

University of North Dakota
Budget No. 230
Senate Bill No. 2003; House Bill No. 1612

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriations	2,191.95	\$195,070,460	\$960,608,202	\$1,155,678,662
2025-27 base budget	2,060.56	184,155,380	790,481,856	974,637,236
Legislative increase (decrease) to base budget	131.39	\$10,915,080	\$170,126,346	\$181,041,426

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2025-27 legislative appropriations	\$195,070,460	\$0	\$195,070,460
2023-25 legislative appropriations	184,155,380	14,005,000	198,160,380
2025-27 legislative increase (decrease) to 2023-25 appropriations	\$10,915,080	(\$14,005,000)	(\$3,089,920)
Percentage increase (decrease) to 2023-25 appropriations	5.9%	(100%)	(1.6%)

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)	131.39			
Added special fund authority to provide employee salary increases of 3 percent on July 1, 2025, and 3 percent on July 1, 2026			\$18,771,848	\$18,771,848
Added special fund authority for employee health insurance premiums to reflect a revised premium estimate of \$1,893 per month			10,161,489	10,161,489
Added special fund authority for information technology rate adjustments			193,009	193,009
Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours		\$329,005		329,005

Added funding to equalize the higher education funding formula base rates to the highest calculated rate for each institutional group	3,170,382	3,170,382
Added funding for a 4 percent inflationary increase in the higher education funding formula base rates	7,415,693	7,415,693
Added one-time funding , including \$55.64 million from the strategic investment and improvements fund (SIIF) and the remainder from local funds and the University System capital building fund, for the science, technology, engineering, and mathematics building project	79,500,000	79,500,000
Added one-time funding from SIIF for the national security crossroads	16,000,000	16,000,000
Added one-time funding , including \$250,000 from the community health trust fund and the remainder from federal funds or other sources, for the planning, developing, establishing, and operating of the North Dakota Center for Aerospace Medicine (House Bill No. 1612)	500,000	500,000
Added one-time funding , including \$5 million from the community health trust fund and the remainder from local funds and the University System capital building fund, for the allied health facility project	45,000,000	45,000,000
Total	<u>131.39</u>	<u>\$181,041,426</u>

FTE Changes

The Legislative Assembly approved 2,191.95 FTE positions for the University of North Dakota (UND) for the 2025-27 biennium, an increase of 131.39 FTE positions from the 2023-25 biennium authorized level of 2,060.56 FTE positions. The 131.39 FTE positions were added 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 following is a summary of one-time funding items for UND for the 2025-27 biennium:

	SIIF	Community Health Trust Fund	Other Funds	Total
Science, technology, engineering, and mathematics building (local funds and the University System capital building fund)	\$55,640,000		\$23,860,000	\$79,500,000
National security crossroads	16,000,000			16,000,000
Allied health facility Phase I (local funds and the University System capital building fund)		\$5,000,000	40,000,000	45,000,000
Center for Aerospace Medicine (federal funds or other sources)		250,000	250,000	500,000
Total	\$71,640,000	\$5,250,000	\$64,110,000	\$141,000,000

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 UND and North Dakota State University, 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.

Community health trust fund - Section 6 identifies \$5 million for the UND allied health facility project is from the community health trust fund.

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 dollar for dollar, excluding UND and North Dakota State University 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.

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.

Hyperbaric oxygen therapy - Section 36 provides for the UND School of Medicine and Health Sciences hyperbaric oxygen therapy chambers to be granted to health care providers in the state.

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.

Exemptions - Section 40 authorizes the continuation of unspent appropriation authority for certain projects and programs into the 2025-27 biennium.

UND land sale - Sections 42 and 43 authorize the sale of land by UND.

UND School of Medicine and Health Sciences - Student residency - Section 44 directs UND to develop and implement student recruitment and acceptance strategies to increase resident medical student enrollment at the School of Medicine and Health Sciences and in the physician assistant program.

UND allied health facility expansion - Section 50 provides legislative intent to express support for the completion of the allied health facility expansion project at UND School of Medicine and Health Services.

Related Legislation

House Bill No. 1600 - This bill appropriates \$400,000 from SIIF to the Office of Management and Budget to provide a grant to fund an immigration law clinic at the UND School of Law.

House Bill No. 1612 - This bill appropriates \$500,000, including \$250,000 from the community health trust fund and \$250,000 from federal funds or other sources, to UND to plan, develop, establish, and operate the North Dakota Center for Aerospace Medicine.

Senate Bill No. 2013 - This bill provides distributions to University System institutions from permanent funds established for the benefit of the institutions as follows:

Institution	2023-25 Distribution	2025-27 Distribution	Increase (Decrease)
North Dakota State University	\$7,648,000	\$8,770,000	\$1,122,000
University of North Dakota	5,986,000	6,948,000	962,000
North Dakota State College of Science	2,259,700	2,570,284	310,584
Valley City State University	1,354,000	1,566,000	212,000
Mayville State University	894,000	1,102,000	208,000
Dakota College at Bottineau	343,700	406,284	62,584
Dickinson State University	343,700	406,284	62,584
Minot State University	343,700	406,284	62,584
Total	\$19,172,800	\$22,175,136	\$3,002,336

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.