

**Dakota College at Bottineau
Budget No. 243
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	84.00	\$11,130,278	\$20,150,947	\$31,281,225 ¹
2021-23 legislative appropriation	<u>91.86</u>	<u>9,637,630</u>	<u>18,216,200</u>	<u>27,853,830</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	(7.86)	\$1,492,648	\$1,934,747	\$3,427,395

¹This 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 DCB FTE student enrollment projection for the 2023-25 biennium was 534 for the fall 2023 semester and 550 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 DCB for the 2023-24 fiscal year was estimated to be \$2.45 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 \$600,000 under the program.

Extraordinary repairs - The Legislative Assembly, in House Bill No. 1003, appropriated \$114,007 from the general fund to DCB 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 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

Status/Result

Dakota College at Bottineau (DCB) received \$433,933, including \$309,933 from the general fund and \$124,000 from other funds, for targeted market equity increases. Equity increases were provided to 74 employees.

The actual fall 2023 semester FTE enrollment was 576, which was 42 students more than projected and 26 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 \$2.67 million, approximately \$220,000 more than projected.

Through March 31, 2024, the DCB Foundation has received \$266,001 in grant funding through the program.

The college anticipates matching and spending 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 Tiers II and III of the capital building fund program for various projects, including using all of its Tier II allocation with matching funds for the renovation of Old Main. See the **Old Main renovation** section below for additional information regarding the project.

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 million from SIIF to the University System capital building fund. The college was allocated \$159,096 in Tier II and \$500,000 in Tier III of the capital building fund program for the 2023-25 biennium.

Old Main renovation - The Legislative Assembly appropriated \$5.3 million of one-time funding, including \$3.3 million from SIIF, \$1 million from the University System capital building fund, and \$1 million from other local funds, for the Old Main renovation project. This amount is in addition to \$4 million, including \$2.5 million from SIIF and \$1.5 million from other local funds, appropriated by the 2021 Legislative Assembly for the renovation of Old Main into a center for rural health education. The Legislative Assembly, in Section 40 of House Bill No. 1003, authorized the institution to expend up to \$1 million from its allocation in the University System capital building fund for the Old Main renovation project without any matching funds.

The college reported the renovation project has begun and is anticipated to be completed by the end of the 2023-25 biennium. The institution is using \$500,000 from its 2019-21 biennium Tier III allocation and \$500,000 from its 2021-23 biennium Tier III allocation without matching funds for the project. In addition, the institution has matched its 2023-25 biennium Tier II allocation of \$159,096 with the intention of using this funding for the project.