

North Dakota State College of Science
Budget No. 238
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	313.95	\$39,767,271 ¹	\$83,459,619	\$123,226,890 ²
2021-23 legislative appropriation	<u>311.61</u>	<u>35,714,792</u>	<u>60,845,052</u>	<u>96,559,844</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	2.34	\$4,052,479	\$22,614,567	\$26,667,046

¹This amount includes \$1,005,347 of one-time funding for a temporary increased minimum amount payable under the higher education funding formula. Excluding this amount, the college's ongoing general fund appropriation is \$38,761,924.

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 NDSCS FTE student enrollment projection for the 2023-25 biennium was 2,147 for the fall 2023 semester and 2,233 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 NDSCS for the 2023-24 fiscal year was estimated to be \$9.1 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. The college may be awarded up to \$1.7 million under the program.

Extraordinary repairs - The Legislative Assembly, in House Bill No. 1003, appropriated \$1,012,379 from the general fund to NDSCS 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

Status/Result

The North Dakota State College of Science (NDSCS) received \$1,594,169, including \$1,072,169 from the general fund and \$522,000 from other funds, for targeted market equity increases. Equity increases were provided to 186 employees.

The actual fall 2023 semester FTE enrollment was 2,124, which was 23 students fewer than projected and 60 more than the fall 2022 semester.

The 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 \$9.1 million, the same as projected.

Through March 31, 2024, the NDSCS Foundation has received \$1,245,597 in grant funding through the program.

Through March 31, 2024, NDSCS has matched and committed \$901,733 of the general fund amount appropriated in Tier I. The college anticipates using the entire general fund amount appropriated in Tier I by the end of the biennium.

The college plans to match and spend all funding allocated to the institution in Tier II of the capital building fund program for various projects. The college is identifying potential projects and sources of matching funds to utilize as much of the Tier III allocation as possible by the end of the biennium.

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 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 (SIIF) 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 SIIF to the University System capital building fund. The college was allocated \$751,042 in Tier II and \$500,000 in Tier III of the capital building fund program for the 2023-25 biennium.

Agriculture, automation, and autonomous system building project - The Legislative Assembly appropriated \$19,975,000, including \$18,975,000 from SIIF and \$1,000,000 from other local funds, for an agriculture, automation, and autonomous systems building project at NDSCS.

The college reported it has secured the \$1 million of matching funds and the project to upgrade the institution's precision agriculture facilities has begun. The college anticipates project completion in the fall of 2025.