

**Bismarck State College
Budget No. 227
Senate Bill Nos. 2003 and 2345**

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriation	332.90	\$32,084,055	\$108,409,893 ¹	\$140,493,948
2019-21 legislative appropriation	<u>323.93</u>	<u>31,068,227</u>	<u>74,660,147</u>	<u>105,728,374</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	8.97	\$1,015,828	\$33,749,746	\$34,765,574

¹This amount includes \$38,000,000 of one-time funding. Excluding this amount, the agency's ongoing other funds appropriation is \$70,409,893.

Item Description

Enrollment - At the end of the 2021 regular legislative session, the Bismarck State College (BSC) FTE student enrollment projection for the 2021-23 biennium was 2,558 for the fall 2021 semester and 2,558 for the fall 2022 semester.

Tuition collections - In the 2021-22 fiscal year budget approved by the State Board of Higher Education, tuition revenue for BSC for the 2021-22 fiscal year was estimated to be \$15.4 million.

Higher education challenge matching grant program - In Section 1 of Senate Bill No. 2030 (2021), the Legislative Assembly appropriated \$11.15 million from the general fund to the North Dakota University System office for the higher education challenge matching grant program. Bismarck State College may be awarded up to \$950,000 under the program.

Extraordinary repairs - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$417,673 from the general fund to BSC for extraordinary repairs. The funding is considered Tier I of the capital building fund program, but is included in the institution's capital assets line item.

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 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 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

Status/Result

The actual fall 2021 semester FTE enrollment was 2,390, 168 students fewer than projected and 168 fewer than the fall 2020 semester.

Bismarck State College implemented a 4 percent tuition increase for the 2021-22 academic year. The current estimate for tuition collections for the 2021-22 fiscal year is \$14.3 million, \$1.1 million less than projected.

Through April 2022, the BSC Foundation has received \$582,871 in grant funding through the program.

Through April 2022, BSC has matched and committed \$188,532 of the general fund amount appropriated in Tier I.

Bismarck State College plans to match and spend all funding allocated to the institution in Tiers I, II, and III of the capital building fund program.

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 increase the square footage of a building.

The 2021 Legislative Assembly continued the higher education capital building fund program with a transfer of \$19,000,000 from the strategic investment and improvements fund to a newly created higher education capital building fund. The Legislative Assembly provided continuing appropriation authority from the fund and also provided for the University System to continue unspent 2019-21 biennium appropriation authority of \$3,335,478. Bismarck State College was allocated \$425,693 in Tier II and \$500,000 in Tier III of the capital building fund program for the 2021-23 biennium.

Polytechnic transition - The Legislative Assembly, in Section 5 of House Bill No. 1003 (2019), provided a 2017-19 biennium 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 BSC polytechnic transition.

The Legislative Assembly, in Senate Bill No. 2345, appropriated \$38 million from the federal State Fiscal Recovery Fund for a polytechnic building capital project and other polytechnic transition costs.

Bismarck State College has prioritized the use of the \$1 million from the State Board of Higher Education to expand academic programming that supports the workforce needs of the region as identified by the Workforce Development Council. Bismarck State College allocated \$184,000 for research and \$436,000 to build additional bachelor of applied science degree programs that support the state's strategic growth areas, including manufacturing, health care, finance, and agriculture. Additional funding of \$200,000 was allocated to enhance and expand the institution's existing 4-year degrees in energy and cybersecurity by incorporating virtual reality simulations. The final \$180,000 was allocated for teaching and learning services as well as student success initiatives targeted toward working adults and students enrolled in distance education.

Bismarck State College has selected an architect and a construction manager for the polytechnic building project, estimated to cost \$35 million and to begin construction in the fall of 2022. The remaining \$3 million will be spent to begin new programs and applied learning based on needs identified by business and industry leadership teams, including engineering, business, health, and other programs.