

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

|  | FTE Positions | General Fund        | Other Funds         | Total               |
|--|---------------|---------------------|---------------------|---------------------|
| <b>2021-23 legislative appropriations</b>      | <b>115.76</b> | <b>\$14,242,152</b> | <b>\$25,634,428</b> | <b>\$39,876,580</b> |
| 2021-23 base budget                            | 118.10        | 12,945,280          | 24,976,514          | 37,921,794          |
| Legislative increase (decrease) to base budget | (2.34)        | \$1,296,872         | \$657,914           | \$1,954,786         |

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

|   | Ongoing<br>General Fund<br>Appropriation | One-Time<br>General Fund<br>Appropriation | Total<br>General Fund<br>Appropriation |
|---|--|---|--|
| <b>2021-23 legislative appropriations</b>                         | <b>\$14,242,152</b>                      | <b>\$0</b>                                | <b>\$14,242,152</b>                    |
| 2019-21 legislative appropriations                                | 12,945,280                               | 0   | 12,945,280                             |
| 2021-23 legislative increase (decrease) to 2019-21 appropriations | \$1,296,872                              | \$0                                       | \$1,296,872                            |
| Percentage increase (decrease) to 2019-21 appropriations          | 10.0%                                    | N/A                                       | 10.0%                                  |

**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 24 of House Bill No. 1003 (2019)  | (2.34)        |                    |                  |                    |
| Added funding through the higher education funding formula to provide employee salary and health insurance premium rate increases                |               | \$256,485          | \$294,914        | \$551,399          |
| Adjusted funding distributed through the higher education funding formula to reflect changes in completed student credit-hours                   |               | 497,336            |                  | 497,336            |
| Added funding to implement changes to the funding formula recommended by the interim Higher Education Committee                                  |               | 543,051            |                  | 543,051            |
| Added <b>one-time funding</b> from the strategic investment and improvements fund for the Curtis and Annette Hofstad Agricultural Center project |               |                    | 363,000          | 363,000            |
| <b>Total</b>   | <b>(2.34)</b> | <b>\$1,296,872</b> | <b>\$657,914</b> | <b>\$1,954,786</b> |

### FTE Changes

The Legislative Assembly approved 115.76 FTE positions for Lake Region State College for the 2021-23 biennium, a decrease of 2.34 FTE positions from the 2019-21 biennium authorized level of 118.10 FTE positions. The 2.34 FTE positions were removed pursuant to Section 24 of House Bill No. 1003 (2019), which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 23 of Senate Bill No. 2003 (2021) continues the authorization of the board to adjust positions at institutions under its control during the 2021-23 biennium.

### One-Time Funding

The Legislative Assembly appropriated \$363,000 of one-time funding from the strategic investment and improvements fund to Lake Region State College for the Curtis and Annette Hofstad Agricultural Center project.

### Federal COVID-19 Funding - 2019-21 Biennium

In House Bill No. 1395, the Legislative Assembly appropriated \$61,536,354 of federal coronavirus relief funds to the University System office and institutions for the 2019-21 biennium for cleaning supplies and equipment, classroom and facility restructuring, technology needs, and other costs relating to the COVID-19 pandemic. The University System institutions also received COVID-19-related funding directly from the federal government through the federal Higher Education Emergency Relief Fund and other COVID-19-related grant programs. The following schedule identifies federal COVID-19-related funds received by the University System as of April 30, 2021:

| Entity/Institution                         | Federal Coronavirus Relief Fund | Federal Higher Education Emergency Relief Fund | Other Federal COVID-19-Related Funds | Total               |
|--|---------------------------------|--|--------------------------------------|---------------------|
| University System office                   | \$1,468,787                     |  |                                      | \$1,468,787         |
| Bismarck State College                     | 4,210,745                       | \$960,372                                      |                                      | 5,171,117           |
| Lake Region State College                  | 880,813                         | 500,055  |                                      | 1,380,868           |
| Williston State College                    | 1,712,364                       | 500,000  |                                      | 2,212,364           |
| University of North Dakota                 | 20,984,766                      | 5,491,551                                      | \$299,921                            | 26,776,238          |
| UND School of Medicine and Health Sciences |                                 |  | 3,221,492                            | 3,221,492           |
| North Dakota State University              | 18,618,664                      | 7,728,326                                      |                                      | 26,346,990          |
| North Dakota State College of Science      | 5,107,897                       | 823,352  | 1,500,000                            | 7,431,249           |
| Dickinson State University                 | 2,346,239                       | 672,185  |                                      | 3,018,424           |
| Mayville State University                  | 2,206,656                       | 500,148  |                                      | 2,706,804           |
| Minot State University                     | 2,454,439                       | 1,339,854                                      |                                      | 3,794,293           |
| Valley City State University               | 740,353                         | 500,000  |                                      | 1,240,353           |
| Dakota College at Bottineau                | 804,631                         | 500,111  |                                      | 1,304,742           |
| <b>Total</b>                               | <b>\$61,536,354</b>             | <b>\$19,515,954</b>                            | <b>\$5,021,413</b>                   | <b>\$86,073,721</b> |

### Capital Building Fund Program

The 2019 Legislative Assembly appropriated \$29 million for institution capital building funds for the 2019-21 biennium. The appropriation included \$10 million from Bank of North Dakota profits and \$10 million from institution \$1-to-\$1 matching funds appropriated directly to each institution for Tier II of the capital building fund program. The appropriation also includes \$7 million from Bank of North Dakota profits and \$2 million from the general fund appropriated to the University System office to be allocated to the institutions for Tier III of the capital building fund program once \$2 of matching funds have been secured for each \$1 from the state. Institutions could use their capital building funds for legislatively authorized capital projects and for extraordinary repairs and deferred maintenance projects which did not exceed \$700,000 and did not increase the square footage of a building.

The 2021 Legislative Assembly enacted the capital building fund program in statute, including a newly created University System capital building fund, and provided continuing appropriation authority from the fund. The Legislative Assembly did not continue the requirement that extraordinary repairs and deferred maintenance projects not exceed \$700,000. The Legislative Assembly transferred \$19 million from the strategic investment and improvements fund to the newly created University System capital building fund, \$10 million of which is subject to \$1-to-\$1 matching fund requirements and \$9 million of which is subject to \$2-to-\$1 matching fund requirements.

## Capital Projects

The Legislative Assembly appropriated \$363,000 of one-time funding from the strategic investment and improvements fund to Lake Region State College for the Curtis and Annette Hofstad Agricultural Center project.

### Other Sections in Senate Bill No. 2003

**Additional funds appropriation authority** - Section 4 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities.

**Capital building fund program** - Sections 6, 7, and 14 provide for the continuation of the capital building fund program, including a \$19 million transfer from the strategic investment and improvements fund to the University System capital building fund and the continuation of unexpended funds appropriated for the 2019-21 biennium.

**Strategic investment and improvements fund** - Section 8 identifies \$2.5 million from the strategic investment and improvements fund for the Dakota College at Bottineau Old Main renovation and \$363,000 from the strategic investment and improvements fund for the Lake Region State College Curtis and Annette Hofstad Agricultural Center.

**Extraordinary repairs matching funds** - Section 9 requires institutions to match state extraordinary repairs funding on a \$2-to-\$1 basis using operations or other funding.

**Higher education funding formula** - Sections 11, 12, 13, and 18 amend the higher education funding formula to implement the recommendations of the interim Higher Education Committee, excluding the restoration of the hold harmless clause.

**Carryover authority** - Section 15 continues the authorization through July 31, 2023, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

**Project management oversight** - Section 19 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.

**Transfer authority** - Section 22 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 23 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.

**Capital projects carryover** - Section 24 provides an exemption to allow the continuation of funding appropriated from the general fund for the 2017-19 biennium by the Legislative Assembly in Senate Bill No. 2297 (2019) for certain institution capital projects.

### Related Legislation

**House Bill No. 1395 - COVID-19** - This bill appropriates \$61,536,354 of federal funding approved by the Emergency Commission and Budget Section during the 2019-20 interim from the state's allocation from the federal Coronavirus Relief Fund to the University System in response to the COVID-19 pandemic.

**House Bill No. 1503 - Free speech** - This bill provides statutory changes relating to free speech policies of institutions under the control of the State Board of Higher Education.

**Senate Bill No. 2030 - Challenge grants** - This bill appropriates \$11.15 million from the general fund to continue the higher education challenge matching grant program and adds abortion-related restrictions to the program's eligibility requirements. A section providing for a penalty for supporting abortion was vetoed by the Governor.

**Senate Bill No. 2033 - Capital building fund** - This bill continues the University System capital building fund program.