

**Valley City State University  
Budget No. 242  
Senate Bill No. 2003**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2021-23 legislative appropriation	202.77	\$24,161,377	\$26,686,846	\$50,848,223
2019-21 legislative appropriation	<u>180.68</u>	<u>22,658,933</u>	<u>57,332,445<sup>1</sup></u>	<u>79,991,378</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	22.09	\$1,502,444	(\$30,645,599)	(\$29,143,155)

<sup>1</sup>This amount includes \$30 million of one-time funding for the Communications and Fine Arts building project.

**Item Description**

**Enrollment** - At the end of the 2021 regular legislative session, the Valley City State University (VCSU) FTE student enrollment projection for the 2021-23 biennium was 1,169 for the fall 2021 semester and 1,180 for the fall 2022 semester.

**Tuition collections** - In the 2021-22 fiscal year budget approved by the State Board of Higher Education, tuition revenue for VCSU for the 2021-22 fiscal year was estimated to be \$7.9 million.

**Higher education challenge matching grant program** - In Section 1 of Senate Bill No. 2030 (2021), the Legislative Assembly appropriated \$11.15 million from the general fund to the North Dakota University System office for the higher education challenge matching grant program. Valley City State University may be awarded up to \$950,000 under the program.

**Extraordinary repairs** - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$408,319 from the general fund to VCSU for extraordinary repairs. The funding is considered Tier I of the capital building fund program, but is included in the institution's capital assets line item.

**Capital building fund** - In addition to appropriating funding for specific capital projects, the 2019 Legislative Assembly established a capital building fund program for the 2019-21 biennium. The Legislative Assembly appropriated \$10 million from Bank of North Dakota profits as Tier II funding under the capital building fund program. The Tier II funding is appropriated directly to each institution and must be matched by the institutions with \$1 from operations or other sources for each \$1 from Bank profits. The Legislative Assembly appropriated \$9 million, including \$7 million from Bank profits and \$2 million from the general fund, as Tier III funding under the capital building fund program. The Tier III funding is appropriated to the University System office, to be allocated to the institutions as matching funds are committed and must be matched by the institutions with \$2 from operations or other sources for each \$1 appropriated as Tier III funding. After an institution has matched 75 percent of the funding appropriated from the general fund as Tier I for

**Status/Result**

The actual fall 2021 semester FTE enrollment was 1,090, 79 students fewer than projected and 70 fewer than the fall 2020 semester.

Valley City State University has implemented 4 percent tuition increases for the 2021-22 academic year. The current estimate for tuition collections for the 2021-22 fiscal year is \$7.5 million, \$400,000 less than projected.

Through April 2022, the VCSU Foundation has received \$577,068 in grant funding through the program.

Through April 2022, VCSU has not spent any of the \$408,319 appropriated for Tier I extraordinary repairs. Valley City State University reports the institution plans to match some of the funding during fiscal year 2023.

Through April 2022, VCSU has not met the match requirements for Tier II and Tier III capital building fund money. The institution plans to match some of its capital building funding during fiscal year 2023.

institution extraordinary repairs and subject to State Board of Higher Education approval, each institution may use money from Tier II and Tier III of its capital building fund for extraordinary repairs and deferred maintenance projects that do not increase the square footage of a building.

The 2021 Legislative Assembly continued the higher education capital building fund program with a transfer of \$19,000,000 from the strategic investment and improvements fund to a newly created higher education capital building fund. The Legislative Assembly provided continuing appropriation authority from the fund and also provided for the University System to continue unspent 2019-21 biennium appropriation authority of \$3,335,478. Valley City State University was allocated \$309,137 in Tier II and \$500,000 in Tier III of the capital building fund program for the 2021-23 biennium.

**Land purchase** - The Legislative Assembly, in Senate Bill No. 2003, appropriated \$309,000 from other funds to VCSU to purchase two parcels of land adjacent to campus for the activated carbon plant.

Valley City State University purchased the land in the fall of 2021 at a total cost of \$309,000.