Minot State University
Budget No. 241
House Bill No. 1003

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriations	**423.63**	**$49,277,097**	**$74,636,419**	**$123,913,516**
2023-25 base budget	403.04	41,206,630	64,047,767	105,254,397
Legislative increase (decrease) to base budget	20.59	$8,070,467	$10,588,652	$18,659,119

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2023-25 legislative appropriations	**$47,677,097**	**$1,600,000**	**$49,277,097**
2021-23 legislative appropriations	41,206,630	0	41,206,630
2023-25 legislative increase (decrease) to 2021-23 appropriations	$6,470,467	$1,600,000	$8,070,467
Percentage increase (decrease) to 2021-23 appropriations	15.7%	N/A	19.6%

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 funding for base payroll changes and FTE position adjustments pursuant to Section 23 of Senate Bill No. 2003 (2021)	20.59		$332,240	$332,240
Added funding to provide employee salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and to limit tuition increases		$3,412,530	2,824,380	6,236,910
Added funding for employee health insurance premiums to reflect a revised premium estimate of $1,643 per month, and to limit tuition increases		1,518,573	1,167,032	2,685,605
Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours		1,342,514		1,342,514
Added funding for a behavioral health initiative		196,850		196,850

Added **one-time funding** from the strategic investment and improvements fund (SIIF) for the Dakota Hall demolition project			765,000	765,000
Added **one-time funding** for a Student Center renovation project			3,100,000	3,100,000
Added **one-time funding** for the Hartnett Hall project		1,600,000	2,400,000	4,000,000
Total	20.59	$8,070,467	$10,588,652	$18,659,119

FTE Changes

The Legislative Assembly approved 423.63 FTE positions for Minot State University (MiSU) for the 2023-25 biennium, an increase of 20.59 FTE positions from the 2021-23 biennium authorized level of 403.04 FTE positions. The 20.59 FTE positions were added pursuant to Section 23 of Senate Bill No. 2003 (2021), which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 39 of House Bill No. 1003 (2023) continues the authorization of the board to adjust positions at institutions under its control during the 2023-25 biennium.

One-Time Funding

The following is a summary of one-time funding items for MiSU for the 2023-25 biennium:

	General Fund	SIIF	Other Local Funds	Total
Dakota Hall demolition		$765,000		$765,000
Student Center renovation			$3,100,000	3,100,000
Hartnett Hall renovation project	$1,600,000		2,400,000	4,000,000
Total	$1,600,000	$765,000	$5,500,000	$7,865,000

Other Sections in House Bill No. 1003

Additional funds appropriation authority - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

Extraordinary repairs matching funds - Section 4 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

Strategic investment and improvements fund - Section 5 identifies $209,976,971 for various institution capital projects from SIIF. Section 48 declares Section 5 to be an emergency measure.

Economic diversification research fund - Section 10 provides for a transfer of $5.5 million from SIIF to the economic diversification research fund, which is established in Section 16.

Capital building fund program - Sections 11 and 12 provide for the continuation of the capital building fund program, including a transfer of $24 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 33 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 40 provides an exemption to allow certain campuses to use money in their capital building fund allocation for capital projects without providing matching funds. Section 48 declares Sections 11, 12, and 40 to be an emergency measure.

Capital project requests - Section 14 restricts an institution from spending funding appropriated from SIIF for capital projects until local matching funds are pledged. Section 14 also provides legislative intent that any inflationary or other costs associated with previously approved projects be paid from local funds. Section 29 requires institutions to identify matching funds for future capital project requests for state funds. Section 48 declares Section 14 to be an emergency measure.

Project management oversight - Section 15 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.

Campus policies and procedures - Section 19 authorizes the president of an institution to adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

Higher education challenge grants - Sections 24 through 27 adjust the higher education challenge grant statutory language, provide for the distribution of up to $20 million of grant funds to eligible institutions, and add the NDSU Agricultural Experiment Station as eligible for funding under the higher education challenge grant program. Section 37 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation.

Higher education funding formula - Section 30 provides for all career and technical education (CTE) credits to receive a weighting factor of five in the higher education funding formula. Section 31 adjusts the base credit-hour funding rates of the higher education funding formula. Section 32 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 46 provides legislative intent that dental hygienist and dental assistant program courses be transferred to the CTE instructional program classification factor in the higher education funding formula.

Carryover authority - Section 36 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 41 and 42 provide exemptions for institutions to continue appropriation authority for various projects and programs.

Transfer authority - Section 38 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 39 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.

Tuition rate increase limitation - Section 45 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

Legislative intent - Future capital projects - Section 47 provides legislative intent for the 69th Legislative Assembly to appropriate $98,696,814 from state funds or appropriation bond proceeds for capital projects at Mayville State University, MiSU, and UND. The amounts identified for each project reflect the institution's request plus a 7 percent inflationary factor and are in addition to any local matching funds.

Related Legislation

House Bill No. 1013 - **Permanent funds distributions** - Provides distributions to University System institutions from permanent funds established for the benefit of the institutions as follows:

Institution	2021-23 Distribution	2023-25 Distribution	Increase (Decrease)
North Dakota State University	$6,620,000	$7,648,000	$1,028,000
University of North Dakota	5,084,000	5,986,000	902,000
North Dakota State College of Science	1,941,000	2,259,700	318,700
Valley City State University	1,178,000	1,354,000	176,000
Mayville State University	742,000	894,000	152,000
Dakota College at Bottineau	285,000	343,700	58,700
Dickinson State University	285,000	343,700	58,700
Minot State University	285,000	343,700	58,700
Total	$16,420,000	$19,172,800	$2,752,800

House Bill No. 1241 (2023) - Workforce - Provides for a workforce education innovation program to create or enhance educational programs that address workforce needs in the state. Funding for this program was removed from House Bill No. 1003 in the Conference Committee amendment.

Senate Bill No. 2015 (2023) - Funding pools - Includes funding pools from which the University System office and institutions may receive allocations, including the:

- Employer retirement contribution pool from which MiSU is to receive $81,160, of which $31,980 is from the general fund and $49,180 is from other funds in accordance with provisions of Section 23 of Senate Bill No. 2015 for the 1 percent employer retirement contribution increase provided for in House Bill No. 1040 (2023) and for the employer retirement contribution increase relating to peace officers provided for in House Bill No. 1183 (2023); and
- Targeted market equity pool from which MiSU may receive an allocation as determined by the Office of Management and Budget in accordance with provisions of Section 20 of Senate Bill No. 2015.

Senate Bill No. 2032 (2023) - Paraprofessional to teacher - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.