Department 241 - Minot State University
Senate Bill No. 2003

Executive Budget Comparison to Prior Biennium Appropriations

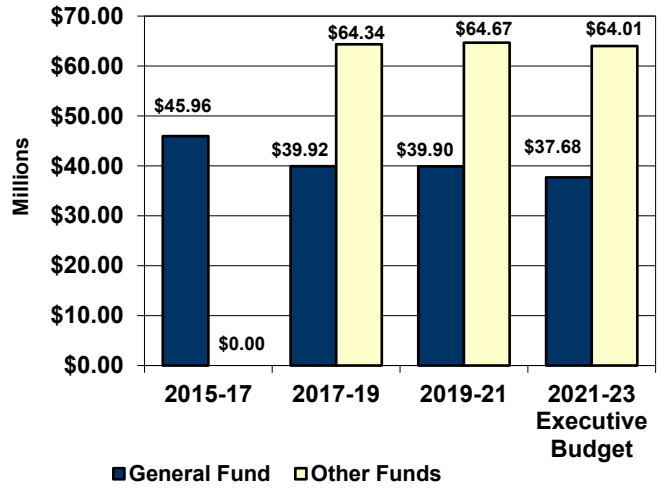
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	403.04	$37,676,963	$64,010,842	$101,687,805
2019-21 Legislative Appropriations[1]	407.58	39,896,693	64,673,602	104,570,295
Increase (Decrease)	(4.54)	($2,219,730)	($662,760)	($2,882,490)

[1]The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of $3,794,293 during the 2019-21 biennium.

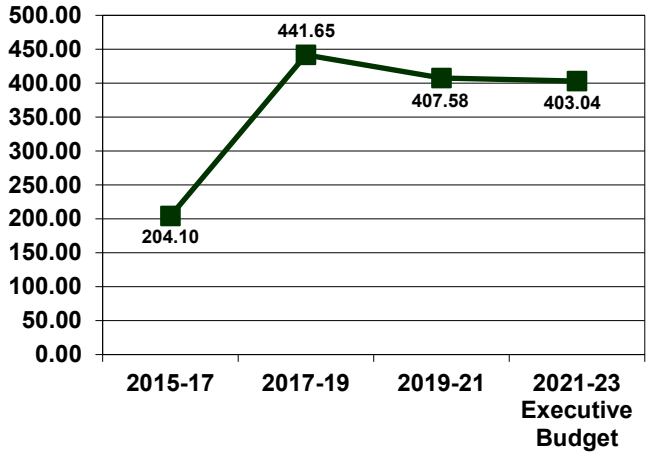
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	$37,676,963	$0	$37,676,963
2019-21 Legislative Appropriations	39,896,693	0	39,896,693
Increase (Decrease)	($2,219,730)	$0	($2,219,730)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2021-23 Executive Budget	$37,676,963	$64,010,842	$101,687,805
2021-23 Base Level	39,896,693	63,528,000	103,424,693
Increase (Decrease)	($2,219,730)	$482,842	($1,736,888)

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding adjustments through the higher education funding formula as follows:			
• Reduces funding for institution operations by 7.5 percent. **The Senate did not reduce funding for operations by 7.5 percent.**	($2,997,222)	$0	($2,997,222)
• Adjusts funding to reflect changes in completed student credit-hours. **The Senate also adjusted funding for formula adjustments recommended by the interim Higher Education Committee.**	66,276	0	66,276

• Adds funding for inflationary increases, including employee compensation and benefit adjustments. **The Senate added funding for salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of $80 and a maximum monthly increase of $300 and 2 percent on July 1, 2022, and increases in health insurance premiums from $1,427 to $1,429 per month. The Senate did not add funding for retirement contribution increases.**	711,216	0	711,216
Total	($2,219,730)	$0	($2,219,730)

FTE Positions

The 2021-23 biennium executive budget recommendation includes authorization of all FTE positions for institutions and entities under the control of the State Board of Higher Education, including positions supported by special funds. Prior to the 2017-19 biennium, only FTE positions supported by the general fund were authorized.

Special Funds Appropriations

The 2021-23 biennium executive budget recommendation includes appropriation authority of all special funds received by the North Dakota University System office and institutions. Prior to the 2017-19 biennium, special funds appropriations for the University System office and institutions were provided only for certain items, such as capital projects.

Other Sections in Senate Bill No. 2003

Additional funds appropriation authority - Section 5 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 7, 8, 9, and 16 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 carryover of unexpended funds appropriated for the 2019-21 biennium.

Extraordinary repairs matching funds - Section 11 requires institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding.

Higher education funding formula - Sections 12, 13, 14, 15, and 19 amend the higher education funding formula to implement the recommendations of the interim Higher Education Committee.

Carryover authority - Section 17 continues the authorization through July 31, 2023, for institutions under the control of the State Board of Higher Education to carry over unexpended appropriations at the end of a biennium.

Project management oversight - Section 20 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.

Significant Audit Findings

The State Auditor's office reported Minot State University:

- Did not consistently comply with immunization policies and procedures for international students;
- Did not comply with procurement policies; and
- Was unable to provide evidence that certain aspects of the Gordon B. Olson Library Northwest Arts Center and Herb Parker Stadium Air-Supported Seasonal Dome were properly bid.

Major Related Legislation

Senate Bill No. 2013 - **Permanent funds distributions** - 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 biennium and the 2021-23 biennium as approved by the Senate:

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 - Appropriates $21.5 million from the general fund to continue the higher education challenge matching grant program.

Senate Bill No. 2033 - Continues the University System capital building fund program.

North Dakota University System Institutions
Senate Bill No. 2003
Base Level Funding Changes

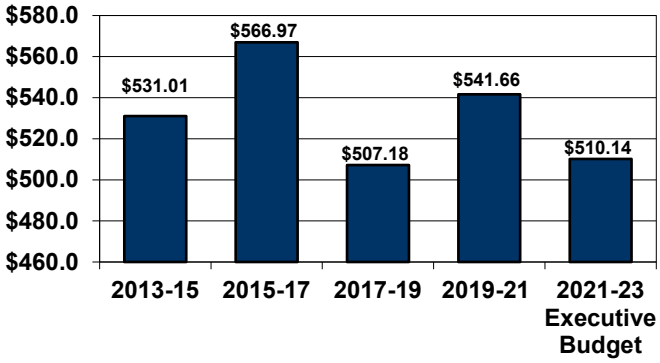
	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	6,433.97	$541,664,044	$1,866,193,508	$2,407,857,552	6,433.97	$541,664,044	$1,866,193,508	$2,407,857,552
2021-23 Ongoing Funding Changes								
Base payroll changes	(94.81)			$0	(94.81)			$0
Salary increase		$9,286,128	$20,718,652	30,004,780		$9,056,017	$20,206,754	29,262,771
Health insurance increase		91,579	216,910	308,489		91,579	216,910	308,489
Student credit-hour completion adjustment	8.00	(1,169,412)		(1,169,412)	8.00	(1,165,637)		(1,165,637)
Funding model reduction		(39,736,383)		(39,736,383)				0
Adjusts special funds authority			119,292	119,292			119,292	119,292
Adds funding for bond payments			3,819,375	3,819,375			3,819,375	3,819,375
Funding formula adjustments				0		15,320,830		15,320,830
Total ongoing funding changes	(86.81)	($31,528,088)	$24,874,229	($6,653,859)	(86.81)	$23,302,789	$24,362,331	$47,665,120
One-time funding items								
NDSU agriculture products development center			$14,000,000	$14,000,000				$0
NDSU settlement agreement		$125,000		125,000		$125,000		125,000
Dakota College at Bottineau Old Main renovation project			4,000,000	4,000,000			$4,000,000	4,000,000
Lake Region State College precision agriculture building				0			363,000	363,000
Total one-time funding changes	0.00	$125,000	$18,000,000	$18,125,000	0.00	$125,000	$4,363,000	$4,488,000
Total Changes to Base Level Funding	(86.81)	($31,403,088)	$42,874,229	$11,471,141	(86.81)	$23,427,789	$28,725,331	$52,153,120
2021-23 Total Funding	6,347.16	$510,260,956	$1,909,067,737	$2,419,328,693	6,347.16	$565,091,833	$1,894,918,839	$2,460,010,672
Total ongoing changes as a percentage of base level	*(1.3%)*	*(5.8%)*	*1.3%*	*(0.3%)*	*(1.3%)*	*4.3%*	*1.3%*	*2.0%*
Total changes as a percentage of base level	*(1.3%)*	*(5.8%)*	*2.3%*	*0.5%*	*(1.3%)*	*4.3%*	*1.5%*	*2.2%*

North Dakota University System Institutions

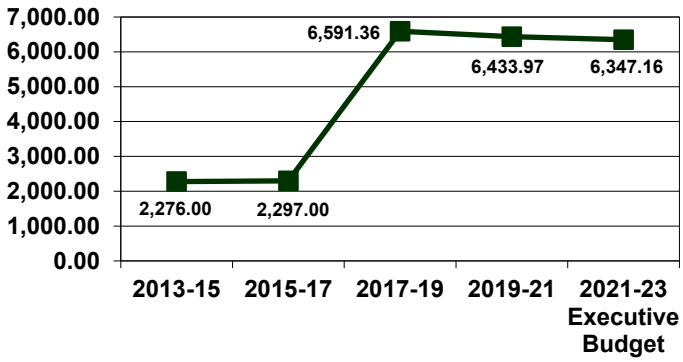
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	$563,008,934	$566,966,411	$507,176,197	$541,664,044	$510,135,956
Increase (decrease) from previous biennium	N/A	$3,957,477	($59,790,214)	$34,487,847	($31,528,088)
Percentage increase (decrease) from previous biennium	N/A	0.7%	(10.5%)	6.8%	(5.8%)
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	0.7%	(9.9%)	(3.8%)	(9.4%)

Major Increases (Decreases) in Ongoing General Fund Appropriations

2015-17 Biennium

1. Provided funding base credit rate adjustments for inflation (This item was affected by the August 2016 budget reductions)	$13,583,565
2. Provided funding for base funding formula adjustments, including campus equalization adjustments (This item was affected by the August 2016 budget reductions)	$40,201,487

2017-19 Biennium

1. Reduced funding for institution operations	($76,770,014)
2. Adjusted funding for changes in completed student credits	$11,889,020
3. Added funding for changes in health insurance premiums	$5,297,632

2019-21 Biennium

1. Adjusted funding for changes in completed student credits	$5,883,536
2. Increased funding for compensation and health insurance adjustments	$20,592,798
3. Increased funding for the UND School of Law	$2,793,382
4. Increased funding for residency positions at the UND School of Medicine and Health Sciences	$4,507,252

2021-23 Biennium (Executive Budget Recommendation)

1. Adjusts funding for changes in completed student credits. **The Senate also adjusted funding for formula adjustments recommended by the interim Higher Education Committee.**	($1,169,412)
2. Reduces funding for institution operations by 7.5 percent. **The Senate did not reduce funding for operations by 7.5 percent.**	($39,736,383)
3. Adds funding for compensation and health insurance adjustments. **The Senate added funding for salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of $80 and a maximum monthly increase of $300 and 2 percent on July 1, 2022, and increases in health insurance premiums from $1,427 to $1,429 per month. The Senate did not add funding for retirement contribution increases.**	$9,377,707

GOVERNOR'S RECOMMENDATION FOR THE NORTH DAKOTA UNIVERSITY SYSTEM AS SUBMITTED BY THE OFFICE OF MANAGEMENT AND BUDGET

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income to the North Dakota university system office and to the various entities and institutions under the supervision of the state board of higher education for the purpose of defraying the expenses of the North Dakota university system office and to the various entities for the biennium beginning July 1, 2021 and ending June 30, 2023, as follows:

Subdivision 1.
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation
Capital Assets	$ 4,959,448	$ 8,425,816	$ 13,385,264
Student Financial	23,917,306	2,400,000	26,317,306
Veterans Assistance Grants	277,875	0	277,875
Nd Scholars Program	1,807,115	0	1,807,115
Native American	555,323	0	555,323
Core Technology Services	62,286,128	(2,136,339)	60,149,789
Education Challenge Fund	0	10,000,000	10,000,000
Education Incentive	260,000	0	260,000
Tribally-Controlled	1,000,000	0	1,000,000
Academic and Tech Ed	12,016,749	4,200,000	16,216,749
Student Exchange Program	3,699,342	0	3,699,342
NASA Epscor	342,000	0	342,000
Student Mental Health	284,400	(21,330)	263,070
Competitive Research	5,685,750	0	5,685,750
System Governance	8,737,867	(276,427)	8,461,440
Shared Campus Services	500,000	(37,500)	462,500
Tier II Capital Building	0	10,000,000	10,000,000
Tier III Capital Building	0	9,000,000	9,000,000
Total All Funds	$126,329,303	$41,554,220	$167,883,523
Less Estimated Income	24,002,206	19,290,315	43,292,521
Total General Fund	$102,327,097	$22,263,905	$124,591,002
Full-Time Equivalent	158.83	0.00	158.83

Subdivision 2.
BISMARCK STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$ 98,743,682	($3,910,521)	$94,833,161
Capital Assets	1,922,561	0	1,922,561
Total All Funds	$100,666,243	($3,910,521)	$96,755,722
Less Estimated Income	65,598,016	799,077	70,397,093
Total General Fund	$ 31,068,227	($4,709,598)	$26,358,629
Full-Time Equivalent	332.90	0.00	332.90

Subdivision 3.
LAKE REGION STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$37,559,127	$ 50,382	$37,609,509
Capital Assets	362,667	0	362,667
Total All Funds	$37,921,794	$ 50,382	$37,972,176
Less Estimated Income	24,976,514	300,801	25,277,315
Total General Fund	$12,945,280	($250,419)	$12,694,861
Full-Time Equivalent	115.76	0.00	115.76

Subdivision 4.
WILLISTON STATE COLLEGE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$32,596,060	($587,176)	$32,008,884
Capital Assets	1,261,968	0	1,261,968
Total All Funds	$33,858,028	($587,176)	$33,270,852
Less Estimated Income	23,790,285	241,967	24,032,252
Total General Fund	$10,067,743	($829,143)	$ 9,238,600
Full-Time Equivalent	101.29	0.00	101.29

Subdivision 5.
UNIVERSITY OF NORTH DAKOTA

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$888,106,266	($ 6,328,013)	$881,778,253
Capital Assets	4,411,566	7,942,844	12,354,410
Total All Funds	$892,517,832	$ 1,614,831	$894,132,663
Less Estimated Income	744,185,677	12,115,811	756,301,488
Total General Fund	$148,332,155	($10,500,980)	$137,831,175
Full-Time Equivalent	2,132.17	(72.19)	2,059.98

Subdivision 6.
NORTH DAKOTA STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$743,775,571	($1,171,511)	$742,604,060
Capital Assets	7,799,104	14,397,628	22,196,732
Total All Funds	$751,574,675	$13,226,117	$764,800,792
Less Estimated Income	618,859,692	20,799,767	639,659,459
Total General Fund	$132,714,983	($7,573,650)	$125,141,333
Full-Time Equivalent	1,870.16	(40.73)	1,829.43

Subdivision 7.
NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$95,725,411	($3,166,632)	$92,558,779
Capital Assets	1,012,379	0	1,012,379
Total All Funds	$96,737,790	($3,166,632)	$93,571,158
Less Estimated Income	60,195,768	624,834	60,820,602
Total General Fund	$36,542,022	($3,791,466)	$32,750,556
Full-Time Equivalent	311.61	0.00	311.61

Subdivision 8.
DICKINSON STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$48,560,994	$ 138,948	$48,699,942
Capital Assets	409,078	0	409,078
Total All Funds	$48,970,072	$ 138,948	$49,109,020
Less Estimated Income	30,577,009	405,744	30,982,753
Total General Fund	$18,393,063	($266,796)	$18,126,267
Full-Time Equivalent	213.26	(37.76)	175.50

Subdivision 9.
MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$47,719,555	$1,266,987	$48,986,542
Capital Assets	358,992	50,129	409,121
Total All Funds	$48,078,547	$1,317,116	$49,395,663
Less Estimated Income	31,657,931	538,538	32,196,469
Total General Fund	$16,420,616	$ 778,578	$17,199,194
Full-Time Equivalent	230.35	0.00	230.35

Subdivision 10.
MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$102,325,073	($1,736,888)	$100,588,185
Capital Assets	1,099,620	0	1,099,620
Total All Funds	$103,424,693	($1,736,888)	$101,687,805
Less Estimated Income	63,528,000	482,842	64,010,842
Total General Fund	$ 39,896,693	($2,219,730)	$ 37,676,963
Full-Time Equivalent	403.04	0.00	403.04

Subdivision 11.
VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$48,176,928	($1,785,631)	$46,391,297
Capital Assets	455,823	54,622	510,445
Total All Funds	$48,632,751	($1,731,009)	$46,901,742
Less Estimated Income	25,973,818	376,364	26,350,182
Total General Fund	$22,658,933	($2,107,373)	$20,551,560
Full-Time Equivalent	202.77	0.00	202.77

Subdivision 12.
DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$21,440,606	$1,256,597	$22,697,203
Capital Assets	114,007	4,000,000	4,114,007
Total All Funds	$21,554,613	$5,256,597	$26,811,210
Less Estimated Income	13,813,787	4,370,934	18,184,721
Total General Fund	$ 7,740,826	$ 885,663	$ 8,626,489
Full-Time Equivalent	82.29	9.57	91.86

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$213,244,364	$1,049,505	$214,293,869
Healthcare Workforce	10,676,150	0	10,676,150
Total All Funds	$223,920,514	$1,049,505	$224,970,019
Less Estimated Income	159,037,011	1,867,679	160,904,690
Total General Fund	$ 64,883,503	($818,174)	$ 64,065,329
Full-Time Equivalent	492.67	0.00	492.67

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Base Level	Adjustments or Enhancements	Appropriation
Operations	$15,223,336	($116,603)	$15,106,733
Capital Assets	118,728	0	118,728
Total All Funds	$15,342,064	($116,603)	$15,225,461
Less Estimated Income	10,665,400	3,590	10,668,990
Total General Fund	$ 4,676,664	($120,193)	$ 4,556,471
Full-Time Equivalent	28.00	0.00	28.00

Subdivision 15.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
Grand Total General Fund	$ 648,667,805	($ 9,259,376)	$ 639,408,429
Grand Total Special Funds	1,900,861,114	62,218,263	1,963,079,377
Grand Total All Funds	$2,549,528,919	$52,958,887	$2,602,487,806

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty- sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2019-21	2021-23
Capital Projects – Other Funds	$230,300,000	$18,000,000
Education Challenge Grants	9,400,000	10,000,000
School of Law Matching Grants	250,000	0
Tier II and Tier III Capital Building Funds	29,000,000	19,000,000
Theodore Roosevelt Digitization	200,000	0
University of North Dakota Campus Network Upgrades	1,500,000	0
North Dakota State University Campus Network Upgrades	1,500,000	0
North Dakota State University Construction Litigation	0	125,000
Total All Funds	$272,150,000	$47,125,000
Total Other Funds	260,300,000	37,000,000
Total General Fund	$ 11,850,000	$10,125,000

The 2021-23 one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 3. AMENDMENT. Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

15-10-48. Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
   b. To be eligible for a matching grant, an institution must demonstrate that:
      (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
      (2) The project has been approved by the grant review committee established in section 15-10- 51.
   c. The board may award ~~up to one million seven hundred thousand dollars in~~ matching grants to each institution based on total completed credit-hours, as determined under section 15-18.2-01, and as set forth in this section. The matching grant funding is allocated as follows:
      (1) Thirty percent of available funds for the institutions with less than 100,000 completed credit hours;
      (2) Thirty percent of available funds for institutions with 100,000 to 599,999 completed credit hours; and
      (3) Forty percent of available funds for institutions with more than 599,999 completed credit hours.
   d. Projects at the university of North Dakota school of medicine and health sciences are not eligible to receive a grant under this section.
2. a. If any available dollars have not been awarded by the board before January first of each odd- numbered year, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
   b. An application submitted under this subsection must meet the same criteria as an original application.
   c. The board shall consider each application submitted under this subsection in chronological order.
   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

SECTION 4. AMENDMENT. Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

15-10-49. Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics.
   b. To be eligible for a matching grant, an institution must demonstrate that:
      (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
      (2) The project has been approved by the grant review committee established in section 15-10- 51.

c. The board may award ~~up to~~ matching grants to each institution based on total completed credit- hours, as determined under section 15-18.2-01, and as set forth in this section. The matching grant award dollar amounts are:
   (1) ~~Nine hundred fifty thousand dollars each to Bismarck state college, Minot state university and the North Dakota state college of science~~ Thirty percent of available funds for the institutions with less than 100,000 completed credit hours;
   (2) ~~Seven hundred thousand dollars each to Dickinson state university, Mayville state university, and Valley City state university~~ Thirty percent of available funds for institutions with 100,000 to 599,999 completed credit hours; and
   (3) ~~Three hundred fifty thousand dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college~~ Forty percent of available funds for institutions with more than 599,999 completed credit hours.

2. a. If any available dollars have not been awarded by the board before January first of each odd- numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
   b. An application submitted under this subsection must meet the same criteria as an original application.
   c. The board shall consider each application submitted under this subsection in chronological order.
   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

SECTION 5. AMENDMENT. Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

15-18.2-05. Base funding - Determination of state aid.

In order to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.1-04 by a base amount of:

1. ~~$60.87~~$57.35 in the case of North Dakota state university and the university of North Dakota;
2. ~~$90.98~~$85.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university;
3. ~~$97.06~~$91.66 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, and North Dakota state college of science; and Williston state college.

SECTION 6. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2021~~2023)

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2021~~2023) The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

SECTION 7. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2021 and ending June 30, 2023. All additional funds received under the North Dakota- Minnesota reciprocity agreement during the biennium beginning July 1, 2021 and ending June 30, 2023, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 8. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT. During the biennium beginning July 1, 2021 and ending June 30, 2023, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

SECTION 9. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES OPERATIONS. The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2021 and ending June 30, 2023. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

SECTION 10. TRANSFER AUTHORITY. If, during the biennium beginning July 1, 2021 and ending June 30, 2023, the state board of higher education determines that funds allocated to operations in section 1 of this Act are needed for capital assets, the board may transfer funds from operations to capital assets. The board shall report any transfer of funds under this section to the office of management and budget.

SECTION 11. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2021 and ending June 30, 2023. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2023-25 biennium budget request.

SECTION 12. EXEMPTION – TIER III CAPITAL BUILDING FUND POOL. The unexpended amount remaining for the Tier III capital building fund pool line in subdivision 1 of section 1 of chapter 3 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from these lines are available during the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 13. EXEMPTION – CAPITAL BUILDING FUND. The unexpended amount remaining for the capital building fund line in subdivisions 2 through 12 of section 1 of chapter 3 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these lines are available during the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 14. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS. The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project. An institution may not use tier II or tier III capital building fund moneys as matching funds under this section.

SECTION 15. TIER II CAPITAL BUILDING FUND POOL - MATCHING FUNDS. The tier II capital building fund pool in subdivision 1 of section 1 of this Act includes $10,000,000 from bonding authority. Funding from the tier II capital building fund pool is to be allocated to each institution as follows:

	Tier II Capital Building Fund
Bismarck State College	$ 379,229
Lake Region State College	182,643
Williston State College	132,917
University of North Dakota	4,396,913
North Dakota State University	2,874,620
North Dakota State College of Science	471,187
Dickinson State University	278,686
Mayville State University	264,426
Minot State University	579,302
Valley City State University	315,966
Dakota College at Bottineau	124,111
Total	$10,000,000

An institution shall provide one dollar of matching funds from operations or other sources for each one dollar from the tier II capital building fund pool. An institution may not use extraordinary repairs funding or tier III capital building fund moneys as matching funds under this section.

SECTION 16. TIER III CAPITAL BUILDING FUND POOL - MATCHING FUNDS. The tier III capital building fund pool in subdivision 1 of section 1 of this Act includes $9,000,000 from bonding authority. Funding from the tier III capital building fund pool is to be allocated to each institution as follows:

	Tier III Capital Building Fund
Bismarck State College	$ 500,000
Lake Region State College	500,000
Williston State College	500,000
University of North Dakota	2,250,000
North Dakota State University	2,250,000
North Dakota State College of Science	500,000
Dickinson State University	500,000
Mayville State University	500,000
Minot State University	500,000
Valley City State University	500,000
Dakota College at Bottineau	500,000
Total	$9,000,000

An institution shall provide two dollars of matching funds from operations or other sources for each one dollar from the tier III capital building fund pool. An institution may not use extraordinary repairs funding or tier II capital building fund moneys as matching funds under this section. Any funds transferred to an institution pursuant to this section from the tier III capital building fund pool must be placed in that institution's capital building fund line item.

SECTION 17. PROJECT AUTHORIZATIONS. The public finance authority shall arrange for the funding of the projects authorized in this section, declared to be in the public interest, through the issuance of evidences of indebtedness under section 32 of 2021 House Bill No. 1015, beginning with the effective date of this Act, and ending June 30, 2023. The proceeds of the evidences of indebtedness are included in the appropriation in subdivision 6 of section 1 and subdivision 12 of section 1, beginning with the effective date of this Act, and ending June 30, 2023, for the following projects:

North Dakota State University Agriculture Products Development Center	$14,000,000
Dakota College at Bottineau – Old Main Renovation	2,000,000
Total Special Funds	$16,000,000

Dakota college at Bottineau may obtain and utilize local funds obtained from fundraising or other sources for the old main renovation project. The appropriation in subsection 12 of section 1 of this Act includes the sum of $2,000,000, or so much of the sum as may be necessary, from any local or other funds that may become available for this project for the period beginning with the effective date of this Act, and ending June 30, 2023.

SECTION 18. EXEMPTION – PROJECT AUTHORIZATION – AGRUICUTLURE PRODUCTS DEVELOPMENT CENTER. The unexpended amount remaining from general funds for the agriculture products development center in section 2 of chapter 53 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from that section is available during the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 19. AMENDMENT. Section 1 of chapter 53 of the 2019 Session Laws is amended and reenacted as follows:

SECTION 1. PROJECT AUTHORIZATIONS - APPROPRIATION. Subject to the provisions of this section, the industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the ~~projects~~project authorized in this section, declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, beginning with the effective date of this Act and ending June 30, ~~2021~~2023. The industrial commission shall issue evidences of indebtedness under this section with the condition that lease rental payments need not begin until July 1, ~~2021~~2023. The authority of the industrial commission to issue evidences of indebtedness under this section ends June 30, ~~2021~~2023, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and comply with any covenants entered before that date. The proceeds of the evidences of indebtedness and other available funds are appropriated to the ~~agencies~~agency listed in this section, beginning with the effective date of this Act and ending June 30,

~~2021~~2023, for the following ~~projects~~project:

~~North Dakota state university Dunbar Hall~~	~~$40,000,000~~
~~Valley City state university Communications and Fine Arts Building project~~	~~30,000,000~~
North Dakota state university agriculture products development center	20,000,000
~~University of North Dakota Gamble Hall project~~	~~6,000,000~~
~~Dickinson state university Pulver Hall~~	~~4,000,000~~
Total	~~$100,000,000~~$20,000,000

~~1. North Dakota state university may obtain and utilize local funds obtained from fundraising or other sources for the Dunbar Hall project. There is appropriated to North Dakota state university the sum of $3,200,000, or so much of the sum as may be necessary, from any local or other funds that may become available for this project for the period beginning with the effective date of this Act, and ending June 30, 2021.~~

~~2. a. North Dakota state university may obtain and utilize local funds obtained from fundraising or other sources for the agriculture products development center project. There is appropriated to North Dakota state university the sum of $20,000,000, or so much of the sum as may be necessary, from any local or other funds that may become available for this project for the period beginning with the effective date of this Act, and ending June 30, 2021.~~

~~b. The industrial commission may issue evidences of indebtedness for the agriculture products development center project only if North Dakota state university certifies to the industrial commission and the director of the office of management and budget that $20,000,000 of local and other funds has been obtained for the project or if North Dakota state university receives approval for a change in project scope from the legislative assembly or budget section pursuant to section 48-01.2-25.~~

~~3. a. The university of North Dakota may obtain and utilize local funds obtained from fundraising or other sources for the Gamble Hall project. There is appropriated to the university of North Dakota the sum of~~
~~$55,000,000, or so much of the sum as may be necessary, from any local or other funds that may become available for this project for the period beginning with the effective date of this Act, and ending June 30, 2021.~~

~~b. The industrial commission may issue evidences of indebtedness for the Gamble Hall project only if the university of North Dakota certifies to the industrial commission and the director of the office of management and budget that $55,000,000 of local and other funds has been obtained for the project or if the university of North Dakota receives approval for a change in project scope from the legislative assembly or budget section pursuant to section 48-01.2-25.~~