

## Summary of Proposed Action SBHE Meeting – February 22, 2018

- 1. Issue:** Transfer a portion of 2017-19 formula funding, net of health insurance adjustment, from the UND School of Medicine and Health Sciences (SoMHS) to UND.
- 2. Proposed motion:** Approve the transfer of \$5,963,189 from the operations line of SoMHS to the operations line of UND, as provided in 2017 Senate Bill 2003 (Section 22), for the 2017-19 biennium.
- 3. Background:** The statutory higher education funding formula provides general fund dollars for UND and the SoMHS in one, combined appropriation. Section 22 of SB2003 states, “The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2017 and ending June 30, 2019. Based on the recommendation of the commissioner of higher education, a portion of the allocation must be transferred by the state board of higher education to the University of North Dakota School of Medicine and Health Sciences”.

The amount was calculated as follows:

\$	(6,485,999)	Credit production
	<u>522,811</u>	Health Insurance adjustment to SoMHS
	<u><del>5,963,188</del></u>	SoMHS Appropriation reduction

The analysis was conducted by UND and the SoMHS. Both entities agree that the adjustment amount is correct.

- 4. Financial implications:** The amount is necessary to correct appropriation levels for both UND and the SoMHS in accordance with the higher education funding formula.
- 5. Academic implications:** None
- 6. Legal/policy issues:** None
- 7. Review Process:** SBHE Budget & Finance Committee
- 8. Enclosures:** None
- 9. Contact person:** Alice Brekke, UND VP for Finance & Operations, 701-777-4454, [Alice.brekke@email.und.edu](mailto:Alice.brekke@email.und.edu) ; Terry Nelson, Associate Director for Budget and Facilities Management SoMHS, 701-777-2846, [Terrance.nelson@med.und.edu](mailto:Terrance.nelson@med.und.edu); Tammy Dolan, 701-328-4416, [tammy.dolan@ndus.edu](mailto:tammy.dolan@ndus.edu) .
- 10. Chancellor’s Recommendation:** Approve