
AGENCY OVERVIEW

239 DICKINSON STATE UNIVERSITY

Date: 12/14/2006

Time: 14:41:42

STATUTORY AUTHORITY

North Dakota Century Code 15-13-01

AGENCY DESCRIPTION

Dickinson State University is a comprehensive state institution, one of 11 colleges and universities that make up the North Dakota University System. The university employs approximately 180 faculty and staff with an enrollment of approximately 2,600 students. Dickinson state University has shown a strong growth pattern in enrollment during the last decade. More than 50 programs are offered at the undergraduate level. The institution is comprised of two colleges, the College of Arts and Sciences, and the College of Education, Business, and Applied Sciences. The majority of our students come from North Dakota, Montana, and other Midwestern states. A strong contingent of international students representing 23 different countries are also an important component of the student body.

AGENCY MISSION

It is the mission of Dickinson State University to prepare professional leadership for elementary and secondary education and to serve the educational needs of the region across a spectrum of curriculum offerings which will enable students to acquire a basic understanding of American social, political, and economic institutions, to prepare them for the responsibility of citizenship in a democracy, and to prepare them to pursue an occupation or profession of their choice and make their contribution to society.

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 six 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 6th annual accountability measures report is scheduled for completion in December 2006, and will be the most current information available to the 2007 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

DSU enrolled record-breaking student numbers for the 10th consecutive year. A total of 2,516 students were enrolled at the university for the Fall 2005 semester, an increase of 1.5 percent over the previous year.

The Center for Entrepreneurship and Rural Revitalization at Dickinson State University was established and approved by the North Dakota State Board of Higher Education, and a director was hired.

The Center for Entrepreneurship and Rural Revitalization received \$1.15 million in North Dakota Centers of Excellence funding and was designated a state Center of Excellence.

Murphy Hall Expansion and Renovation project completed phases I & II, which is an addition to the science facility. Phase III, remodeling the existing structure, is underway and expected to be completed early in 2007

The Foundation completed construction of the Alumni and Foundation House, a building that contains offices and provides space for meetings and gatherings.

Construction for Hawks Landing, a senior living facility located on campus, is currently underway. The facility is expected to open in December 2006.

DSU graduated a combined total of 810 students in the past two years. The graduating class of 2005 was the largest in university history. The placement rate for the class of 2005 was 97.8 percent.

DSU added a major in Computer Technology Management and minor and certificate programs in Human Resource Management and Entrepreneurship. These programs are available at the DSU campus and at Bismarck State College through the Office of Extended Campus.

DSU added Bachelor of Science programs in education with available majors in elementary education and in secondary education. Secondary education majors offered include composite social science, math, English and history. These programs are available at the DSU campus and at Bismarck State College through the Office of Extended Campus.

DSU launched the E-Scholars program, which is an elite online entrepreneurship curriculum made possible by a partnership with sister institution University of Portland.

The Academic Success Center was established to provide a writing center, tutoring and academic advising services to all university students.

The North Dakota Trade Office at Dickinson State University was established.

For the third consecutive year, the Men's Outdoor Track and Field team won the NAIA National title.

DSU signed partnership agreements with both Nizhniy Novgorod State Agricultural University and Voronezh State University allowing for student and faculty exchange.

The Theodore Roosevelt Honors Leadership Program grew to 120 participants and received approval by the National Collegiate Honors Council.

DSU submitted an application to participate in the "In China Program." The program is a cooperative agreement between the Chinese Ministry of Education and universities in the United States that allows Chinese students to study in both America and China, and American faculty to teach in China. If instituted at DSU, degrees in business and communications will be offered starting in the fall of 2007.

DSU received a full 10-year accreditation from the Higher Learning Commission of the North Central Association of Colleges and Schools.

The Department of Teacher Education received continuing accreditation from the National Council for the Accreditation of Teacher Education and continuing accreditation program approval by the North Dakota Education Standards and Practices Board.

The Bachelor of Science in Nursing Completion Program received a full 8-year accreditation by the National League for Nursing Accrediting Commission, Inc.

The music program received accreditation from the National Association of Music Schools.

DSU formed a partnership with Partners for Grassland Stewardship to assist in efforts to build agreements on strategies, policies and projects in the grasslands of North Dakota.

DSU embarked on a Theodore Roosevelt Initiative to become a national center of Roosevelt scholarship. The endeavor includes collaborating with the Theodore Roosevelt Medora Foundation (TRMF) to plan and execute TR activities. As part of the initiative, TR scholar and first-person interpreter Clay Jenkinson was hired as a scholar in residence.

DSU produced the book, "Theodore Roosevelt in the Badlands," authored by Jenkinson and published by DSU in collaboration with TRMF.

DSU will host a Roosevelt symposium in October 2006, bringing nationally-known TR scholars and authors together on campus.

FUTURE CRITICAL ISSUES

Adjustments for Costs to Continue include the following:

05-07 EXTRAORDINARY REPAIRS – 2005-07 extraordinary repairs - \$383,690

05-07 MAJ CAP PROJ - 2005-07 major capital projects - \$9,100,557. \$5,000,000 of the appropriation was for the renovation of Whitney Stadium funded by philanthropic sources and \$4,100,000 for Phase II of the Renovation and Expansion of Murphy Hall funded by state bonding funds.

03-05 CARRYOVER – 2003-05 capital assets carryover - \$357,763.

REQUEST SUMMARY239 DICKINSON STATE UNIVERSITY
Biennium: 2007-2009

Bill#: HB1003

Date: 12/14/2006

Time: 14:41:42

Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Budget Request
BY MAJOR PROGRAM					
DICKINSON STATE UNIVERSITY	18,892,900	24,553,637	910,562	25,464,199	754,867
TOTAL MAJOR PROGRAMS	18,892,900	24,553,637	910,562	25,464,199	754,867
BY LINE ITEM					
OPERATING EXPENSES	13,598,831	14,711,627	2,186,729	16,898,356	0
CAPITAL ASSETS	36,199	383,690	182,153	565,843	754,867
CAPITAL ASSETS-CARRYOVER	166,823	357,763	-357,763	0	0
CAPITAL ASSETS NON-STATE FUNDED	5,091,047	9,100,557	-1,100,557	8,000,000	0
TOTAL LINE ITEMS	18,892,900	24,553,637	910,562	25,464,199	754,867
BY FUNDING SOURCE					
GENERAL FUND	13,801,853	15,453,080	2,011,119	17,464,199	754,867
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	5,091,047	9,100,557	-1,100,557	8,000,000	0
TOTAL FUNDING SOURCE	18,892,900	24,553,637	910,562	25,464,199	754,867
TOTAL FTE	114.81	108.98	12.62	121.60	.00

REQUEST DETAIL239 DICKINSON STATE UNIVERSITY
Biennium: 2007-2009

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Date: 12/14/2006

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Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Budget Request
OPERATING EXPENSES					
OPERATING FEES AND SERVICES	13,598,831	14,711,627	2,186,729	16,898,356	0
TOTAL	13,598,831	14,711,627	2,186,729	16,898,356	0
OPERATING EXPENSES					
GENERAL FUND	13,598,831	14,711,627	2,186,729	16,898,356	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	13,598,831	14,711,627	2,186,729	16,898,356	0
CAPITAL ASSETS					
LAND AND BUILDINGS	4,970	0	0	0	0
EXTRAORDINARY REPAIRS	31,229	383,690	182,153	565,843	754,867
TOTAL	36,199	383,690	182,153	565,843	754,867
CAPITAL ASSETS					
GENERAL FUND	36,199	383,690	182,153	565,843	754,867
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	36,199	383,690	182,153	565,843	754,867
CAPITAL ASSETS-CARRYOVER					
EXTRAORDINARY REPAIRS	166,823	357,763	-357,763	0	0
TOTAL	166,823	357,763	-357,763	0	0
CAPITAL ASSETS-CARRYOVER					
GENERAL FUND	166,823	357,763	-357,763	0	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL	166,823	357,763	-357,763	0	0
CAPITAL ASSETS NON-STATE FUNDED					
LAND AND BUILDINGS	5,091,047	9,100,557	-1,100,557	8,000,000	0
TOTAL	5,091,047	9,100,557	-1,100,557	8,000,000	0

REQUEST DETAIL

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Biennium: 2007-2009

Description	Expenditures 2003-2005 Biennium	Present Budget 2005-2007	Budget Request Change	Requested Budget 2007-2009 Biennium	Optional Budget Request
CAPITAL ASSETS NON-STATE FUNDED					
GENERAL FUND	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	5,091,047	9,100,557	-1,100,557	8,000,000	0
TOTAL	5,091,047	9,100,557	-1,100,557	8,000,000	0
FUNDING SOURCES					
GENERAL FUND	13,801,853	15,453,080	2,011,119	17,464,199	754,867
FEDERAL FUNDS	0	0	0	0	0
SPECIAL FUNDS	5,091,047	9,100,557	-1,100,557	8,000,000	0
TOTAL FUNDING SOURCES	18,892,900	24,553,637	910,562	25,464,199	754,867

CHANGE PACKAGE SUMMARY
239 DICKINSON STATE UNIVERSITY
Biennium: 2007-2009

Bill#: HB1003

Date: 12/14/2006

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Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
AGENCY BUDGET CHANGES					
Cost To Continue	12.62	-741,453	0	-9,100,557	-9,842,010
1 PARITY	.00	1,641,858	0	0	1,641,858
2 EQUITY	.00	544,871	0	0	544,871
3 CAP ASSET BASE AND INCR	.00	565,843	0	0	565,843
4 2007-09 MAJ CAP PROJ	.00	0	0	8,000,000	8,000,000
Agency Total	12.62	2,011,119	0	-1,100,557	910,562
OPTIONAL REQUEST					
30 OPT DEF MNT INCR	.00	754,867	0	0	754,867
Optional Total	.00	754,867	0	0	754,867

Change Group: A	Change Type: A	Change No: 1	Priority: 1
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PARITY - \$1,641,858

Parity is defined as the amount needed to fund operating inflation, cost to continue FY07 legislatively funded salary increases, 2007-09 health and salary increases and utilities of buildings coming online during the 2007-09 biennium. The long-term finance plan includes targeted state/student shares for each of the campuses. Approximately 93% of the state's share of these costs is included in the request. The 7% of the state's share that is not included in the institution's operating request will need to be addressed by generating additional revenue through increases in tuition. Should restrictions be placed on this option for addressing the parity shortfall, the institution will need to look toward internal reallocation which will negatively affect our ability to foster and sustain recent start-up initiatives. Efforts to address deferred maintenance issues will be stifled.

The total (state share) general fund portion of parity consists of the following: 2.4% per year operating inflation - \$266,291, CTC FY07 legislatively funded salary increases - \$184,628, 10% annual health insurance increases - \$419,400, and 5% per year salary increases \$923,674. These parity components total \$1,793,992, however as previously noted, the budget request only includes approximately 93% of the state's share, or \$1,641,858. Operating inflation, totaling \$152,134 is not included in the budget request.

An annual tuition increase of 4.7% would be needed to fund the remaining state share of \$152,134 and to fund the student share in the amount of \$768,854 of parity. However, if the 2007-09 budget request is funded at the level requested, the SBHE has indicated that tuition increases will be limited to no more than 5% per year in 2007-09. Limiting tuition increases to 5% per year will have varying levels of impact depending upon realized enrollments. If enrollments increase as projected, the institution will need to utilize the additional revenue to address increased direct costs associated with the enrollment increase with any excess being available to support and encourage or sustain new initiatives and/or offset increasing general operating costs such as utilities. Should enrollments decline and projected revenues not materialize, and/or if sectors of the institution's operating costs such as utilities increase dramatically, the lack of flexibility to turn toward increasing tuition rates beyond 5% would be devastating. The ability for Dickinson State University to generate additional revenue is limited primarily to tuition increases. Without the flexibility to utilize this primary source of revenue to address operations, efforts to improve access to and maintain quality offerings will be suppressed. The institution's ability to attract and retain quality faculty and staff, to foster the use of technology and research in support of instruction and economic development, and to be proactive in addressing the needs of our users will diminish. The inability to generate revenue through tuition levels that allow an institution to maintain its competitive edge will impede progress and negatively affect access to quality service and educational programs.

Change Group: A	Change Type: A	Change No: 2	Priority: 1
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EQUITY - \$544,871

The NDUS budget request includes a \$10 million increase for equity, distributed among the 11 NDUS campuses and Medical School. The recent MGT report confirms that all NDUS institutions are under funded, when compared to their peer institutions. The equity request will address all NDUS institutions' relative funding position compared to their peer institutions. However, the specific request of each campus was determined by considering both their dollar difference from their peer benchmark, as well as giving a greater

weighting factor to those institutions that are further behind their peer benchmark. The equity request for Dickinson State University is \$544,871. Dickinson State University will utilize equity funding first of all to address/offset revenue shortfalls should enrollments not materialize at anticipated levels and secondly to address the potential impact of increased utility costs. Upon neutralizing the effect of these two vital factors on the institution's operating base, the institution will utilize remaining equity funding to address costs associated with providing for and retaining quality faculty and staff in support of a growing, diverse student body. Resources will be expended toward addressing staffing levels, providing the means through which internal salary inequities may be addressed and increasing salaries in specific disciplines to nationally competitive levels. Funds will further initiatives to foster and sustain faculty/student research, provide resources to support programs that encourage entrepreneurship and economic development, and reinforce efforts to increase our citizenry's access to programs through additional collaborative and on-line programming.

Change Group: A	Change Type: A	Change No: 3	Priority: 1
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CAP ASSET BASE AND INCR - \$565,843

This provides an amount equal to the 2005-07 base funding of \$383,690 for extraordinary repairs, plus a proportionate share, \$182,153 of the \$4 million capital assets increase that is included by the NDUS in the base budget requests. The \$4 million increase is much lower than the total amount called for in the capital asset funding model (\$24.4 million), which is part of the NDUS long-term finance plan. The NDUS is currently funded at an average of 12.2% of the OMB building and infrastructure formulas (ranging from 5.8% to 20.6%), and outstanding deferred maintenance totals \$117.8 million for the NDUS.

A prioritized listing of extraordinary repair projects is included in the extraordinary repairs subschedule (because of OMB'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 \$100,000). All NDUS entities will be given the authority to allocate dollars to repair and replacement priorities for both deferred maintenance and regular repair and replacement projects as determined by each entity.

Change Group: A	Change Type: A	Change No: 4	Priority: 1
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2007-09 MAJ CAP PROJ - \$8,000,000

All details of the major capital projects are included in the Capital Assets subschedule.

Change Group: A	Change Type: A	Change No: 100	Priority:
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OMB Deferred Maintenance Optional - \$452,920

Executive Recommendation of \$452,920 for optional request of \$754,867 for deferred maintenance.

The outstanding deferred maintenance of the NDUS, based on recently updated campus master plans, totals \$117.8 million. A one-time infusion of \$10 million would be used to address this critically unfunded need. The campus's share of the \$10 million is \$754,867, based upon a proportionate share of total outstanding deferred maintenance of the NDUS. The priority listing is only a best estimate at this time, and can easily change, due to unforeseen circumstances and emergencies. The use of these dollars will be left to the discretion of the institution to fund most critical deferred maintenance needs (with appropriate approvals by the SBHE where required for projects greater than \$100,000).

Long-term efficiencies would materialize through the proposed Stickney Hall Upgrades totaling \$484,867 since new HVAC systems would replace the failing, inefficient systems currently in place. The proposed Campus Network Upgrades at a cost of \$120,000 should improve upon computer response time and allow for a more efficient means of software distribution across campus resulting in improved use of personnel time and savings associated with system shared software maintained from a central location. Timely repairs to parking lots permit overlay applications which are more cost efficient than allowing the lot's substructure to deteriorate and having to remove and build back up an entire lot surface. Step and sidewalk repairs address safety issues and eliminate hazards that can be the source of liability claims against the State.

Change Group: O	Change Type: A	Change No: 30	Priority: 10
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OPT DEF MNT INCR - \$754,867

The outstanding deferred maintenance of the NDUS, based on recently updated campus master plans, totals \$117.8 million. A one-time infusion of \$10 million would be used to address this critically unfunded need. The campus's share of the \$10 million is \$754,867, based upon a proportionate share of total outstanding deferred maintenance of the NDUS. The priority listing is only a best estimate at this time, and can easily change, due to unforeseen circumstances and emergencies. The use of these dollars will be left to the discretion of the institution to fund most critical deferred maintenance needs (with appropriate approvals by the SBHE where required for projects greater than \$100,000).

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