
AGENCY OVERVIEW**238 ND State College of Science****Date:** 12/23/2014**Time:** 12:16:55

Statutory Authority

North Dakota Century Code 15-15.02.

Agency Description

NDSCS provides educational programs and services which serve the needs of individuals preparing for careers in the applied sciences/technologies. It serves the businesses and industries of North Dakota by working with employers on the design and delivery of customized training programs. It is the vision of the college to provide quality education/services "second to none" through our commitment to customer focus, employee development and continuous improvement.

NDSCS is committed to a philosophy that provides for the varied educational needs of each person through competent faculty, curriculum programs and educational experiences. Students have the opportunity to develop their full potential, obtain gainful employment and make satisfactory career progress. It provides students with practical hands-on and general-education knowledge and skills.

Agency Mission Statement

The North Dakota State College of Science is a comprehensive, associate degree granting college founded on a tradition of quality and integrity. We deliver learner-focused education through a unique and evolving collegiate experience. Using innovative delivery strategies, NDSCS anticipates and responds to statewide and regional needs by providing access to occupational/technical programs, transfer programs, and workforce training. (Approved by SBHE November 2001)

Agency Performance Measures

NDUS has published annual accountability measures reports, 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, which served as the basis for the Board's previous strategic plan, the report has evolved from a written annual report to an online report. A wrap-up report is being compiled in anticipation of the launch of the Board's 2015-2020 strategic plan. Future reporting on the new strategic plan and accountability is expected to not only be online but also in a contemporary, interactive format. The information may include information on graduation and retention rates, enrollment, peer comparisons, financial aid and tuition, degrees awarded and composite financial index information for the 11 campuses, although final measures have not yet been determined.

Major Accomplishments

1. Established Diesel Technology – Komatsu Partnership Program; the Diesel Technology – Case IH Partnership Program; and John Deere Construction and Forestry Partnership.
2. Developed and assessed improvement plans.
3. Expanded programs and flexible scheduling.
4. Researched needs and developed a NDSCS-Fargo Business Plan to better meet the needs of North Dakota and the greater Fargo area.
5. Selected second class of the NDSCS Leadership Academy.
6. Awarded a \$2.7 million TAACCCT Grant in 2014 by the Department of Labor to enhance educational and training capabilities in the area of manufacturing.
7. Received \$200,000 grant from ND CTE to implement the STEMii (STEM Infusion Initiative) for the enhancement of STEM related outreach initiatives. Also secured three \$9,000 mini- grants yearly to support these efforts.
8. Developed initiatives and secured matching funding for the following Workforce Enhancement Grants: 1) Advanced Manufacturing Training Initiative -- \$488,918 plus \$488,927 of industry match; and 2) Transportation and Manufacturing Torque Certification Initiative -- \$50,000 plus \$96,278 of industry match.
9. Developed projects and secured matching funding for the following Workforce Training grants: 1) FARGO Training Initiative -- \$160,108 plus \$278,190 of industry match; and 2) Professional Truck Driving Training Initiative -- \$45,500 plus \$46,500 of industry match.
10. Received a \$90,000 Nursing Education Consortium Grant for simulation education/training. In 2013 enrollment hit a record 30-year high.
11. Increased graduation rate to 63 percent in 2013; adult aged (25-49) enrollments increased by 8.4 percent to 572 enrollments; placement rate was at 99 percent.
12. Ranked third among the nations' two-year colleges by Washington Monthly magazine in 2013 and the sixth best college among large two-year public institutions for college graduation rates in 2014 Chronicle of Higher Education.
13. Had a 100 percent passing rate on the NCLEX exam in both the Practical Nursing and the Registered Nursing students in spring 2014.

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14. Completed Bisek Hall \$10.3 million addition and the Forkner/Riley Residential Halls \$9.0 million renovation. Continued Stadium and Old Main renovations and completed demolition of Hektner and Burch Halls.
15. Doubled NDSCS Foundation financial portfolio in last five years.
16. Added: Information Technology Support Certificate, Information Systems Administrator AAS Degree; Web Design Certificate/Web Development AAS Degree; and Welding Technology AAS Degree.
17. Developed class options for students starting at 7:30 a.m. until 10:00 p.m. Monday through Thursday. A master general education schedule was created to allow for maximum flexibility as well as efficiencies in course delivery.
18. Added three new locally-funded positions at NDSCS-Fargo in January 2014.
19. Developed a marketing campaign targeted at the Fargo area adult working population.
20. Developed strategies to maximize contacts with North Dakota State Challenge Grant Match prospects.
21. Received a College and Career Readiness Award from ACT, Inc. in the career preparedness category in 2014.
22. Completed a \$600,000 network data infrastructure upgrade.
23. Remodeled Student Center space to create a new ITS Department work area.
24. Solicited campus wide feedback and identified focus areas related to pedagogical and professional development objectives.
25. Developed Allied Health Testing Lab in collaboration with ITS.

Future Critical Issues

1. Funding
 - a. Fully implement and fully fund the original SB2200 from the 63rd Legislative Session.
 - b. Performance Funding
 - i. Expand and “tack it on” to the funding model as one time funding.
 - c. Special Initiatives
 - i. “Tack them on” to the funding model as one time funding.
2. Tuition
 - a. Fully implement and fully fund the original SB2200 from the 63rd Legislative Session.
 - b. Freeze and fund 2-year College’s tuition.
 - c. Consider free tuition at the 2-year colleges as other states are doing.
 - d. Buy down out-of-state tuition to attract a workforce for North Dakota.
 - e. Buy down dual credit tuition to improve student degree attainment and student affordability.
 - f. NDSCS is creating new tuition model by merging program fees and course fees into tuition.
3. Competitive compensation for faculty and staff to better compete with the “inflation factors” that we are currently faced with here in North Dakota.
4. Capital Projects
 - a. NDSCS-Wahpeton replacement of water lines, steam lines and sewer lines.
 - b. NDSCS-Fargo Expansion Plan.
5. Getting NDSCS-Wahpeton at enrollment capacity.
6. Manufacturing Training Initiative.
7. Serving workforce needs in North Dakota.
8. Enhance learning and student success.
9. Utilizing technology to enhance a student’s collegiate experience.
10. Expanding and prioritizing financial opportunities of the college.
11. Partnering with K-12.
12. Improving student success.
13. Increasing partnerships with business and industry.

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14. Attract more out-of-state students.
15. Currently 33% of CTE programs have admission standards. Goal is to have admission standards implemented in all CTE programs within the next two to three years.
16. TrainND
17. Continue and adjust for inflation, or expand.
18. Career and Education Awareness
 - a. Career counselors in schools
 - i. Continue, expand to add more that will reduce counselor – student ratio.
 - b. Community College Awareness Campaign
 - i. Continue and adjust for inflation, or expand.
 - c. CTE funding
 - i. Increase funding to create increased access and increased variety in programming.
 - d. Career Awareness Initiatives
 - i. Funding to develop career awareness programs for students, parents and high school personnel conducted by 2-year colleges.
19. New Program Startup Funding
 - a. Continue and/or expand the following:
 - i. Department of Commerce Workforce Enhancement Grants
 - ii. CTE/TrainND Grants
 - iii. Challenge Fund Grants

REQUEST SUMMARY

238 ND State College of Science
Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
By Major Program					
ND State College of Science	44,395,171	53,223,381	25,344,335	78,567,716	950,044
Total Major Program	44,395,171	53,223,381	25,344,335	78,567,716	950,044
By Line Item					
Operating Expenses	34,320,009	38,181,456	11,594,539	49,775,995	851,250
Capital Assets	9,625,000	10,096,364	17,195,357	27,291,721	98,794
Capital Assets-Carryover	450,162	1,746,045	(1,746,045)	0	0
Capital Projects Non-State Funded	0	1,500,000	0	1,500,000	0
Capital Assets Carryover - Non-State	0	1,699,516	(1,699,516)	0	0
Total Line Items	44,395,171	53,223,381	25,344,335	78,567,716	950,044
By Funding Source					
General Fund	44,395,171	50,023,865	27,043,851	77,067,716	950,044
Federal Funds					
Special Funds	0	3,199,516	(1,699,516)	1,500,000	0
Total Funding Source	44,395,171	53,223,381	25,344,335	78,567,716	950,044
Total FTE	171.87	168.30	0.00	168.30	2.50

REQUEST DETAIL238 ND State College of Science
Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Operating Expenses					
Operating Fees and Services	34,320,009	38,181,456	11,594,539	49,775,995	851,250
Total	34,320,009	38,181,456	11,594,539	49,775,995	851,250
Operating Expenses					
General Fund	34,320,009	38,181,456	11,594,539	49,775,995	851,250
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	34,320,009	38,181,456	11,594,539	49,775,995	851,250
Capital Assets					
Land and Buildings	8,554,000	8,444,657	14,853,343	23,298,000	0
Other Capital Payments	0	0	0	0	98,794
Extraordinary Repairs	1,071,000	1,651,707	2,342,014	3,993,721	0
Total	9,625,000	10,096,364	17,195,357	27,291,721	98,794
Capital Assets					
General Fund	9,625,000	10,096,364	17,195,357	27,291,721	98,794
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	9,625,000	10,096,364	17,195,357	27,291,721	98,794
Capital Assets-Carryover					
Land and Buildings	0	1,746,045	(1,746,045)	0	0
Extraordinary Repairs	450,162	0	0	0	0
Total	450,162	1,746,045	(1,746,045)	0	0
Capital Assets-Carryover					
General Fund	450,162	1,746,045	(1,746,045)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	450,162	1,746,045	(1,746,045)	0	0
Capital Projects Non-State Funded					
Land and Buildings	0	1,500,000	0	1,500,000	0
Total	0	1,500,000	0	1,500,000	0
Capital Projects Non-State Funded					
General Fund	0	0	0	0	0

REQUEST DETAIL

238 ND State College of Science
Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Federal Funds	0	0	0	0	0
Special Funds	0	1,500,000	0	1,500,000	0
Total	0	1,500,000	0	1,500,000	0
Capital Assets Carryover - Non-State					
Land and Buildings	0	1,699,516	(1,699,516)	0	0
Total	0	1,699,516	(1,699,516)	0	0
Capital Assets Carryover - Non-State					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	1,699,516	(1,699,516)	0	0
Total	0	1,699,516	(1,699,516)	0	0
Funding Sources					
General Fund	44,395,171	50,023,865	27,043,851	77,067,716	950,044
Federal Funds	0	0	0	0	0
Special Funds	0	3,199,516	(1,699,516)	1,500,000	0
Total Funding Sources	44,395,171	53,223,381	25,344,335	78,567,716	950,044

CHANGE PACKAGE SUMMARY

238 ND State College of Science
Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

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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	23,298,000	0	1,500,000	24,798,000
A-E 1 Remove 2013-15 Capital Projects		0.00	(8,085,879)	0	(1,350,000)	(9,435,879)
A-E 2 Remove Capital Projects Contingency Pool		0.00	(358,778)	0	0	(358,778)
A-E 3 Remove Deferred Maintenance Pool		0.00	(639,328)	0	0	(639,328)
Total One Time Budget Changes		0.00	14,214,015	0	150,000	14,364,015
Ongoing Budget Changes						
A-A 1 CTC, Operating Inflation and Utilities Increases		0.00	695,139	0	0	695,139
A-A 2 Governors Funding Model Increase		0.00	10,899,400	0	0	10,899,400
A-A 20 2013-15 Adjusted FTE		168.30	0	0	0	0
A-A 6 Base Plus Incr for Extraordinary Repairs		0.00	3,993,721	0	0	3,993,721
A-F 1 Remove 2011-13 Capital Assets Carryover		0.00	(1,746,045)	0	(1,699,516)	(3,445,561)
A-F 2 Remove Base Funding Extraordinary Repairs		0.00	(1,012,379)	0	0	(1,012,379)
A-F 3 Remove Additional Capital Projects Authority		0.00	0	0	(150,000)	(150,000)
Base Payroll Change		(168.30)	0	0	0	0
Total Ongoing Budget Changes		0.00	12,829,836	0	(1,849,516)	10,980,320
Total Base Budget Changes		0.00	27,043,851	0	(1,699,516)	25,344,335
Optional Budget Changes						
One Time Optional Changes						
A-D 1 Campus Security One-time	2	0.00	393,000	0	0	393,000
A-D 5 Special Assessments	3	0.00	98,794	0	0	98,794
Total One Time Optional Changes		0.00	491,794	0	0	491,794
Ongoing Optional Changes						
A-C 1 Security and Emergency Preparedness	1	2.50	458,250	0	0	458,250
Total Ongoing Optional Changes		2.50	458,250	0	0	458,250
Total Optional Budget Changes		2.50	950,044	0	0	950,044

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Change Group: A	Change Type: A	Change No: 6	Priority:
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Base Plus Incr for Extraordinary Repairs

Currently, the campuses and Forest Service receive \$11,162,008 in base funding for extraordinary repairs, which is equivalent to an overall average of 12.7% 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 2015-17 NDUS budget request includes a total increase of \$32,860,444 to provide increased base funding for facilities and infrastructure repairs and maintenance, equivalent to 50% of OMB building and infrastructure formulas. The AA6 budget change code includes restoring the base amount removed in change code AF2, as well as the requested increase to reach 50% of OMB formula. North Dakota State College of Science's portion of the request is \$3,993,721. Base funding currently received in 2013-15 is \$1,012,379, and the requested increase in base funding for extraordinary repairs for 2015-17 is \$2,981,342.

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). 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. Building Exterior \$1,200,000, Mechanical and Electrical Upgrade \$2,300,000, Interior Finishes \$250,000, Misc Small projects less than \$50k \$243,721.

Change Group: A	Change Type: A	Change No: 20	Priority:
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2013-15 Adjusted FTE

Per SB2003 (Section 36), "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 during the biennium beginning July 1, 2013, and ending June 30, 2015. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2015-17 biennium budget request." A report was run as of 4-30-2014 to determine the total estimated "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:
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Major Capital Projects

The capital project request for NDSCS includes the following:

Campus Water, Sewer Infrastructure, \$13,298,000 (GF)

Fargo Expansion Phase 1, \$10,000,000 (GF)

Robertson Hall Restroom Renovation, \$1,500,000 (OF)

Change Group: A	Change Type: C	Change No: 1	Priority: 1
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Security and Emergency Preparedness

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Campus security (24x7 coverage) - Included in the 2013-15 biennial budget request were amounts to fund three eight-hour shifts to achieve 24x7 coverage at all campuses except UND and NDSU, who indicated they provided limited 24x7 coverage at the time. Three campuses (WSC, DSU and MiSU) received most of the funding that was requested for 24x7 coverage in 2013-15, but the remaining 6 campuses each received \$100,000 (substantially less than what was requested). The 2015-17 budget request includes \$2,411,750 to achieve 24x7 coverage at the remaining campuses: [BSC (3Fte) - \$505,500; LRSC (3Fte) - \$405,500; NDSCS (1.5Fte) - \$252,750; MaSU (3Fte) - \$405,500; VCSU (3Fte) - \$505,500 and DCB (2Fte) - \$337,000].

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.

Emergency management – Item 8 of SBHE Policy 906 (Emergency Preparedness and Management; Continuity of Operations; Security) states, “The chancellor and institution presidents shall, subject to funding and staffing constraints, develop and implement plans under which the system and institutions substantially shall comply with these Policy 906 requirements by July 1, 2014.” The 2015-17 budget request includes a total of \$2,157,750 for a full-time emergency manager at all campuses (\$205,500 each), except DCB whose request is for a one-half time emergency manager (\$102,750).

These positions are needed to develop and implement the plan required under Policy 906 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. These plans are intended to provide the framework to address the immediate requirements for a major disaster or emergency in which normal operations are interrupted and special measures must be taken to: 1.) protect the lives of students, employees and the public; 2.) provide essential services and operations; 3.) manage immediate communications and information regarding emergency operations; 4.) manage university resources effectively in emergency operations; 5.) provide and analyze information to support decision-making. Emergency response is based on the Incident Command System (ICS), the management structure adopted throughout the United States and internationally, and a requirement of the State of ND and various US Department of Homeland Security Presidential Decision Directives and National Incident Management System (NIMS) guidance. The State of ND Division of Emergency Management (DEM) has indicated their interest in having a single point of contact and coordination within the NDUS for emergency response; however, no resources exist for this purpose.

Total security and emergency preparedness request for the North Dakota State College of Science is \$458,250.

Change Group: A	Change Type: D	Change No: 1	Priority: 2
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Campus Security One-time

North Dakota State College of Science is requesting these one-time funds for the following security items:

Electronic Card Access for Northwest and Southeast Complexes' Outside Doors	30,000
Card Access for 36 Complex	120,000
Additional Campus Street Lighting (3000 X 20)	60,000

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Surveillance Cameras for Parking Lots (in Wahpeton (1400 X 40)	56,000
Installation of Window Shades on all Classroom Doors with Glass (\$50 X 800)	40,000
Additional Parking Lot Lighting for Fargo Campus (3000 X 6)	18,000
Surveillance Cameras for Parking Lots in Fargo (1400 X 20)	28,000
Security Education Student Training	15,000
Security Phones (Panic Phones)	20,000
Automated External Defibrillator (AED)	<u>6,000</u>
 Campus Security One-time Total:	 393,000

Change Group: A	Change Type: D	Change No: 5	Priority: 3
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Special Assessments

Campuses must currently fund special assessment payments from their extraordinary repairs funding for city improvements to adjacent property, further reducing the amount left for on-campus improvements. This one-time request, totaling \$1,259,684, is the estimated amount needed for the 15-17 installment payments. The amounts, by campus, are: BSC-\$491,800; WSC-\$45,000; UND-\$68,815; NDSU-\$407,089; NDSCS-\$98,794; MaSU-\$74,876; VCSU-\$65,555; DCB-\$7,755.

Change Group: A	Change Type: E	Change No: 1	Priority:
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Remove 2013-15 Capital Projects

To remove \$9,435,879 funding authorized for capital projects for the 2013-15 biennium per SB2003-Section 2, Old Main Renovation \$8,085,879 GF, Football Complex Renovation \$1,350,000 OF. Additional other fund authority, authorized by the Budget Section, is adjusted in change code AF3. Campuses will report on the status of the individual projects to the appropriations committees of the sixty-third legislative assembly, as required.

Change Group: A	Change Type: E	Change No: 2	Priority:
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Remove Capital Projects Contingency Pool

To remove \$5,483,413 for the capital projects contingency pool per SB2003-Section 2.

SB2003-Section 24 provided the following legislative intent: "The capital projects contingency pool line item contained in subdivision 1 of section 1 of this Act includes funding that may be transferred to institutions for capital projects as provided under this section. The state board of higher education may transfer funds from the capital projects contingency pool to an institution if the lowest acceptable bid received for a capital project exceeds the legislative appropriation provided

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for this project. The board shall provide a prorated amount to institutions from the pool if the amount of funding required for eligible projects exceeds available funding. An institution may only receive funding from the pool for capital projects that receive a general fund appropriation and are authorized under this Act. For purposes of this section, the "legislative appropriation provided for a project" does not include funds appropriated from private donations and other local funds to enhance a project. During the 2013-14 interim, the state board of higher education shall provide periodic reports to the budget section regarding funds distributed from the capital projects contingency pool."

The pool funding is the result of a legislatively imposed five percent reduction (except at SMHS where Phase I was reduced by 2.5%) to each approved 13-15 state funded capital project. Ninety-five percent of the project was funded in each individual campus capital asset line item, with the remaining five percent pooled for SBHE allocation. The intent was to encourage a diligent effort in developing, reviewing and awarding capital projects to meet necessary programmatic needs while limiting total cost, to the greatest extent possible. After pooling the five percent, the legislature then reduced the total amount of the pool by \$1 million. Due to the \$1 million reduction, the amount in the pool is closer to 4.45% (2.17% SMHS) on a project-by-project basis.

The best case scenario would be for the SBHE to have all projects (design and related firm costs) in hand at the same time in order to fairly evaluate and distribute these pooled funds. However, that is not feasible. Smaller, less complex projects will move ahead more quickly than will some of the more complex projects. Holding up all projects for the last one is not reasonable as it will slow progress and may result in increased costs. Thus, each project will need to be considered on a case-by-case basis as ready.

The SBHE approved the 13-15 capital projects contingency pool guidelines as follows:

- All projects must be designed and bid based on the reduced project amount (original project amount less 4.45%/2.17%).
- For fiscal year 2014, campuses (excluding the SMHS) may request an allocation from the capital projects contingency pool, up to a maximum of 4.45% of the legislative appropriation for that project, if the lowest acceptable bid (or CM maximum price) exceeds the legislative appropriation provided for the project. The SMHS may submit a request for an allocation from the capital projects contingency pool, up to a maximum of 2.17% of the legislative appropriation for that project, if the lowest acceptable bid (or CM maximum price) exceeds the legislative appropriation provided for the project.
- The NDUS Office will consider and review each individual project request as submitted, with the Chancellor making an allocation recommendation of between 0-4.45percent (2.17% at SOMHS) to the SBHE, who has the final allocation authority.
- At the end of fiscal year 2014, the allocation criteria will be re-evaluated based on remaining funds, and adjustments to the guidelines may be made, as necessary.

Amounts that have been allocated to the campuses through 6-30-14, totaling \$3,138,331, are being removed by the following campuses: (BSC-\$560,626; LRSC-\$251,433; WSC-\$607,551; NDSU-\$1,247,709; NDSCS-\$358,778; MaSU-\$95,559 and DCB-\$16,675). The unallocated balance as of 6-30-14, totaling \$2,345,082, is being removed by the NDUS Office. NDSCS is removing the Contingency Pool amount of \$358,778 for the approved Old Main Renovation.

Change Group: A	Change Type: E	Change No: 3	Priority:
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Remove Deferred Maintenance Pool

To remove \$10 million for the deferred maintenance pool, per SB2003-Section 2. SB2003-Section 21 provided the following legislative intent: "The deferred maintenance funding pool line item includes funding that must be used to address deferred maintenance and other infrastructure needs at institutions based on the university system master plan and space utilization study. However, the state board of higher education may distribute up to one-half of the funds in the pool to institutions prior to the completion of the master plan and space utilization study."

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The SBHE approved allocation of \$5 of the \$10 million on September 25, 2013. Given the facility master plan was not completed at the time, the initial \$5 million was distributed based on the following:

- statewide OMB extraordinary repairs formula, which addresses both buildings and infrastructure to bring campuses to a common (or close to common) percent position of the formula ;
- Each campus/entity should receive some minimum amount of funding—recommended \$75,000 minimum, except for the Forest Service a minimum of \$30,000;
- Make adjustments to recognize that some campuses have to use a portion of their extraordinary repair formula funding for the payment of city special assessments, on infrastructure not owned by the campus.

With the near completion of the System facility master plan, the SBHE approved the allocation of the remaining \$5 million on June 26, 2014, so the campuses could begin much needed projects. The allocation was based on the following:

- First allocate \$275,000 to VCSU to address a recently identified safety issue at VCSU in the recently retired Science Building. The \$275,000 includes costs for engineering services, relocation and demolition. It does not include other costs related to build a barrier for the hill or to replace asphalt. In April 2014, the SE wall on the main floor of the VCSU Science Building began to buckle, significantly reducing the structural integrity of that portion and the upper two levels of the building. Additionally, the roof on the SW corner has been significantly compromised and the ceiling in that area has failed. VCSU engaged a structural engineer to analyze the building. The engineer indicated that VCSU should transition remaining operations to another site immediately due to safety concerns. VCSU has and continues to move forward with the transition in a practicable and safe manner. The cost of \$275,000 does not include cost to build a retaining wall or a barrier for the hill and replace asphalt.
- Allocate remaining \$4,725,000 to the 11 institutions based on the average of: the actual deferred maintenance for facilities examined by consultants during the master plan visits (represents about 24% of the overall state appropriated GSF for Type I and II buildings)= +\$200 million; extrapolated deferred maintenance when applied to all appropriated buildings, based on above “sample” condition (“If the condition of these buildings represents similar condition in the rest of the buildings and identified needs to the heating plants and site infrastructure are added in..”)

The following allocations, totaling \$10 million, were provided to the campuses and Forest Service, and are being removed in this budget change code: BSC-\$759,580; LRSC-\$256,259; WSC-\$271,181; UND-\$2,667,599; NDSU-\$2,480,703; NDSCS-\$639,328; DSU-\$437,527; MaSU-\$408,233; MiSU-\$830,318; VCSU-\$937,339; DCB-\$281,933; Forest Service-\$30,000.

FY2013-15 expenditures to date: Mechanical and Electrical Upgrades \$399,580.

Change Group: A	Change Type: F	Change No: 1	Priority:
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Remove 2011-13 Capital Assets Carryover

To remove \$3,445,561 capital assets carryover from 2011-13. Bisek Expansion, \$ 1,746,045, General Fund, project completed. Forkner/Riley Renovation, \$1,699,516, Special Funds, project completed

Change Group: A	Change Type: F	Change No: 2	Priority:
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Remove Base Funding Extraordinary Repairs

To remove **-\$1,012,379** base funding for extraordinary repairs. This base amount, plus an increase to the base, is being requested for 2015-17, and is reflected in **change code AA6**.

FY2013-15 to-date expenditures:

- Building Exterior - \$195,824
- Mechanical and Electrical Upgrade - \$78,125

BUDGET CHANGES NARRATIVE

238 ND State College of Science

Bill#: HB1003

Date: 12/23/2014

Time: 12:16:55

Interior Finishes - \$125,000
Paving and Lighting - \$34,375
Utilities and Infrastructure - \$28,125
Misc. Small Projects less than \$50K - \$134,623

Change Group: A	Change Type: F	Change No: 3	Priority:
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Remove Additional Capital Projects Authority

To remove additional **other fund** authority, authorized by the Budget Section during FY14:**NDSCS** (\$150,000) - [Football Complex]

Change Group: R	Change Type: A	Change No: 1	Priority:
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SCH Production Adjustment

Adjusts statutory operations funding to reflect changes in adjusted student credit hour (ASCH) production to the 2011-13 levels.

Change Group: R	Change Type: A	Change No: 2	Priority:
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Inflationary Increase

Provides an inflation adjustment to cover the State's share of the following cost increases:

- Costs to continue FY15 3% salary increases - \$329,261
- 2015-17 annual salary increases of 4% FY16 and 4% FY17 - \$1,515,617
- Health insurance premiums @ \$1,161.59 per month - \$834,547
- 1% Retirement contribution increase on 1/1/2016 - \$160,058

Change Group: R	Change Type: A	Change No: 3	Priority:
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24/7 Campus Security

Provides \$252,750 and 1.50 FTE for 24/7 security coverage.

Change Group: R	Change Type: A	Change No: 4	Priority:
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Eliminate Internal Audit and IT Assessments

Reduces base funding by \$21,560 for the State's share of costs related to the centralized document imaging system being transferred to the Core Technology Services division in the NDUS System Office budget.

Reduces base funding by \$16,769 due to elimination of the State's share of campus assessments for the Internal Audit department. Full funding for the department has been provided in the NDUS System Office budget.

BUDGET CHANGES NARRATIVE

238 ND State College of Science

Bill#: HB1003

Date: 12/23/2014

Time: 12:16:55

Change Group: R	Change Type: A	Change No: 5	Priority:
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Tuition Freeze

Provides \$933,718 from the general fund in lieu of tuition increases to cover the student share of 2015-17 inflationary adjustments (cost to continue FY15 salary increases, utilities, 2015-17 salary increases and health insurance premiums increases)

Change Group: R	Change Type: A	Change No: 6	Priority:
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SCH Rate Rebalancing

Provides \$4,832,751 to increase final per SCH rate to \$132.58, which is the average of the top two institutions in the two-year college tier.

Change Group: R	Change Type: A	Change No: 7	Priority:
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Extraordinary Repairs

Provides \$1,597,488 for base extraordinary repairs, including \$585,109 to increase funding to 20% of the OMB formula.

Change Group: R	Change Type: B	Change No: 1	Priority:
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Campus Security One-Time

Provides \$294,750 for security related equipment purchases and/or facility repairs to strengthen campus security. May include a variety of needs, such as windows, cameras, card access, door locks, or any other necessary one-time purchase/repair.

Change Group: R	Change Type: B	Change No: 2	Priority:
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Fargo Campus Expansion

Provides \$5.0 million for one-time costs to immediately expand the NDSCS Fargo campus to address area workforce needs. Allowable costs include building rental, building fit-up costs, equipment purchases and other necessary expenses. Land purchases or building construction are not allowed. Up to \$1.0 million of the total may be used to conduct a needs/feasibility study of additional expansion.

Change Group: R	Change Type: B	Change No: 3	Priority:
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Special Assessments Payoff

Pays off the institution's existing special assessments balance.