

Summary of Proposed Action SBHE Meeting January 25, 2018

1. **Issue:** NDSCS is requesting an appropriations line item transfer from operations to capital assets, to fund the 2:1 matching requirement for 2017-19 extraordinary repairs.
2. **Proposed actions:** Approve the transfer of \$152,000 from the NDSCS operations line to the capital assets line, as authorized in SB2003 (Section 20), for the 2017-19 biennium. NDSCS will use these funds to complete miscellaneous repair projects related to boilers, concrete repair, flooring updates and structural repairs to a building.
3. **Background information:** Section 28 of SB2003 states, "The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project."

The NDSCS appropriation included a total of \$1,012,379 from the general fund intended for extraordinary repair projects, which will require a \$2,024,758 match from other funding sources.

4. **Financial implications:** The match requirement will reduce funds that would have otherwise been available for operating funds. NDSCS carefully reviewed individual department budgets (both personnel and operations) and determined this transfer was appropriate.
5. **Legal/policy issues:** The transfer is allowed in Section 22 of SB2003.
6. **Academic issues:** None
7. **Coordination:** Chancellor's Cabinet, SBHE Budget Finance Committee
8. **Attachments:** None
9. **Contact information:** Dennis Gladen, VP Administrative Affairs Dennis.gladen@ndscs.edu Tammy Dolan, 701-328-4116, tammy.dolan@ndus.edu
10. **Chancellor's recommendation:** Recommend approval