

Lake Region State College
Budget No. 228
Senate Bill No. 2003

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriations	115.15	\$17,161,697	\$30,032,768	\$47,194,465
2025-27 base budget	120.59	15,674,803	26,601,597	42,276,400
Legislative increase (decrease) to base budget	(5.44)	\$1,486,894	\$3,431,171	\$4,918,065

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2025-27 legislative appropriations	\$17,161,697	\$0	\$17,161,697
2023-25 legislative appropriations	15,674,803	0	15,674,803
2025-27 legislative increase (decrease) to 2023-25 appropriations	\$1,486,894	\$0	\$1,486,894
Percentage increase (decrease) to 2023-25 appropriations	9.5%	N/A	9.5%

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 FTE positions pursuant to Section 39 of House Bill No. 1003 (2023)	(5.44)			
Added special fund authority to provide employee salary increases of 3 percent on July 1, 2025, and 3 percent on July 1, 2026			\$545,992	\$545,992
Added special fund authority for employee health insurance premiums to reflect a revised premium estimate of \$1,893 per month			374,947	374,947
Added special fund authority for information technology rate adjustments			10,232	10,232
Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours		(\$1,555,241)		(1,555,241)

Added funding for the 96 percent minimum amount payable provision in the higher education funding formula	945,308	945,308
Added funding to reflect adjustments to credit weighting for law enforcement and wind energy credits in the higher education funding formula	1,234,489	1,234,489
Restored funding reduced during the 2023-25 biennium due to the averaging of base rates in the higher education funding formula	139,076	139,076
Added funding to equalize the higher education funding formula base rates to the highest calculated rate for each institutional group	100,076	100,076
Added funding for a 4 percent inflationary increase in the higher education funding formula base rates	623,186	623,186
Added one-time funding from the strategic investment and improvements fund (SIIF) for a roof project		2,500,000
Total	(5.44)	\$1,486,894
		\$3,431,171
		\$4,918,065

FTE Changes

The Legislative Assembly approved 115.15 FTE positions for Lake Region State College for the 2025-27 biennium, a decrease of 5.44 FTE positions from the 2023-25 biennium authorized level of 120.59 FTE positions. The 5.44 FTE positions were removed pursuant to Section 39 of House Bill No. 1003 (2023), which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 39 of Senate Bill No. 2003 (2025) continues the authorization of the board to adjust positions at institutions under its control during the 2025-27 biennium.

One-Time Funding

The 2025 Legislative Assembly appropriated \$2.5 million of one-time funding from SIIF for a roof project at Lake Region State College for the 2025-27 biennium.

Other Sections in Senate Bill No. 2003

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.

Extraordinary repairs matching funds - Section 4 requires institutions to match extraordinary repairs funding on a dollar-for-dollar 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 \$170,006,814 for various university system projects and programs is from SIIF.

Severance agreements - Sections 7 and 8 provide for the transfer of \$500,000 and \$342,000, respectively, to Bismarck State College and Lake Region State College from the University System office for the cost of separation agreements entered into with the presidents of the institutions.

Capital building fund program - Sections 10 and 11 provide for the continuation of the capital building fund program, including a transfer of \$26.5 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 28 reduces the matching fund requirements for Tier III to a dollar for dollar, excluding UND and NDSU which must continue to provide \$2 of matching funds for each \$1 from the University System capital building fund.

Project management oversight - Section 12 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 challenge grants - Sections 17 through 20 adjust the higher education challenge grant statutory provisions and provide for the distribution of up to \$24.76 million of grant funds to eligible institutions.

Workforce education innovation program - Section 21 limits the \$10 million for workforce education innovation grants to University System institutions, excluding UND and NDSU, and provides for a \$1.5 million limit per institution.

Higher education funding formula - Sections 25, 26, 27, and 49 adjust the higher education funding formula for credit weighting and credit completion factor changes, to continue targeted market equity and retirement contribution pool funding, to restore 2023-25 biennium equalization reductions, to equalize calculated base rates, and to provide a 4 percent inflationary increase.

Carryover authority - Section 30 continues the authorization through July 31, 2027, for entities under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

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.

Related Legislation

Senate Bill No. 2147 - This bill adjusts eligibility for the career builders scholarship and loan repayment programs and appropriates \$2 million for supplemental student financial assistance grants.