

North Dakota State University
Budget No. 235
Senate Bill Nos. 2003 and 2345; House Bill No. 1431

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriation	1,829.43	\$138,556,325 ¹	\$677,017,100	\$815,573,425
2019-21 legislative appropriation	<u>1,870.16</u>	<u>132,714,983</u>	<u>807,777,548</u>	<u>940,492,531</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	(40.73)	\$5,841,342	(\$130,760,448)	(\$124,919,106)

¹This amount includes \$125,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$138,431,325.

Item Description

Enrollment - At the end of the 2021 regular legislative session, the North Dakota State University (NDSU) FTE student enrollment projection for the 2021-23 biennium was 11,156 for the fall 2021 semester and 10,890 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 NDSU for the 2021-22 fiscal year was estimated to be \$121.4 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. North Dakota State University may be awarded up to \$1.7 million under the program.

Extraordinary repairs - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$2,732,244 from the general fund to NDSU 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 75 percent of the funding appropriated from the general fund as Tier I for

Status/Result

The actual fall 2021 semester FTE enrollment was 10,861, 295 fewer students than projected and 392 fewer than the fall 2020 semester.

North Dakota State University implemented 4 percent tuition increases for the 2021-22 academic year. The current estimate for tuition collections for the 2021-22 fiscal year is \$121.4 million, the same as projected.

Through April 2022, the NDSU Foundation has received \$1,700,000 in grant funding through the program.

North Dakota State University anticipates fully utilizing the \$2,732,244 appropriated from the general fund for extraordinary repairs, including \$850,000 for steam tunnel and line replacement, \$250,000 for window replacement, and \$1,600,000 for ventilation, mechanical, electrical, and exterior repairs.

North Dakota State University plans to match and spend all of the funds in Tiers II and III of its capital building fund allocation for residence hall extraordinary repairs during the 2021-23 biennium.

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. North Dakota State University was allocated \$2,899,596 in Tier II and \$2,250,000 in Tier III of the capital building fund program for the 2021-23 biennium.

A. Glenn Hill Center settlement agreement - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$125,000 of one-time funding from the general fund to NDSU for a settlement agreement related to the A. Glenn Hill Center capital project.

Agriculture products development center - The Legislative Assembly, in House Bill No. 1431, appropriated \$50 million from state bond proceeds to NDSU for the agriculture products development center capital project. The Legislative Assembly provided \$85 million of total authority for the project, including \$50 million from bond proceeds, \$20 million of general fund carryover from the 2017-19 biennium appropriation, and \$15 million from other funds, including the institution's allocation under the capital building fund program.

High-performance computing - The Legislative Assembly, in Senate Bill No. 2345, appropriated \$1.6 million from the federal State Fiscal Recovery Fund to NDSU for high-performance computing.

North Dakota State University spent the \$125,000 of one-time funding from the general fund in July 2021 to resolve all claims and outstanding issues for the A. Glenn Hill Center capital project.

North Dakota State University reported it does not intend to use its capital building fund allocation for the agriculture products development center capital project. The university has named the agriculture products development center the Peltier Complex and anticipates completion of the project at a total cost of \$85 million in the fall of 2024.

North Dakota State University has completed the purchase of equipment at a total cost of \$1.6 million.