

Dickinson State University
 Budget No. 239
 House Bill No. 1003 and Senate Bill No. 2297

	FTE Positions	General Fund	Other Funds	Total
2019-21 legislative appropriations	213.26	\$18,593,063	\$35,114,733	\$53,707,796
2019-21 base budget	168.90	17,806,843	29,737,827	47,544,670
Legislative increase (decrease) to base budget	44.36	\$786,220	\$5,376,906	\$6,163,126

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 legislative appropriations	\$18,393,063	\$200,000	\$18,593,063
2017-19 legislative appropriations	17,806,843	8,834,626 ¹	26,641,469 ¹
2019-21 legislative increase (decrease) to 2017-19 appropriations	\$586,220	(\$8,634,626)	(\$8,048,406)
Percentage increase (decrease) to 2017-19 appropriations	3.3%	(97.7%)	(30.2%)

¹The 2017-19 biennium general fund appropriations reflect a 2017-19 biennium supplemental appropriation of \$550,000 made in House Bill No. 1003. See the **Supplemental Appropriation** section below for additional information.

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS
Changes to Base Budget

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours.		(\$228,509)		(\$228,509)
Added funding through the higher education funding formula to provide for employee salary and health insurance premium rate increases.		814,729		814,729
Added special funds to provide funding for employee salary and health insurance premium rate increases.			\$869,087	869,087
Adjusted other funds due to changes in institution estimates.			(29,905)	(29,905)
Added one-time funding from Bank of North Dakota profits and institution \$1-to-\$1 matching funds for Tier II of the capital building fund program.			537,724	537,724

Added one-time funding for the digitization of documents at the Theodore Roosevelt Center.	200,000		200,000
Added one-time funding from appropriation bond proceeds for the Pulver Hall project. (Senate Bill No. 2297)		4,000,000	4,000,000
Adjusted FTE positions.	<u>44.36</u>		
Total	<u>44.36</u>	<u>\$786,220</u>	<u>\$5,376,906</u>

FTE Changes

The Legislative Assembly authorized 213.26 FTE positions for Dickinson State University (DSU) for the 2019-21 biennium, an increase of 44.36 FTE positions from the number authorized by the 2017 Legislative Assembly. The 44.36 FTE positions were added pursuant to Section 21 of Senate Bill No. 2003 (2017), which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 24 of House Bill No. 1003 (2019) continues the authorization of the board to adjust positions at institutions under its control during the 2019-21 biennium.

One-Time Funding

The Legislative Assembly appropriated \$4,737,724 of one-time funding to DSU for the 2019-21 biennium. The appropriation includes \$4,000,000 from appropriation bond proceeds for the Pulver Hall project, \$200,000 from the general fund for the digitization of documents at the Theodore Roosevelt Center, and \$268,862 from Bank of North Dakota profits and \$268,862 from institution matching funds relating to the capital building fund program.

Capital Building Fund Program

The Legislative Assembly appropriated \$29 million for institution capital building funds for the 2019-21 biennium. The appropriation includes \$10 million from Bank of North Dakota profits and \$10 million from institution \$1-to-\$1 matching funds appropriated directly to each institution for Tier II of the capital building fund program. The appropriation also includes \$7 million from Bank of North Dakota profits and \$2 million from the general fund appropriated to the North Dakota University System office to be allocated to the institutions for Tier III of the capital building fund program once \$2 of matching funds have been secured for each \$1 from the state. Institutions may use their capital building funds for legislatively authorized capital projects and for extraordinary repairs and deferred maintenance projects which do not exceed \$700,000 and do not increase the square footage of a building.

Capital Projects

The Legislative Assembly appropriated \$4 million from appropriation bond proceeds for the Pulver Hall project at DSU.

Supplemental Appropriation

Section 4 of House Bill No. 1003 provides a supplemental appropriation of \$550,000 from the general fund to DSU for the digitization of documents at the Theodore Roosevelt Center.

Theodore Roosevelt Center and Theodore Roosevelt Presidential Library

A history of funding appropriated by the Legislative Assembly for the Theodore Roosevelt Presidential Library and Theodore Roosevelt Center is as follows:

- The 2007 Legislative Assembly provided \$150,000 of one-time startup funding from the general fund in House Bill No. 1003 for establishing a Theodore Roosevelt Center.
- The 2009 Legislative Assembly provided \$750,000 from the general fund in Senate Bill No. 2003 for the Theodore Roosevelt Center.
- The 2011 Legislative Assembly provided \$750,000 of one-time funding from the general fund in House Bill No. 1003 for the digitization of documents relating to the Theodore Roosevelt Center.
- The 2013 Legislative Assembly provided \$800,000 of one-time funding from the general fund in Senate Bill No. 2003 for operations of the Theodore Roosevelt Center. Of this amount, \$200,000 could be used for the planning and design of a facility to house the Theodore Roosevelt Presidential Library.

Separately, \$6 million was appropriated from the general fund in Senate Bill No. 2018 for the construction of a Theodore Roosevelt Presidential Library. The \$6 million could not be used until \$3 million of matching funds from nonstate sources was raised for the project. An additional \$6 million from the general fund was appropriated in Senate Bill No. 2003 for the Theodore Roosevelt Presidential Library. The \$6 million appropriated in Senate Bill No. 2003 also could not be used until \$3 million in matching funds was raised for the project.

- The 2015 Legislative Assembly provided \$800,000 of one-time funding from the general fund in House Bill No. 1003 for document digitization and operations of the Theodore Roosevelt Center.
- The 2017 Legislative Assembly authorized the State Board of Higher Education, in Section 24 of Senate Bill No. 2003, to continue unexpended 2013-15 biennium appropriations for the Theodore Roosevelt Presidential Library project into the 2017-19 biennium. The 2017 Legislative Assembly stipulated:

Of the unexpended appropriations identified in Section 24, up to \$750,000 may be used for the operations of the Theodore Roosevelt Presidential Library.

The Director of the Office of Management and Budget shall cancel any appropriation authority continued under this section on December 31, 2018, unless DSU has certified to the Director that construction commenced on the presidential library building prior to December 31, 2018.

- The Director of the Office of Management and Budget canceled \$9,809,945 of appropriation authority for the Theodore Roosevelt Presidential Library on December 31, 2018.
- The 2019 Legislative Assembly approved Senate Bill No. 2001 to provide a 2017-19 biennium supplemental appropriation of \$15 million from the general fund to be transferred to a newly created Theodore Roosevelt Presidential Library and Museum endowment fund. The 2019 Legislative Assembly also authorized the Governor to obtain and deposit the proceeds of a \$35 million Bank of North Dakota loan in the Theodore Roosevelt Presidential Library and Museum endowment fund. Funding deposited in the Theodore Roosevelt Presidential Library and Museum endowment fund may be used only for operating and maintenance costs of the presidential library and is available only after:

\$100 million has been raised for construction of the presidential library and for donations to DSU and the City of Dickinson;

\$10 million has been donated to DSU for the digitization of documents at the Theodore Roosevelt Center and to endow a Theodore Roosevelt conservation scholars program; and

\$300,000 has been donated to the City of Dickinson to repay costs incurred related to planning for a presidential library.

- The 2019 Legislative Assembly also provided \$750,000 to DSU for the digitization of documents at the Theodore Roosevelt Center, of which \$550,000 was a 2017-19 biennium supplemental appropriation from the general fund and \$200,000 was a one-time 2019-21 biennium general fund appropriation.

Other Sections in House Bill No. 1003

Campus workforce initiative - Section 5 provides a supplemental appropriation of \$2.7 million from the general fund to the State Board of Higher Education for campus workforce initiative projects, including \$1 million for the Bismarck State College polytechnic transition, \$1 million for the DSU dual-mission transition, and \$700,000 for Williston State College. Section 36 provides that this section is an emergency measure.

Capital projects - Budget Section approval - Section 7 allows for Budget Section approval of building projects that, net of removed buildings, do not result in additional square footage on campus.

Higher education challenge grants - Sections 8, 10, and 11 adjust the higher education challenge grant program statutory language and provides for the distribution of \$9.4 million of grant funds to eligible institutions, including DSU.

Higher education funding formula - Sections 15 and 16 adjust the higher education funding formula established in North Dakota Century Code Chapter 15-18.2, including adjusting the credit weighting for medical school and law school credits and adjusting the base credit-hour funding rates.

Carryover authority - Section 18 continues the authorization through July 31, 2021, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

Additional funds appropriation authority - Section 20 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 21 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. Section 36 provides that this section is an emergency measure.

Transfer authority - Section 23 provides that the State Board of Higher Education may transfer funds from an institution's operations line item to the institution's capital assets and capital building fund line items if the board determines that additional funds are needed for capital projects or extraordinary repairs. This section was amended by Section 25 of Senate Bill No. 2015 (2019) to provide authority to transfer funds from an institution's capital assets line item to the institution's operations line item after 75 percent of extraordinary repairs funding has been matched and used. Section 36 provides that this section is an emergency measure.

FTE positions - Section 24 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.

Extraordinary repairs matching funds - Section 25 requires institutions to match state extraordinary repairs funding on a \$2-to-\$1 basis using operations or other funding. Section 36 provides that this section is an emergency measure.

Capital building funds - Sections 29, 30, and 31 provide for transfers from the Bank of North Dakota for the establishment of capital building funds at each institution, establish matching fund requirements, and authorize the use of capital building fund money for certain capital projects. Section 36 provides these sections are an emergency measure.

Tuition rate increase limitation - Section 33 limits tuition rate increases for certain resident undergraduate tuition rates to 4 percent per year.

Related Legislation

House Bill No. 1013 - Permanent funds distributions - Provides distributions to University System institutions from permanent funds established for the benefit of the institutions, including an estimated 2019-21 biennium distribution of \$242,000 to DSU.

House Bill No. 1029 - Funding formula study - Provides for a Legislative Management Higher Education Funding Formula Review Committee.

House Bill No. 1120 - DSU arts building sale - Authorizes the conveyance of the DSU arts building.

Senate Bill No. 2001 - Theodore Roosevelt Presidential Library - Provides funding for the Theodore Roosevelt Presidential Library and requires the library foundation to donate \$10 million to DSU to endow the digitization of documents at the Theodore Roosevelt Center and create a Theodore Roosevelt conservation scholars program.

Senate Bill No. 2015 - Institution extraordinary repairs - Allows the State Board of Higher Education to transfer appropriation authority from an institution's capital assets line item to its operations line item after the institution has matched and used 75 percent of the funding appropriated from the general fund in the capital assets line item for extraordinary repairs.

Senate Bill No. 2016 - National Guard tuition waivers - Increases the National Guard tuition waiver from 25 to 35 percent.

Senate Bill No. 2297 - Higher education capital projects - Provides \$100 million of bonding authority and \$49.9 million of 2017-19 biennium general fund appropriations for various higher education capital projects.