

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

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriation	115.15	\$17,161,697	\$30,032,768	\$47,194,465
2023-25 legislative appropriation	<u>120.59</u>	<u>15,674,803</u>	<u>27,601,597</u>	<u>43,276,400</u>
2025-27 appropriation increase (decrease) to 2023-25 appropriation	(5.44)	\$1,486,894	\$2,431,171	\$3,918,065

Item Description

Enrollment - At the end of the 2025 regular legislative session, the Lake Region State College (LRSC) FTE student enrollment projection for the 2025-27 biennium was 924 for the fall 2025 semester and 940 for the fall 2026 semester.

Tuition collections - In the budget approved by the State Board of Higher Education (SBHE), tuition revenue for LRSC for the 2025-26 fiscal year was estimated to be \$5.1 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. Lake Region State College may be awarded up to \$720,000 under the program.

Extraordinary repairs - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$155,367 from the General Fund to LRSC 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 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

Status/Result

The actual fall 2025 semester FTE enrollment was 945, which was 21 students more than projected and 39 more than the fall 2024 semester.

Lake Region 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 \$5 million, \$100,000 less than projected.

Through March 31, 2026, the LRSC Foundation has received \$57,825 in grant funding through the program.

Lake Region State College anticipates matching and expending the full appropriation for extraordinary repairs projects by the end of the biennium.

Lake Region 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 to renovate an atrium and for a parking lot project before the end of the biennium if sufficient matching funds are identified.

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 (SIIF) to the University System Capital Building Fund. Lake Region State College was allocated \$233,263 in Tier II and \$700,000 in Tier III of the University System Capital Building Fund for the 2025-27 biennium.

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 Bismarck State College and LRSC for the cost of separation agreements entered into by the SBHE with former presidents of the institutions.

Capital projects - The Legislative Assembly appropriated \$2.5 million of one-time funding from SIIF for a roof project at LRSC.

Workforce Education Innovation Grant Program - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$10 million from SIIF 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.

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

Lake Region State College reported \$246,760 has been spent as of March 31, 2026, and the roofing project will be completed by the fall of 2026.

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.

Lake Region State College reported it was awarded \$1 million in grant funding for creating four allied health programs, including surgical technology, laboratory technician, respiratory therapy, and sonography. The college noted radiology technology is a fifth program the institution would like to add if sufficient funding is available.