

**Bismarck State College
Budget No. 227
Senate Bill No. 2003**

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriation	338.25	\$39,495,371	\$79,818,523	\$119,313,894
2023-25 legislative appropriation	<u>335.33</u>	<u>47,341,910</u>	<u>117,006,953</u>	<u>164,348,863</u>
2025-27 appropriation increase (decrease) to 2023-25 appropriation	2.92	(\$7,846,539)	(\$37,188,430)	(\$45,034,969)

Item Description

Enrollment - At the end of the 2025 regular legislative session, the Bismarck State College (BSC) FTE student enrollment projection for the 2025-27 biennium was 2,914 for the fall 2025 semester and 3,020 for the fall 2026 semester.

Tuition collections - In the budget approved by the State Board of Higher Education (SBHE), tuition revenue for BSC for the 2025-26 fiscal year was estimated to be \$19.5 million.

Higher Education Challenge Matching Grant Program - In Section 1 of Senate Bill No. 2003, the Legislative Assembly appropriated \$24.76 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 \$2.05 million under the program.

Transfers from the University System office - The Legislative Assembly, in Sections 7 and 8 of Senate Bill No. 2003, provided for transfers of \$500,000 and \$342,000, respectively, to BSC and Lake Region State College for the cost of separation agreements entered into by the SBHE with former presidents of the institutions.

Extraordinary repairs - The Legislative Assembly, in Senate Bill No. 2003, 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 dollar-for-dollar basis using operations or other funding. The funding is considered Tier I of the University System Capital Building Fund, but it is included in the institution's capital assets line item.

University System Capital Building Fund - In addition to appropriating funding for specific capital projects, the 2019 Legislative Assembly established a University System Capital Building Fund for the 2019-21 biennium. The Legislative Assembly appropriated \$10 million from Bank of North Dakota profits as Tier II funding under the University System Capital Building Fund. The Tier II funding is appropriated directly to each institution and must be

Status/Result

The actual fall 2025 semester FTE enrollment was 3,086, which was 172 students more than projected and 274 more than the fall 2024 semester.

Bismarck State College increased resident tuition rates for the 2025-26 academic year by 6 percent. The current estimate for tuition collections for the 2025-26 fiscal year is \$20.2 million, \$700,000 more than projected.

Through March 31, 2026, the BSC Foundation has received \$656,360 in grant funding through the program. The campus anticipates requesting the full allocation before December 31, 2026.

The University System office transferred the funding to BSC and Lake Region State College in July 2025 from the Core Technology Services line item (\$600,000) and the system governance line item (\$242,000).

Bismarck State College anticipates matching and expending the full appropriation for extraordinary repairs 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 University System Capital Building Fund for the health sciences residence hall project before the end of the biennium. Additional information regarding the student housing project is identified in the **Student housing** section below.

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 University System Capital Building Fund. 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 SBHE approval, each institution may use money from Tier II and Tier III of its University System Capital Building Fund for extraordinary repairs and deferred maintenance projects that do not increase the square footage of a building.

The 2021, 2023, and 2025 Legislative Assemblies continued the University System Capital Building Fund with transfers of \$19 million, \$24 million, and \$26.5 million, respectively, from the Strategic Investment and Improvements Fund to the University System Capital Building Fund. Bismarck State College was allocated \$770,505 in Tier II and \$700,000 in Tier III of the University System Capital Building Fund for the 2025-27 biennium.

Student housing - The Legislative Assembly appropriated \$2.2 million of one-time funding, from the University System Capital Building Fund and other local funds, for student housing at BSC.

Workforce Education Innovation Grant Program - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$10 million from the Strategic Investment and Improvements Fund to the University System office for the Workforce Education Innovation Grant Program to provide grant funds to institutions under the control of the SBHE to create or expand academic programs to address workforce needs.

Bismarck State College remodeled a portion of its health science facility to serve as a residence hall with 56 beds. The campus reported the project was completed in August 2025 using funding from the institution's allocation in the University System Capital Building Fund and other local funds.

In addition, BSC reported it has entered into a master lease agreement for a new \$22.8 million residence hall financed through Mystic, LLC, a subsidiary of Bismarck Industries, a local economic development entity. The 352-bed facility is under construction with anticipated completion in July 2027. The college will be responsible for collecting student rental payments and operational costs, including maintenance, repairs, and grounds upkeep. The lease entered into by the college for the facility includes an option to purchase the building for \$1 at the end of the 30-year lease period.

The University System office reported a committee, including workforce-focused individuals from various state agencies and two members of the SBHE, was formed to allocate funding to campuses from the workforce education innovations grants line item. The committee reviewed applications requesting the funds from all nine eligible institutions and awarded all of the \$10 million appropriation in August 2025.

Bismarck State College reported it was awarded \$1.25 million in grant funding for academic programs relating to construction management, behavioral health, electrician, nursing, mechatronics, and education.