Department 241 - Minot State University
House Bill No. 1003

First Chamber Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 First Chamber Version	$47,396,793	$79,552,328	$126,949,121
2023-25 Base Level	41,206,630	64,047,767	105,254,397
Increase (Decrease)	$6,190,163	$15,504,561	$21,694,724

First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

Selected Bill Sections Included in the First Chamber Version

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 5 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 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

Support for single parents - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

Severance agreements - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

Dual-credit tuition scholarships - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

Career builders - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

Capital building fund program - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

Capital project requests - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

Project management oversight - Section 16 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.

Higher education trends - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

Academic program approval - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

Disclosure of financial condition - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

Campus policies and procedures - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

Higher education challenge grants - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 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. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

Workforce Development Council - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

Higher education funding formula - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

Student financial assistance grants - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

Carryover authority - Section 37 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 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

Transfer authority - Section 39 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 40 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 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

Significant Audit Findings

There were no significant audit findings for this institution.

Major 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

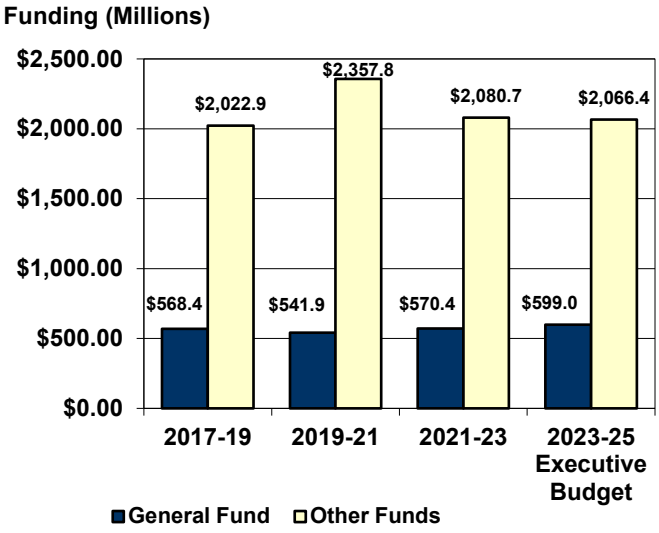
House Bill No. 1241 - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

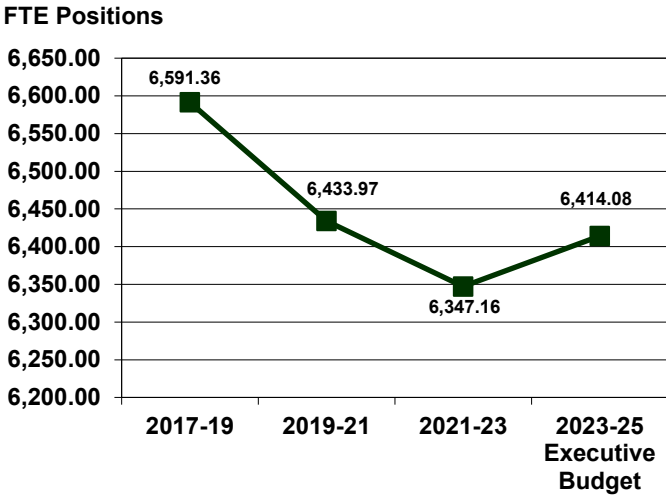
Senate Bill No. 2032 - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

Senate Bill No. 2288 - Appropriates $250,000 from the general fund for nursing program matching grants.

Historical Appropriations Information

University System Institutions Appropriations and FTE Positions





Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	$566,966,411	$507,176,197	$541,664,044	$564,637,572	$599,014,881
Increase (decrease) from previous biennium	N/A	($59,790,214)	$34,487,847	$22,973,528	$34,377,309
Percentage increase (decrease) from previous biennium	N/A	(10.5%)	6.8%	4.2%	6.1%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(10.5%)	(4.5%)	(0.4%)	5.7%

Major Increases (Decreases) in Ongoing General Fund Appropriations

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 increases	$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

1. Adjusted funding for changes in completed student credits	($1,165,637)
2. Adjusted funding for higher education funding formula adjustments	$15,320,830
3. Increased funding for compensation and health insurance increases	$8,943,335

2023-25 Biennium (Executive Budget Recommendation)

1. Adjusts funding for changes in completed student credits	($9,265,083)
2. Adds funding for 96 percent minimum amount payable allocations to certain institutions	$5,215,694
3. Increases funding for compensation and health insurance increases	$35,635,615

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time general fund appropriations	$124,505,656	$61,226,476	$200,000	$5,725,000	$0

Major One-Time General Fund Appropriations

2017-19 Biennium

1. Allocations for institution operations $4,875,000
2. Bismarck State College Nursing Building project $8,900,000
3. NDSU agriculture products development center project $20,000,000
4. NDSU Dunbar Hall project $8,000,000
5. UND Gamble Hall replacement project $9,000,000

2019-21 Biennium

DSU digitization of Theodore Roosevelt documents $200,000

2021-23 Biennium

1. UND space command initiative $4,000,000
2. MaSU natural gas boiler project $1,600,000

2023-25 Biennium (Executive Budget Recommendation)

None $0

North Dakota University System Institutions
House Bill No. 1003
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	6,347.16	$564,637,572	$1,890,343,689	$2,454,981,261	6,347.16	$564,637,572	$1,890,343,689	$2,454,981,261
2023-25 Ongoing Funding Changes								
Base payroll adjustments, including cost to continue 2021-23 biennium salary increases	66.92	$2,791,083	$6,792,579	$9,583,662	66.92	$2,791,083	$6,792,579	$9,583,662
Salary increase, including tuition freeze		26,387,561	58,773,575	85,161,136		56,188,818	43,734,586	99,923,404
Health insurance increase, including tuition freeze		9,248,054	22,753,804	32,001,858		21,802,260	23,277,233	45,079,493
Student credit-hour completion adjustment		(9,265,083)		(9,265,083)		(9,275,245)		(9,275,245)
Minimum amount payable allocation		5,215,694		5,215,694		2,229,750		2,229,750
Formula adjustment				0		4,807,379		4,807,379
Special funds adjustment			4,500	4,500			4,500	4,500
Research networks				0		6,402,200		6,402,200
Total ongoing funding changes	66.92	$34,377,309	$88,324,458	$122,701,767	66.92	$84,946,245	$73,808,898	$158,755,143
One-Time Funding Items								
LRSC wind turbine replacement			$600,000	$600,000			$600,000	$600,000
BSC multipurpose academic and athletics center				0			31,500,000	31,500,000
WSC medical health care building				0			36,600,000	36,600,000
WSC turf project				0			7,313,939	7,313,939
UND EERC facility			33,000,000	33,000,000			33,000,000	33,000,000
UND science, engineering, and national security corridor				0			82,000,000	82,000,000
UND STEM building				0			75,000,000	75,000,000
UND national security initiative				0		$45,000,000		45,000,000
NDSU music building			20,000,000	20,000,000			20,000,000	20,000,000
NDSU Sudro Hall expansion			3,000,000	3,000,000			3,000,000	3,000,000
NDSU center for engineering and computational sciences				0			84,000,000	84,000,000
NDSU workforce education				0		4,800,000		4,800,000
NDSCS agriculture, automation, and autonomous systems building				0			19,975,000	19,975,000
DSU agriculture and technical education building			900,000	900,000			18,000,000	18,000,000
MaSU Old Main renovation			3,779,100	3,779,100			49,970,100	49,970,100
MiSU Dakota Hall demolition			765,000	765,000			765,000	765,000
MiSU academic building				0			8,000,000	8,000,000
MiSU student center renovation				0			3,100,000	3,100,000
VCSU Osmon Field House addition			20,000,000	20,000,000			20,000,000	20,000,000
VCSU Student Center renovation			2,000,000	2,000,000			2,000,000	2,000,000
VCSU McCarthy Hall				0			13,500,000	13,500,000
DCB Old Main renovation			3,700,000	3,700,000			5,300,000	5,300,000
Behavioral health initiative				0		3,640,624		3,640,624
Total one-time funding changes	0.00	$0	$87,744,100	$87,744,100	0.00	$53,440,624	$513,624,039	$567,064,663

Total Changes to Base Level Funding	66.92	$34,377,309	$176,068,558	$210,445,867	66.92	$138,386,869	$587,432,937	$725,819,806
2023-25 Total Funding	6,414.08	$599,014,881	$2,066,412,247	$2,665,427,128	6,414.08	$703,024,441	$2,477,776,626	$3,180,801,067
Federal funds included in other funds			*$0*				*$0*	
Total ongoing changes as a percentage of base level	*1.1%*	*6.1%*	*4.7%*	*5.0%*	*1.1%*	*15.0%*	*3.9%*	*6.5%*
Total changes as a percentage of base level	*1.1%*	*6.1%*	*9.3%*	*8.6%*	*1.1%*	*24.5%*	*31.1%*	*29.6%*