

Bismarck State College
Budget No. 227
House Bill Nos. 1003 and 1543

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	335.33	\$46,314,055 ¹	\$116,279,581	\$162,593,636 ²
2021-23 legislative appropriation	<u>332.90</u>	<u>32,084,055</u>	<u>108,409,893</u>	<u>140,493,948</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	2.43	\$14,230,000	\$7,869,688	\$22,099,688

¹This amount includes \$9,960,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$36,354,055.

²This amount does not include any transfers of appropriation authority from the Office of Management and Budget funding pools for targeted market equity adjustments or retirement contribution increases.

Item Description

Targeted market equity - The Legislative Assembly appropriated \$82.5 million, of which \$45.1 million is from the general fund and \$37.4 million is from other funds, to the Office of Management and Budget for a targeted market equity pool to be distributed to state agencies.

Enrollment - At the end of the 2023 regular legislative session, the BSC FTE student enrollment projection for the 2023-25 biennium was 2,557 for the fall 2023 semester and 2,650 for the fall 2024 semester.

Tuition collections - In the 2023-24 fiscal year budget approved by the State Board of Higher Education, tuition revenue for BSC for the 2023-24 fiscal year was estimated to be \$15.8 million.

Higher education challenge matching grant program - In Section 1 of House Bill No. 1003, the Legislative Assembly appropriated \$20 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 \$1.7 million under the program.

Extraordinary repairs - The Legislative Assembly, in House Bill No. 1003, appropriated \$417,673 from the general fund to BSC for extraordinary repairs. In Section 4 of the bill, the Legislative Assembly required institutions to match extraordinary repairs funding on a \$1 to \$1 basis using operations or other funding. The funding is considered Tier I of the capital building fund program, but it is included in the institution's capital assets line item.

Capital building fund program - 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

Status/Result

Bismarck State College (BSC) received \$1,699,614, including \$1,015,614 from the general fund and \$684,000 from other funds, for targeted market equity increases. Equity increases were provided to 154 employees.

The actual fall 2023 semester FTE enrollment was 2,599, which was 42 students more than projected and 132 more than the fall 2022 semester.

Bismarck State College did not change resident tuition rates for the 2023-24 academic year. The current estimate for tuition collections for the 2023-24 fiscal year is \$16 million, \$200,000 more than projected.

Through March 31, 2024, the BSC Foundation has received \$1,627,449 in grant funding through the program.

Through March 31, 2024, BSC has matched and committed \$206,129 of the general fund amount appropriated in Tier I. The institution anticipates matching and expending the full appropriation for extraordinary repairs projects, including lighting, a boiler replacement, and other projects, by the end of the biennium.

Bismarck State College plans to match and spend all funding allocated to the institution in Tiers II and III of the capital building fund program for the polytechnic center project before the end of the biennium. The institution intends to use funding appropriated by the Legislative Assembly from the federal State Fiscal Recovery Fund for the polytechnic center project as matching funds. Additional information

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 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 University System capital building fund. The Legislative Assembly provided continuing appropriation authority from the fund and allowed the University System to continue unspent 2019-21 biennium appropriation authority of \$3,335,478.

The 2023 Legislative Assembly continued the higher education capital building fund program with a transfer of \$24,000,000 from the strategic investment and improvements fund to the University System capital building fund. Bismarck State College was allocated \$638,540 in Tier II and \$500,000 in Tier III of the capital building fund program for the 2023-25 biennium.

Capital projects - The Legislative Assembly appropriated \$52,400,000 of one-time funding, including \$9,960,000 from the general fund and \$42,440,000 from other local funds, for BSC capital projects as follows:

	General Fund	Other Funds	Total Funds
Polytechnic center project inflation	\$9,960,000	\$2,440,000	\$12,400,000
Multipurpose academic and athletic center (revenue bond proceeds)		40,000,000	40,000,000
Total	\$9,960,000	\$42,440,000	\$52,400,000

regarding the polytechnic center project is identified in the **Capital projects** section below.

The following is a summary of the status of BSC's capital projects funding:

Polytechnic center project inflation	The Legislative Assembly, in House Bill No. 1003 appropriated \$12,400,000, including \$9,960,000 from the general fund and \$2,440,000 from other local funds, for project inflationary costs for the polytechnic center. This amount was in addition to \$38,000,000 appropriated in Senate Bill No. 2345 (2021 special session) from the State Fiscal Recovery Fund for the project and other polytechnic transition costs. The total project budget is \$47,152,359 and the scheduled completion date is December 2024.
Multipurpose academic and athletic center	The Legislative Assembly, in House Bill No. 1003, appropriated \$31.5 million from other funds to BSC for a multipurpose academic and athletic center project. In House Bill No. 1543 (2023 special session), the Legislative Assembly appropriated an additional \$8.5 million for the project and authorized BSC to issue up to \$40 million in revenue bonds for the new athletic facility. The institution's students voted in September 2023 to increase mandatory fees to pay for the bonds. The institution is currently working on the bond issue, with the intention to issue the bonds in July 2024.