

**North Dakota State College of Science
Budget No. 238
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2019-21 legislative appropriation	310.73	\$36,542,022	\$61,197,158	\$97,739,180
2017-19 legislative appropriation	<u>345.04</u>	<u>35,241,463</u>	<u>57,605,613</u>	<u>92,847,076</u>
2019-21 appropriation increase (decrease) to 2017-19 appropriation	(34.31)	\$1,300,559	\$3,591,545	\$4,892,104

Item Description

Enrollment - At the end of the 2019 regular legislative session, the North Dakota State College of Science (NDSCS) FTE student enrollment projection for the 2019-21 biennium was 2,084 for the fall 2019 semester and 2,126 for the fall 2020 semester.

Tuition collections - In the 2019-20 fiscal year budget approved by the State Board of Higher Education, tuition revenue for NDSCS for the 2019-20 fiscal year was estimated to be \$8.8 million.

Higher education challenge matching grant program - In Section 1 of House Bill No. 1003, the Legislative Assembly appropriated \$9.4 million from the general fund to the University System office for the higher education challenge matching grant program. The North Dakota State College of Science may be awarded up to \$950,000 under the program.

Extraordinary repairs - The Legislative Assembly, in House Bill No. 1003, appropriated \$1,012,379 from the general fund to NDSCS for extraordinary repairs. The funding is considered Tier I of the new capital building fund program, but is included in the institution's capital assets line item. Pursuant to Senate Bill No. 2015 (2019), an institution may transfer funding from its capital assets line item to its operations line item after it has matched and committed 75 percent of the funding appropriated from the general fund for extraordinary repairs.

Capital building fund - In addition to appropriating funding for specific capital projects, the 2019 Legislative Assembly established a capital building fund program for the 2019-21 biennium. The Legislative Assembly appropriated \$10 million from Bank of North Dakota profits as Tier II funding under the capital building fund program. The Tier II funding is appropriated directly to each institution and must be matched by the institutions with \$1 from operations or other sources for each \$1 from Bank of North Dakota profits. The Legislative Assembly appropriated \$9 million, including \$7 million from Bank profits and \$2 million from the general fund, as Tier III funding under the capital building fund program. The Tier III funding is appropriated to the University

Status/Result

The actual fall 2019 semester FTE enrollment was 2,076, 8 less than projected and 50 less than the fall 2018 semester.

The North Dakota State College of Science is implementing annual tuition increases of 3 percent during the 2019-21 biennium. The current estimate for tuition collections for the 2019-20 fiscal year is \$8.6 million, approximately \$200,000 less than projected.

The NDSCS Foundation has received \$254,500 in grant funding through the program.

Through April 30, 2020, NDSCS has matched and committed approximately \$335,000 of the funding appropriated in Tier I and does not intend to transfer any Tier I funding to its operations line item.

The North Dakota State College of Science plans to use some funding from Tier II of the capital building fund program during the 2019-21 biennium if the institution is able to secure the necessary matching funds. The institution does not anticipate using funding from Tier III of the capital building fund program during the 2019-21 biennium. The North Dakota State College of Science does not anticipate beginning construction on the \$6.7 million Hektner Student Center project during the 2019-21 biennium.

System office, to be allocated to the institutions as matching funds are committed and must be matched by the institutions with \$2 from operations or other sources for each \$1 appropriated as Tier III funding. After an institution has matched 75 percent of the funding appropriated from the general fund as Tier I for institution extraordinary repairs and subject to State Board of Higher Education approval, each institution may use money from Tier II and Tier III of its capital building fund for extraordinary repairs and deferred maintenance projects that do not exceed \$700,000 and do not increase the square footage of a building.

The North Dakota State College of Science was appropriated \$500,695 from Bank of North Dakota profits in Tier II and was allocated \$500,000 from Tier III under the capital building fund program. The Legislative Assembly appropriated \$6,708,000 from the NDSCS capital building fund or other funds for the Hektner Student Center project.