698,261	12,999,463	18,697,724		5,711,443	13,192,760	18,904,203
Employee portion of health insurance		***(3,093,242)***	***(6,809,866)***	***(9,903,108)***				0
Special funds appropriations and FTE positions reporting change	4,294.36		1,803,054,657	1,803,054,657	4,294.36		1,803,054,657	1,803,054,657
UND School of Medicine residency positions (student loan trust fund)				0			15,200,000	15,200,000
Total ongoing funding changes	4,294.36	($59,843,250)	$1,809,244,254	$1,749,401,004	4,294.36	($56,859,923)	$1,831,447,417	$1,774,587,494
One-time funding items								
VCSU fine arts building (strategic investment and improvements fund)			***$0***	***$0***				$0
NDSU new residence hall			39,505,000	39,505,000			39,505,000	39,505,000
NDSU University Village replacement			10,000,000	10,000,000			10,000,000	10,000,000
UND Chester Fritz Library project			21,000,000	21,000,000			21,000,000	21,000,000
UND Gamble Hall renovation			70,000,000	70,000,000			70,000,000	70,000,000
Total one-time funding changes	0.00	$0	$140,505,000	$140,505,000	0.00	$0	$140,505,000	$140,505,000
Total Changes to Base Level Funding	4,294.36	($59,843,250)	$1,949,749,254	$1,889,906,004	4,294.36	($56,859,923)	$1,971,952,417	$1,915,092,494
2017-19 Total Funding	6,591.36	$507,123,161	$1,949,749,254	$2,456,872,415	6,591.36	$510,106,488	$1,971,952,417	$2,482,058,905

North Dakota University System Institutions

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments

(As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	$614,453,986	$125,484,018	$739,938,004
General fund reductions	(47,487,575)	(978,362)	(48,465,937)
Adjusted 2015-17 appropriations	$566,966,411	$124,505,656	$691,472,067
Dalrymple Executive Budget changes	(23,572,898)	(124,505,656)	(148,078,554)
2017-19 Dalrymple Executive Budget	$543,393,513	$0	$543,393,513

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Reduced funding for institution operations	($47,487,575)	$0	($47,487,575)
Reduced funding for capital projects and one-time items	0	(978,362)	(978,362)
Total reductions	($47,487,575)	($978,362)	($48,465,937)
Percentage reduction to ongoing and one-time general fund appropriations	(7.73%)	(0.78%)	(6.55%)

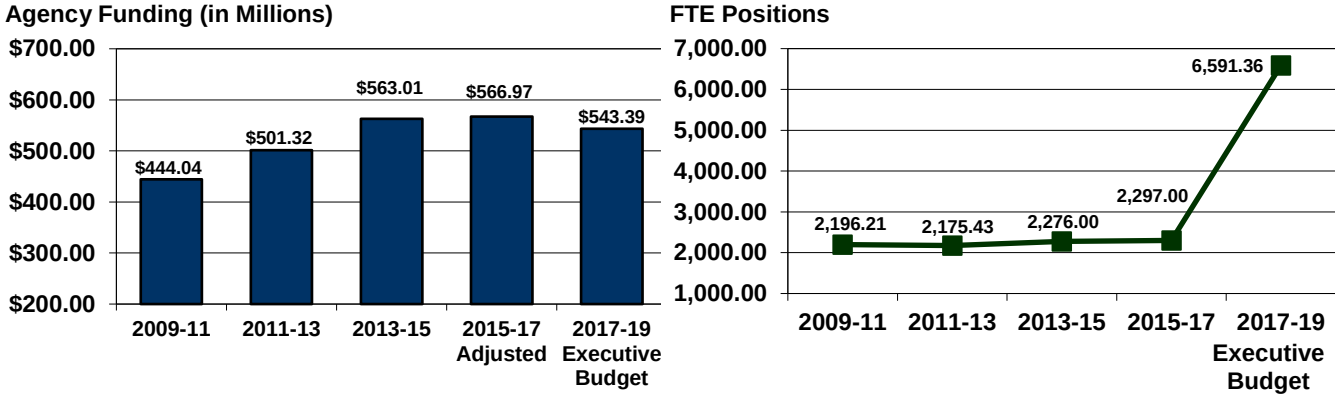
2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Reduces funding for institution operations	($92,819,075)	$47,487,575	($45,331,500)
Adjusts funding for changes in completed student credits	11,889,022	0	11,889,022
Provides funding to limit funding reductions through the funding formula (hold-harmless provision)	2,398,619	0	2,398,619
Adds funding for inflationary increases including employee compensation and benefit adjustments	7,470,961	0	7,470,961
Total	($71,060,473)	$47,487,575	($23,572,898)

North Dakota University System Institutions

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	$444,044,023	$501,323,720	$563,008,934	$566,966,411	$543,393,513
Increase (decrease) from previous biennium	N/A	$57,279,697	$61,685,214	$3,957,477	($23,572,898)
Percentage increase (decrease) from previous biennium	N/A	12.9%	12.3%	0.7%	(4.2%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	12.9%	26.8%	27.7%	22.4%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Provided funding for salary increases, health insurance increases, retirement contribution increases, and utility cost increases — $35,000,000
2. Provided funding for campus equity and student affordability initiatives — $15,240,000

2013-15 Biennium

1. Provided funding for campus equalization payments — $16,526,024
2. Provided funding for salary increases, health insurance increases, retirement contribution increases, and utility cost increases — $39,475,866

2015-17 Biennium (Original Amounts)

1. Provided funding base credit rate adjustments for inflation. (This item was affected by the August 2016 budget reductions.) — $13,583,565
2. Provided funding for base funding formula adjustments including campus equalization adjustments. (This item was affected by the August 2016 budget reductions.) — $40,201,487

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

1. Reduces funding for institution operations. (The Burgum budget further reduced funding for institution operations.) — ($45,331,494)
2. Adjusts funding for changes in completed student credits — $11,889,020
3. Provides funding to limit funding reductions through the funding formula (hold-harmless provision) — $2,398,619
4. Adds funding for inflationary increases including employee compensation and benefit adjustments. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) **The Senate removed funding for the salary increases.** — $7,470,957