Minot State University
Budget No. 241
Senate Bill No. 2003

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriations	**403.04**	**$41,206,630**	**$64,047,767**	**$105,254,397**
2021-23 base budget	407.58	39,896,693	63,528,000	103,424,693
Legislative increase (decrease) to base budget	(4.54)	$1,309,937	$519,767	$1,829,704

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 legislative appropriations	**$41,206,630**	**$0**	**$41,206,630**
2019-21 legislative appropriations	39,896,693	0	39,896,693
2021-23 legislative increase (decrease) to 2019-21 appropriations	$1,309,937	$0	$1,309,937
Percentage increase (decrease) to 2019-21 appropriations	3.3%	N/A	3.3%

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 FTE positions pursuant to Section 24 of House Bill No. 1003 (2019)	(4.54)			
Added funding through the higher education funding formula to provide employee salary and health insurance premium rate increases		$720,894	$1,024,573	$1,745,467
Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours		69,456		69,456
Added funding to implement changes to the funding formula recommended by the interim Higher Education Committee		519,587		519,587
Adjusted special funds authority			(504,806)	(504,806)
Total	(4.54)	$1,309,937	$519,767	$1,829,704

FTE Changes

The Legislative Assembly approved 403.04 FTE positions for Minot State University for the 2021-23 biennium, a decrease of 4.54 FTE positions from the 2019-21 biennium authorized level of 407.58 FTE positions. The 4.54 FTE positions were removed pursuant to Section 24 of House Bill No. 1003 (2019), which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 23 of Senate Bill No. 2003 (2021) continues the authorization of the board to adjust positions at institutions under its control during the 2021-23 biennium.

Federal COVID-19 Funding - 2019-21 Biennium

In House Bill No. 1395, the Legislative Assembly appropriated $61,536,354 of federal coronavirus relief funds to the University System office and institutions for the 2019-21 biennium for cleaning supplies and equipment, classroom and facility restructuring, technology needs, and other costs relating to the COVID-19 pandemic. The University System institutions also received COVID-19-related funding directly from the federal government through the federal Higher Education Emergency Relief Fund and other COVID-19-related grant programs. The following schedule identifies federal COVID-19-related funds received by the University System as of April 30, 2021:

Entity/Institution	Federal Coronavirus Relief Fund	Federal Higher Education Emergency Relief Fund	Other Federal COVID-19-Related Funds	Total
University System office	$1,468,787			$1,468,787
Bismarck State College	4,210,745	$960,372		5,171,117
Lake Region State College	880,813	500,055		1,380,868
Williston State College	1,712,364	500,000		2,212,364
University of North Dakota	20,984,766	5,491,551	$299,921	26,776,238
UND School of Medicine and Health Sciences			3,221,492	3,221,492
North Dakota State University	18,618,664	7,728,326		26,346,990
North Dakota State College of Science	5,107,897	823,352	1,500,000	7,431,249
Dickinson State University	2,346,239	672,185		3,018,424
Mayville State University	2,206,656	500,148		2,706,804
Minot State University	2,454,439	1,339,854		3,794,293
Valley City State University	740,353	500,000		1,240,353
Dakota College at Bottineau	804,631	500,111		1,304,742
Total	$61,536,354	$19,515,954	$5,021,413	$86,073,721

Capital Building Fund Program

The 2019 Legislative Assembly appropriated $29 million for institution capital building funds for the 2019-21 biennium. The appropriation included $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 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 could use their capital building funds for legislatively authorized capital projects and for extraordinary repairs and deferred maintenance projects which did not exceed $700,000 and did not increase the square footage of a building.

The 2021 Legislative Assembly enacted the capital building fund program in statute, including a newly created University System capital building fund, and provided continuing appropriation authority from the fund. The Legislative Assembly did not continue the requirement that extraordinary repairs and deferred maintenance projects not exceed $700,000. The Legislative Assembly transferred $19 million from the strategic investment and improvements fund to the newly created University System capital building fund, $10 million of which is subject to $1-to-$1 matching fund requirements and $9 million of which is subject to $2-to-$1 matching fund requirements.

Other Sections in Senate Bill No. 2003

Additional funds appropriation authority - Section 4 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities.

Capital building fund program - Sections 6, 7, and 14 provide for the continuation of the capital building fund program, including a $19 million transfer from the strategic investment and improvements fund to the University System capital building fund and the continuation of unexpended funds appropriated for the 2019-21 biennium.

Extraordinary repairs matching funds - Section 9 requires institutions to match state extraordinary repairs funding on a $2-to-$1 basis using operations or other funding.

Higher education funding formula - Sections 11, 12, 13, and 18 amend the higher education funding formula to implement the recommendations of the interim Higher Education Committee, excluding the restoration of the hold harmless clause.

Carryover authority - Section 15 continues the authorization through July 31, 2023, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

Project management oversight - Section 19 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 22 provides that the State Board of Higher Education may transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines that additional funds are needed for capital assets.

FTE positions - Section 23 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.

Capital projects carryover - Section 24 provides an exemption to allow the continuation of funding appropriated from the general fund for the 2017-19 biennium by the Legislative Assembly in Senate Bill No. 2297 (2019) for certain institution capital projects.

Related Legislation

House Bill No. 1395 - COVID-19 - This bill appropriates $61,536,354 of federal funding approved by the Emergency Commission and Budget Section during the 2019-20 interim from the state's allocation from the federal Coronavirus Relief Fund to the University System in response to the COVID-19 pandemic.

House Bill No. 1503 - Free speech - This bill provides statutory changes relating to free speech policies of institutions under the control of the State Board of Higher Education.

Senate Bill No. 2013 - Permanent funds distributions - This bill provides distributions to University System institutions from permanent funds established for the benefit of the institutions. The following is a comparison of distributions from permanent funds during the 2019-21 and 2021-23 bienniums:

Institution	2019-21 Distribution	2021-23 Distribution	Increase (Decrease)
North Dakota State University	$5,916,000	$6,620,000	$704,000
University of North Dakota	4,504,000	5,084,000	580,000
North Dakota State College of Science	1,736,000	1,941,000	205,000
Valley City State University	1,034,000	1,178,000	144,000
Mayville State University	668,000	742,000	74,000
Dakota College at Bottineau	242,000	285,000	43,000
Dickinson State University	242,000	285,000	43,000
Minot State University	242,000	285,000	43,000
Total	$14,584,000	$16,420,000	$1,836,000

Senate Bill No. 2030 - Challenge grants - This bill appropriates $11.15 million from the general fund to continue the higher education challenge matching grant program and adds abortion-related restrictions to the program's eligibility requirements. A section providing for a penalty for supporting abortion was vetoed by the Governor.

Senate Bill No. 2033 - Capital building fund - This bill continues the University System capital building fund program.