
AGENCY OVERVIEW**228 Lake Region State College**

Date: 12/07/2012**Time:** 13:44:50**Statutory Authority**

North Dakota Century Code Chapter 15-10-01.1.

Agency Description

Lake Region State College (LRSC) is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, vocational/technical training, workforce training, educational outreach opportunities, and life-long learning.

LRSC serves approximately 3,000 students each year through on-campus and distance delivery. LRSC is proud to collaborate with other NDUS campuses to offer an Associate of Arts Degree online, a Baccalaureate Degree in Business in cooperation with Mayville State University in Devils Lake, Associate Degree Nursing through a consortium with Dakota College - Bottineau, Bismarck State College, Williston State College, and Fort Berthold Community College, a Baccalaureate Degree in Criminal Justice in cooperation with Minot State University, and an Associate of Applied Science in Law Enforcement through innovative computer-based training and e-learning technology.

Agency Mission Statement

Lake Region State College recently established a new mission statement that now reads:

We enhance lives and community vitality through quality education.

Agency Performance Measures

The North Dakota University System publishes an annual accountability measures report each December, in response to the "flexibility with accountability" expectations of SB 2003 passed by the 2001 Legislative Assembly. Organized according to the five cornerstones of the Roundtable Report, these annual reports provide a useful framework for focusing the assets of the University System on the high-priority needs of the state. The 2012 annual accountability measures report is scheduled for completion in December 2012, and will be the most current information available to the 2013 Legislative Assembly. This annual document serves as a primary tool for reporting on the agreed-upon North Dakota University System accountability measures and as a vehicle through which the system demonstrates its commitment to enhancing the economic and social vitality of North Dakota.

Major Accomplishments

1. Achieved a record student enrollment of 2,056 in credit courses in the fall semester of 2011.
2. Increased offerings on campus, including the Fitness Trainer program and, beginning fall 2012, Music courses.
3. Expanded course offerings in the Grand Forks Public School System.
4. Established a broader TrainND Northeast presence in the Grand Forks metro area.
5. Expanded the Associate Degree in Nursing program into Mayville to continue to address the nursing shortage.
6. Established the Certified Nurse Assistant training program on the Grand Forks Air Force Base.
7. Began construction of a wind tower to provide power to campus and be a key training tool in the Wind Energy Technician degree program.
8. Continued expansion of training operations for the Peace Officer Training program. Locations now include Devils Lake, Fargo, Grand Forks, and Minot.
9. Received accreditation from the Higher Education Commission for the maximum time period allowed.
10. Negotiated the first institutional indirect cost rate for federal grants.

Future Critical Issues

The ongoing flooding situation in the area and a declining population base in the surrounding communities continue to concern Lake Region State College as we strive to address the demographic issues facing the state as a whole. The college continues to be entrepreneurial in its outreach efforts to ensure adequate enrollment to sustain the college infrastructure and basic services. Strategic planning is a high priority and a key component to our plan is to expand LRSC's presence in Grand Forks. LRSC began to offer dual credit courses in the Grand Forks Public School System in the fall of FY 2011 and has continued to expand. LRSC established its Launch program on the campus of UND in the fall of FY 2010 and continues to prepare underprepared students who wish to transfer to UND. LRSC's Launch program has been a successful

AGENCY OVERVIEW**228 Lake Region State College****Date:** 12/07/2012**Time:** 13:44:50

component for increased student retention. Our ultimate goal is to provide vocational and technical training opportunities in Grand Forks and stem the tide of ND residents attending MN institutions for training.

The personnel needed to respond to programmatic and administrative needs of North Dakota continues to be a challenge because of funding limitations. Much of the institution's growth in programmatic opportunities provided to North Dakota citizens has been the result of LRSC's innovation and effective use of non-appropriated funding to explore new venues and modes of delivery. Record enrollments have generated tuition revenues used to improve faculty and staff salaries in order to retain experienced employees and entice new hires but a reliance on tuition revenue is precarious and contrary to the issue of college affordability. Increased state appropriations are needed in order for Lake Region State College to maintain an adequate workforce, continue to develop outside resources, pursue economic development initiatives, nurture business/education partnerships, determine effective training needs and methods, assist students to explore employment opportunities, and to handle special projects.

LRSC's request for a major capital project continues to be a modernization and expansion of its Technical Center to provide appropriate space on the campus for its technical training programs, including the Wind Energy Technician program, and to expand the Nursing program. An explanation is found in the narrative for that project.

REQUEST SUMMARY

228 Lake Region State College
Biennium: 2013-2015

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
By Major Program					
Lake Region State College	8,155,091	12,634,901	3,285,139	15,920,040	0
Total Major Program	8,155,091	12,634,901	3,285,139	15,920,040	0
By Line Item					
Operating Expenses	8,017,622	9,003,614	813,497	9,817,111	0
Capital Assets	43,662	1,021,367	5,081,562	6,102,929	0
Capital Assets-Carryover	0	2,609,920	(2,609,920)	0	0
Deferred Maintenance	93,807	0	0	0	0
Total Line Items	8,155,091	12,634,901	3,285,139	15,920,040	0
By Funding Source					
General Fund	8,155,091	12,634,901	3,285,139	15,920,040	0
Federal Funds					
Special Funds					
Total Funding Source	8,155,091	12,634,901	3,285,139	15,920,040	0
Total FTE	37.50	40.22	3.00	43.22	0.00

REQUEST DETAIL228 Lake Region State College
Biennium: 2013-2015

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Operating Expenses					
Operating Fees and Services	8,017,622	9,003,614	813,497	9,817,111	0
Total	8,017,622	9,003,614	813,497	9,817,111	0
Operating Expenses					
General Fund	8,017,622	9,003,614	813,497	9,817,111	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	8,017,622	9,003,614	813,497	9,817,111	0
Capital Assets					
Land and Buildings	0	866,000	5,081,562	5,947,562	0
Extraordinary Repairs	43,662	155,367	0	155,367	0
Total	43,662	1,021,367	5,081,562	6,102,929	0
Capital Assets					
General Fund	43,662	1,021,367	5,081,562	6,102,929	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	43,662	1,021,367	5,081,562	6,102,929	0
Capital Assets-Carryover					
Land and Buildings	0	2,609,920	(2,609,920)	0	0
Total	0	2,609,920	(2,609,920)	0	0
Capital Assets-Carryover					
General Fund	0	2,609,920	(2,609,920)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	2,609,920	(2,609,920)	0	0
Deferred Maintenance					
Extraordinary Repairs	93,807	0	0	0	0
Total	93,807	0	0	0	0
Deferred Maintenance					
General Fund	93,807	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0

REQUEST DETAIL

228 Lake Region State College
 Biennium: 2013-2015

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Total	93,807	0	0	0	0
Funding Sources					
General Fund	8,155,091	12,634,901	3,285,139	15,920,040	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total Funding Sources	8,155,091	12,634,901	3,285,139	15,920,040	0

CHANGE PACKAGE SUMMARY

228 Lake Region State College
Biennium: 2013-2015

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-B 1 Major Capital Projects		0.00	5,947,562	0	0	5,947,562
A-E 2 Remove Capital Projects		0.00	(866,000)	0	0	(866,000)
Total One Time Budget Changes		0.00	5,081,562	0	0	5,081,562
Ongoing Budget Changes						
A-A 1 Cost to Continue		0.00	255,277	0	0	255,277
A-A 2 Inflationary Increases		0.00	108,220	0	0	108,220
A-A 20 2011-13 Adjusted FTE		40.22	0	0	0	0
A-A 3 Base Plus Incr for Extraord Repairs		0.00	155,367	0	0	155,367
A-A 5 Security and Emergency Preparedness		3.00	450,000	0	0	450,000
A-F 1 Remove Capital Assets Carryover		0.00	(2,609,920)	0	0	(2,609,920)
A-F 2 Remove Base Funding Extraord Repairs		0.00	(155,367)	0	0	(155,367)
Base Payroll Change		(40.22)	0	0	0	0
Total Ongoing Budget Changes		3.00	(1,796,423)	0	0	(1,796,423)
Total Base Budget Changes		3.00	3,285,139	0	0	3,285,139

BUDGET CHANGES NARRATIVE

228 Lake Region State College

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

Change Group: A	Change Type: A	Change No: 1	Priority: 1
------------------------	-----------------------	---------------------	--------------------

Cost to Continue

The cost to continue adjustment includes the following:

- **\$132,417** - Continuation of 12-13 legislatively funded salary increase @ 3%.
- **\$122,860** – Continuation of 11-13 retirement increases, including **\$22,484** for underfunded increases in 11-13, due to calculation error.

Change Group: A	Change Type: A	Change No: 2	Priority: 2
------------------------	-----------------------	---------------------	--------------------

Inflationary Increases

The inflationary increase adjustment includes the following:

- **\$108,220** - Operating inflation (excluding utilities) of 2.9% for FY14 and 2.4% for FY15, based on projections from Economy.Co

Change Group: A	Change Type: A	Change No: 3	Priority: 3
------------------------	-----------------------	---------------------	--------------------

Base Plus Incr for Extraord Repairs

Currently, the campuses and Forest Service receive \$11,169,089 in base funding for extraordinary repairs, which is equivalent to an overall average of 14.7% of the OMB building and infrastructure formulas. In the IBARS process, we are required to remove base funding for extraordinary repairs (see change code **AF2**). The 2013-15 NDUS budget request includes a total increase of \$281,600 to provide increased base funding for facilities and infrastructure repairs and maintenance, equivalent to 15% of OMB building and infrastructure formulas. The AA3 budget change code includes restoring the base amount removed in change code AF2, as well as the requested increase to reach 15% of OMB formula. Lake Region State College’s **portion of the request is \$155,367. Base funding currently received in 2011-13 is \$155,367, and the requested increase in base funding for extraordinary repairs for 2013-15 is \$0.**

A prioritized listing of extraordinary repair projects is included in the extraordinary repairs subschedule (because of IBAR’s requirement to do so), however these priorities can very easily change, due to unforeseen circumstances and emergencies. The priority listing is only a best estimate at this time. The actual use of these dollars will be left to the discretion of the institutions (with appropriate approvals by the SBHE where required for projects greater than \$250,000). All NDUS entities will be given the authority to allocate dollars to repair and replacement priorities for regular repair and replacement projects as determined by each entity.

Change Group: A	Change Type: A	Change No: 5	Priority: 5
------------------------	-----------------------	---------------------	--------------------

Security and Emergency Preparedness

This request is intended to assist the NDUS in meeting federal and state and/or gubernatorial directives and to protect the lives of students, employees and the public as it relates to emergency preparedness planning and campus security. To facilitate appropriate emergency preparedness planning on each campus, which must be tailored to each individual campus and local and regional law enforcement and emergency services, but coordinated systemwide, the budget request includes funding to support an efficient systemwide approach, where a small team of employees would provide both system and individual campus assistance. The 2013-15 request includes a total of **\$555,000 (\$185,000 each) for 3.0 new FTE positions, one each at UND, NDSU and the NDUS office.** These three employees, in addition to limited current campus resources, would serve the entire system. In addition, **\$50,000** is included for a systemwide train-the-trainer approach for planning and readiness.

The NDUS currently has over 37,000 headcount students who attend class on campus; about 12,000 residential students living in campus housing; approximately 12,000 full and part-time headcount employees, necessitating adequate 24x7 full-time campus security at each NDUS institution to ensure a safe and secure environment in which to study, live and work. Campus security staff fulfill many critical roles, including: 1.) Building Security (building lock/unlock, access control, key control, central alarm and

BUDGET CHANGES NARRATIVE

228 Lake Region State College

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

surveillance monitoring); 2.) Public Safety (fire prevention education, fire inspection, emergency medical services, sexual assault and theft prevention); 3.) Communications (call intake – 911, dispatching services); 4.) Crime Investigation; 5.) Special Security (crowd control, high profile speakers); 6.) Parking Regulation and Control; 7.) Response.

Several factors influence number of security staff: 1.) Student population; 2.) Age and gender profile; 3.) Location of institution; 4.) Number of buildings both on and off campus; 5.) Extent of on-campus housing; 6.) Days/times of classes; 7.) Campus size; 8.) Institutional and public expectations. Given the above need and variables, the budget request includes the following total number of security staff (some of which are currently funded through allocation of campus resources): LRSC, MaSU, VCSU, DCB: 3 @ 24x7; BSC, WSC, NDCS, DSU, MiSU: 6 @ 24x7. UND and NDSU currently provide limited 24x7 coverage, thus no additional campus security funding is requested for UND and NDSU.

Given the amount of current campus resources dedicated to this effort and in consideration of three eight-hour shifts to achieve 24x7 coverage, **the net 2013-15 state funding request for nine campuses (except UND and NDSU) is \$4,905,687 and 29.75 new FTE as follows: BSC \$671,900 (4 FTE); LRSC \$450,000 (3 FTE); WSC \$785,000 (5 FTE); NDCS \$428,948 (1.75 FTE); DSU \$673,870 (4 FTE); MaSU \$450,000 (3 FTE); MiSU \$545,969 (3 FTE); VCSU \$450,000 (3 FTE); DCB \$450,000 (3 FTE).**

Change Group: A	Change Type: A	Change No: 20	Priority: 1
------------------------	-----------------------	----------------------	--------------------

2011-13 Adjusted FTE

Per HB1003 (Section 13), "the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. The university system shall report any adjustments to the office of management and budget before the submission of the 2013-15 biennium budget request." A report was run as of 4-30-2012 to determine the total "appropriated fte" as of that date. Consistent with the methodology used in previous biennia, the current year's annual budgets were used to estimate the amount supported by general fund only, based on the percentage of budgeted general fund revenue to total appropriated revenue.

Change Group: A	Change Type: B	Change No: 1	Priority: 1
------------------------	-----------------------	---------------------	--------------------

Major Capital Projects

LRSC is requesting \$5,947,562 GF for the Erlanson Tech Center Addition/Renovation. All details are included in the capital projects narrative.

Change Group: A	Change Type: E	Change No: 2	Priority: 1
------------------------	-----------------------	---------------------	--------------------

Remove Capital Projects

To remove **\$866,000** funding authorized for capital projects for the 2011-13 biennium per HB1003-Section 2, **(\$866,000 GF)**. Campuses will report on the status of the individual projects to the appropriations committees of the sixty-third legislative assembly, as required. The \$866,000 was appropriated from the general fund to replace campus roofs that had reached or exceeded their expected life span.

Change Group: A	Change Type: F	Change No: 1	Priority: 1
------------------------	-----------------------	---------------------	--------------------

Remove Capital Assets Carryover

BUDGET CHANGES NARRATIVE

228 Lake Region State College

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

To remove **\$2,609,920 GF** carryover from 2009-11, for the Wind Energy Project.

Change Group: A	Change Type: F	Change No: 2	Priority: 2
------------------------	-----------------------	---------------------	--------------------

Remove Base Funding Extraord Repairs

To remove **\$155,367** base funding for extraordinary repairs. This base amount, plus an increase to the base, is being requested for 2013-15, and is reflected in **change code AA3**. **\$108,623 has been expended on a variety of small projects on campus as of the end of FY12.**

Change Group: R	Change Type: A	Change No: 1	Priority:
------------------------	-----------------------	---------------------	------------------

Remove Initial Funding Reqeust

Removes the initial funding request for LRSC's portion (if any) of the following budget request items:

- Cost to Continue
- Inflationary Increases
- Increased Extraordinary Repairs
- State Priorities
- Security and Emergency Preparedness
- Student Mental Health
- Statewide Nursing Consortium
- Healthcare Workforce Initiative

Change Group: R	Change Type: A	Change No: 2	Priority:
------------------------	-----------------------	---------------------	------------------

Formula Funding Equalization

The Executive Budget includes funding to move the higher education institutions to a cost-based, per completed student credit hour (SCH) funding model. This adjustment equalizes current funding levels to the highest existing per SCH within each tier of institutions. Total funding provided equals \$21,090,261. Three institutions now at the highest level (University of North Dakota, Minot State University, and Williston State College) do not receive additional funding.

Equalized per Adjusted SCH amounts are as follows:

- Two-year Colleges - \$104.88
- Four-year Comprehensive Universities - \$98.75
- Research Institutions - \$66.35

LRSC's equalization payment is \$2,800 171.

Change Group: R	Change Type: A	Change No: 3	Priority:
------------------------	-----------------------	---------------------	------------------

Formula Funding

BUDGET CHANGES NARRATIVE

228 Lake Region State College

Bill#: SB2003

Date: 12/07/2012

Time: 13:44:50

The Executive Budget includes funding to move the higher education institutions to a cost-based, per completed student credit hour (SCH) funding model. After funding levels were equalized, an inflationary factor of 6.15% per year was added for:

- Cost to continue adjustments
 - Salary and retirement contributions
 - Maintaining extraordinary repair levels at 15% of the OMB formula
 - Medical School class size increases
- 4% annual salary increases
- Health insurance premium increase
- State share of increased retirement contributions
- Operating expense inflation
- Utility cost increases

A factor of 2.5% was added to the non-research institutions for the Student Mental Health and Campus Security initiatives. Additionally, factor of .08% was added to the research institutions to fund the Statewide Nursing Consortium.

The final per Adjusted SCH payment amounts recommended in the Executive Budget are as follows:

- Two-year Colleges - \$117.60
- Four-year Comprehensive Universities - \$110.80
- Research Institutions - \$72.70

LRSC's formula payment is \$1,450,423 and 3.00 FTE for security personnel.