

**DIVISION OF FINANCE AND ADMINISTRATION
FY2017 Annual Report**



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NDSU does not discriminate in its programs and activities on the basis of age, color, gender expression/identity, genetic information, marital status, national origin, participation in lawful off-campus activity, physical or mental disability, pregnancy, public assistance status, race, religion, sex, sexual orientation, spousal relationship to current employee, or veteran status, as applicable. Direct inquiries to Vice Provost for Title IX/ADA Coordinator, Old Main 201, NDSU Main Campus, 701-231-7708, ndsuoaa@ndsuo.edu.

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Introduction

We are proud to be the first and remain the only North Dakota university in the National Science Foundation's top 100 public research institutions rankings. NDSU is the state's land-grant institution, which means we have a longstanding commitment to bringing education and research solutions to the people of North Dakota; NDSU's access and affordability are exceptional among our peer universities. And even more importantly, it means we welcome and carefully nurture our students. I have served at a number of universities around the country, three of which were AAU institutions, and I can tell you from experience that North Dakota State University uniquely combines commitment to students, citizens and research in a way few of our nationally top-ranked research university peers do. We truly are a student focused, land-grant, research university.

NDSU's potential to be one of the most compelling factors changing the state's future path toward success is continuing to grow. Students here seek a traditional residential "in class", rigorous research university environment leading to on-time graduation and job placement in their field of study—and no university in the state is more successful at providing that opportunity. Our students learn from the best, in classroom and laboratory settings, working directly with top faculty. Complementing our academic offerings, we offer a breadth of student organizations that proportionally matches the best universities in the nation, are plentiful and varied, and offer great options for learning as part of a team as well as leadership experience. NDSU also happens to have one of the most successful NCAA Division I athletics programs in the nation, both in terms of student-athlete academic success and the breadth of sports that succeed well into post season championship play.

I invite you to explore the many facets of NDSU.

Dean L. Bresciani, President



MAJOR ACCOMPLISHMENTS

North Dakota's first and only top-tier ranked public research university in the nation based on National Science Foundation. Classified by the Carnegie Commission on Higher Education as "Doctoral Universities: Higher Research Activity."

Enrollment Growth. Continued demand by prospective undergraduate and graduate students has been reflected in the new full-time student enrollments every year for the past decade, with the fall 2016 enrollment at 14,432. Undergraduate enrollment growth, supported by substantial improvements in undergraduate retention, increased core requirements for undergraduate admissions, and graduate enrollments, all serve to support NDSU's goal of overall enrollment reaching 18,000 students in coming years.

NDSU receives record commitment for STEM scholarships. NDSU has received a record-setting gift to provide full-tuition scholarships for students pursuing science, technology, engineering and mathematics (STEM) fields. An alumnus has committed gifts and estate planning of more than \$13.5 million to establish the **Harry D. McGovern Scholarship**. A portion of the current gift was matched by \$1.2 million from the ND Higher Ed Challenge Grant program, resulting in a total investment in students of more than \$14.7 million. When fully implemented, the unprecedented scholarship program will provide approximately 50 students with full-tuition scholarships each year. The first class of McGovern Scholars will enroll for the upcoming academic year.

This scholarship follows similar gifts including the \$6.2 million Neil C. Gudmestad Endowed Chair of Potato Pathology received in 2013; the \$4.5 million Bobcat/Doosan Company endowed student STEM scholarship for undergraduates received in 2014; and the \$2.1 million gift for visual arts student scholarships and program development, the \$3.75 million CHS Endowed Chair in Risk Management and Trading, and the \$4.5 million Endowed Chair of Entrepreneurship in the College of Business, all received in 2016.

Nursing, pharmacy graduate programs listed among nation's top schools. Graduate programs at NDSU's School of Nursing and School of Pharmacy were named among **the nation's top programs** in a ranking released by *U.S. News and World Report* in March. The doctor of nursing practice program was listed at 38th in a six-way tie out of 186 schools included in the ranking. The doctor of pharmacy program at NDSU was listed at 66th in a four-way tie out of 125 schools included in the ranking. According to the website, criteria for the doctor of nursing program practice rankings included faculty credentials, research activity, faculty achievements and participation in nursing practice, peer assessment, student selectivity, grade point average, student-faculty ratio and program size. In addition, *NursingSchoolsAlmanac.com* previously named NDSU's School of Nursing in the nation's top 30 public nursing schools and in the top four schools in the Plains states. The school was also designated a primary Cadet Command Nursing Center of Excellence by the Army ROTC program and was named a top online nursing program by OnlineU in 2015.

NDSU researcher awarded \$1.89 million grant for Alzheimer's study. Dr. Jagdish Singh, chair and professor of pharmaceutical sciences in the College of Health Professions, is receiving a **\$1.89 million** grant award from the National Institute of Aging of the National Institutes of Health for an Alzheimer's disease study. The NDSU research team, which includes Dr. Takahisa Kanekiyo of Mayo Clinic, Jacksonville, Florida as co-principal investigator, is focusing on designing a gene delivery carrier that efficiently delivers Nerve Growth Factor to the brain in an effort to prevent and treat Alzheimer's disease. The study will be conducted in vitro and in vivo in Alzheimer's animal models. The award spans five years.

NDSU researcher awarded \$3.7 million grant for weight loss surgery study. Kristine Steffen, PharmD., Ph.D, in pharmaceutical sciences at NDSU, received a **\$3.7 million** grant from the National Institutes of Health to conduct a five-year study as part of a research team at seven institutions across the U.S. Data and analysis from the study will be instrumental in moving toward individualized medicine in caring for patients with obesity that seek bariatric surgery. Dr. Steffen serves as co-principal investigator in the study.

Sanford Health Athletic Complex opens. NDSU opened the \$41 million **Sanford Health Athletic Complex (SHAC)** in November 2016. An extension and renovation of the former Bison Sports Arena, construction began in April 2014 and lasted 2.5 years. The SHAC houses NDSU athletic department offices, equipment rooms, sports medicine, strength and conditioning, academic center, student-athlete lounge, and the Bison Ticket Office. It is also home to the Scheels Center, a 5,700 seat arena for wrestling, men's and women's basketball, and the Nodak Mutual Basketball Performance Center that offers two full courts for NDSU men's and women's basketball practices. The facility was financed exclusively with private funds.



One of the most successful overall NCAA Division-I athletic programs in the nation. NDSU student athletes' commitment to excellence helped shine a national spotlight on an athletics program celebrating its 13th year of NCAA Division I competition. NDSU has for the last several years been one of the **overall top Division-I athletic programs** in the nation, with most teams going to post-season and up to national championship levels of play. The football team alone has won five national championships in a row, setting a new record in NCAA and American college football history. This year, nine NDSU track and field athletes advanced to the NCAA National Outdoor Track & Field Championship, with seven earning All-American honors. At the same time, the average overall GPA for student athletes exceeded that of the general student body, with more than 60 students athletes earning a 4.0 GPA every semester for the past three years.

NDSU's Bresciani named to NCAA Division I Board of Directors. NDSU President Dean Bresciani has been named to the NCAA Division I board of directors. His five-year term begins in August. The 24-member board is the governing body for Division I. It is responsible for strategy, policy and oversight of legislation, including its relationship to higher education. Most members are college or university presidents and chancellors. Bresciani is also a member of the NCAA Division I Presidential Forum and has served on a subcommittee for an NCAA Division I working group to review the components of the multi-sport sponsorship commitment by Division I schools. He is the **first president of a North Dakota college or university** to join major leadership groups of the NCAA. His involvement with the NCAA began in earlier administrative positions at Texas A&M University and the University of North Carolina at Chapel Hill.

Enrollment Updates

FALL ENROLLMENT DATA - 2016

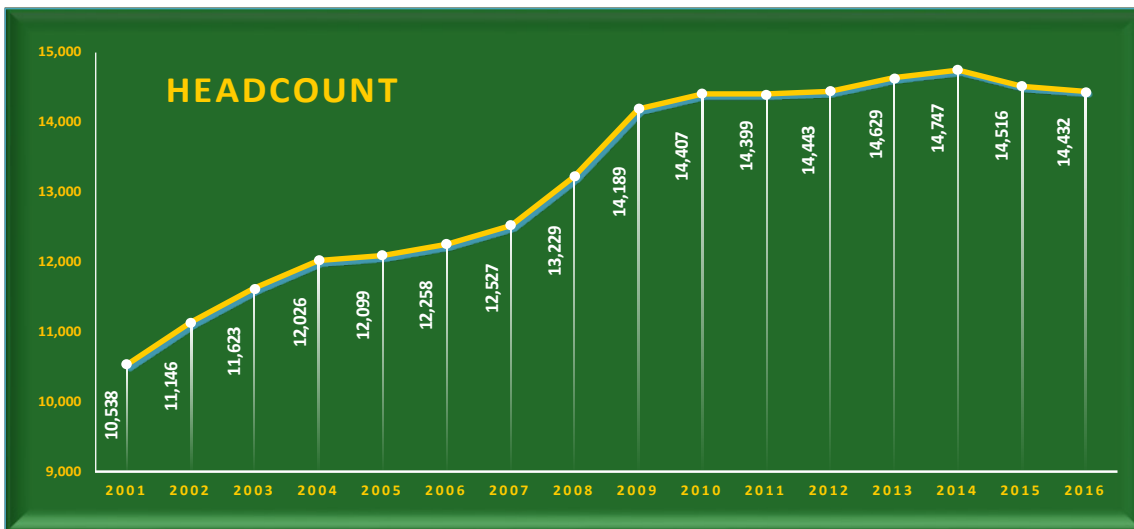
NDSU's official fourth week enrollment was 14,432 undergraduate, graduate and professional students.

The steady enrollment number is consistent with projections for this year, while inquiries and campus visits are positive for next fall. "Our enrollment continues as planned, via careful and intentional retention efforts, graduate student recruitment and undergraduate recruitment," said Provost Beth Ingram.

"It's important to note that our student academic profile remains

steady. This year's class of new students had the same impressive grade point average and ACT scores as the class of 2010," she added. This year, 50 percent of the incoming students had high school grade point averages of 3.5 or higher and 29 percent had a high school grade point average of 3.75 or higher. The overall average ACT score is 23.89. NDSU recommends a minimum grade point of 2.75 and ACT score of 22 or higher for admission.

From 2001 to 2016, student demand has increased by 3,894 additional students, or approximately 37%.



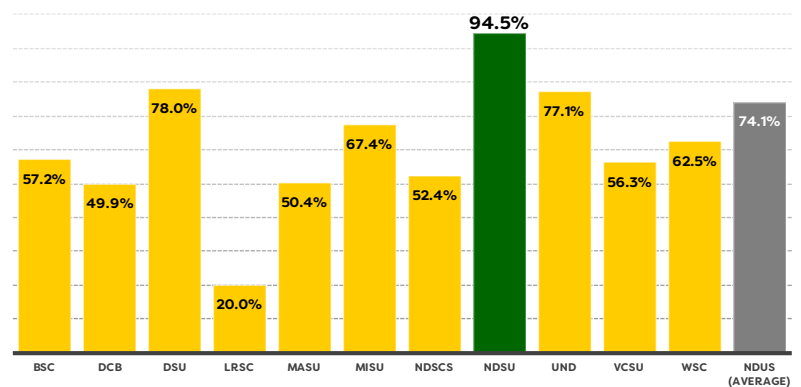
Fall	FT	FTE
2001	8,677	9,056
2002	8,880	9,368
2003	9,177	9,701
2004	9,536	10,073
2005	9,894	10,132
2006	10,053	10,890
2007	10,342	11,221
2008	11,004	11,794
2009	11,679	12,576
2010	11,857	12,708
2011	11,675	12,606
2012	11,733	12,707
2013	11,798	12,797
2014	11,917	12,934
2015	11,684	12,834
2016	11,680	12,783

Headcount: All students, regardless of number of credit hours
Full-Time (FT): Students enrolled in 12 credit hours or more
Full-Time Equivalent: UGRD student credit hours divided by 15 = FTE; GRAD student credit hours divided by 12 = FTE [FTE of Total Credit Hrs]

Source: : NDUS Headcounts & FTE Enrollments - Institution Totals Report



Face-to-Face Fall 2016 On-Campus Percentages At NDSU, 13,652 of 14,432 Students are face-to-face with faculty in traditional classroom settings



Source: NDUS Fall 2016 Enrollment Report

PROGRAMS & DEGREES

Undergraduate Programs:

Majors	96
Degree Programs	151
Minors	77
Certificate	6

Graduate Programs:

Master's Degree	86
Doctoral Degree	53
Certificate	15

Total All Majors (UGRD & GRAD disciplines, unduplicated) 216

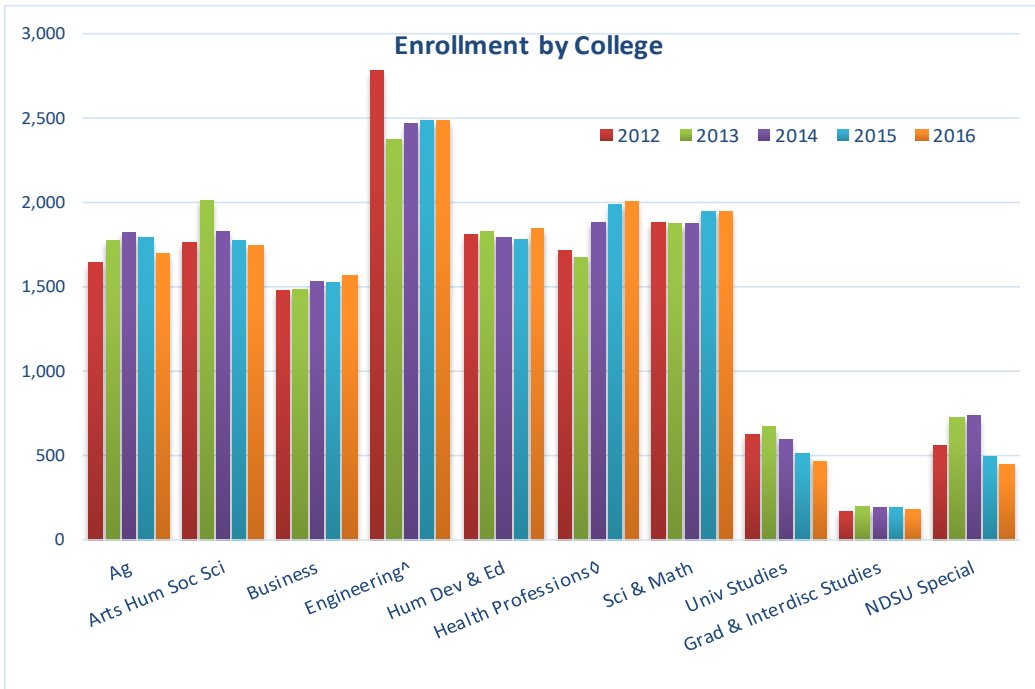
Total Degree Programs (UGRD & GRAD program/degree combinations) 291

Degree Types Awarded:

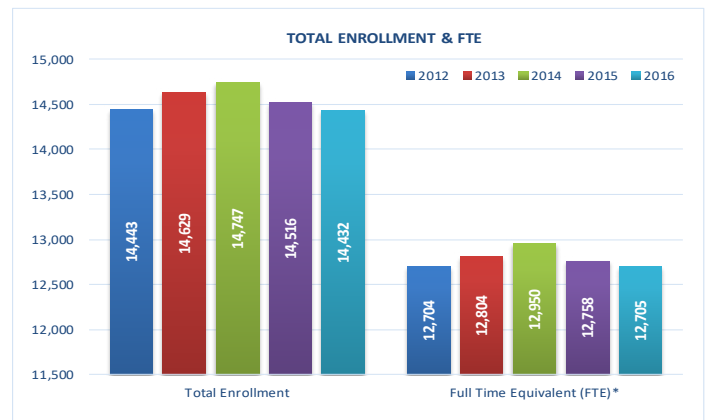
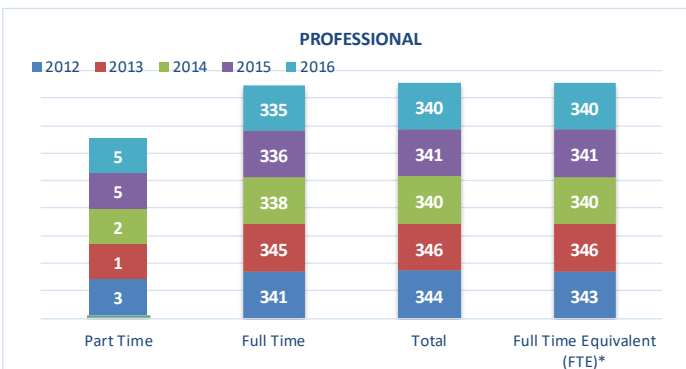
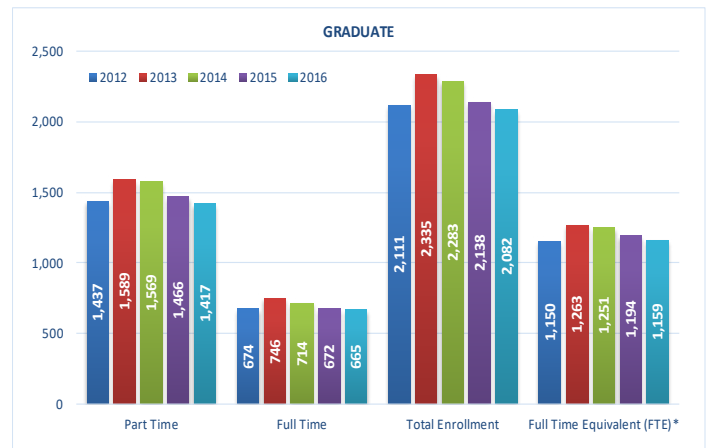
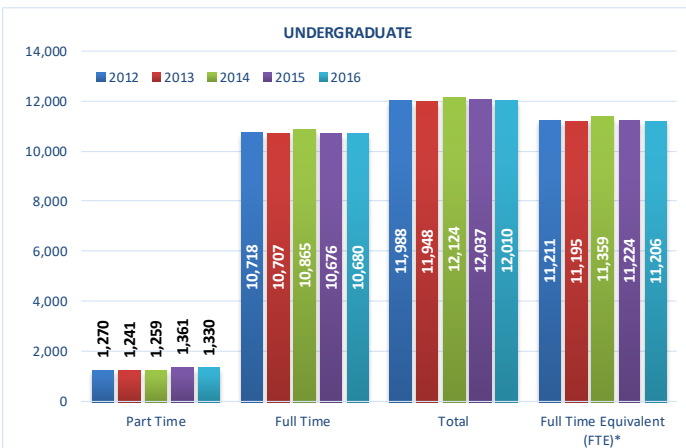
Baccalaureate	17
Master's	15
Doctorate	3
Professional	2
Specialist (Ed.S)	1

Spring 2016 Degrees Awarded:

Bachelor's	1,393
Master's	210
Doctorate	47
Professional	80
Certificates	18
Secondary/Tertiary Majors	77
Minors	761

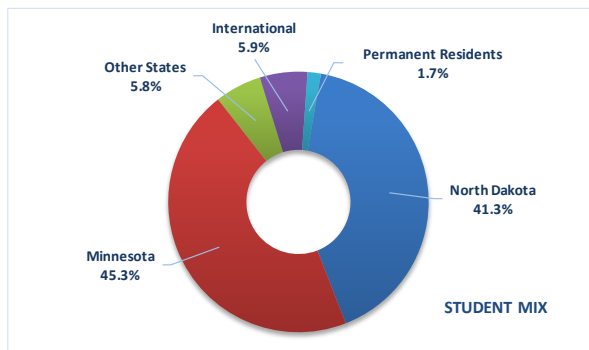
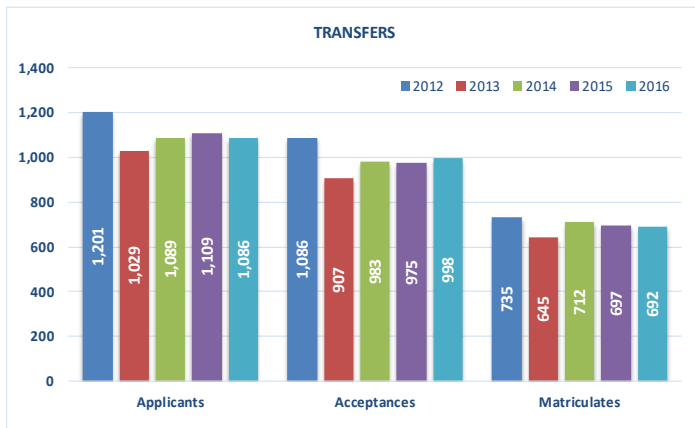
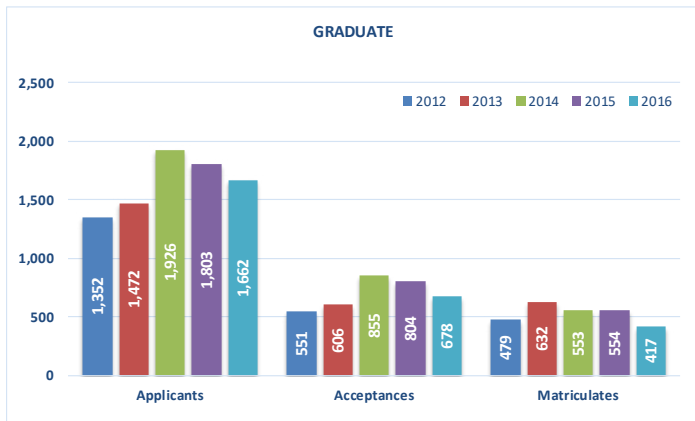
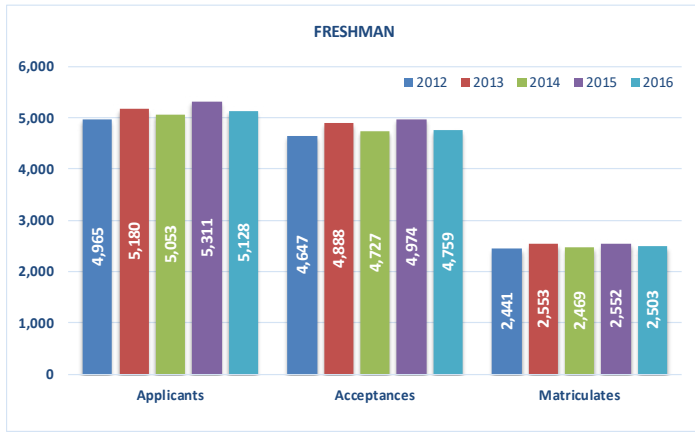


^ Architecture/Landscape Architecture relocated from College of Engineering & Architecture to College of Arts, Humanities & Social Sciences in 2013;
 College of Engineering & Architecture is renamed to College of Engineering
 ø College of Pharmacy, Nursing & Allied Sciences renamed to College of Health Professions in 2015

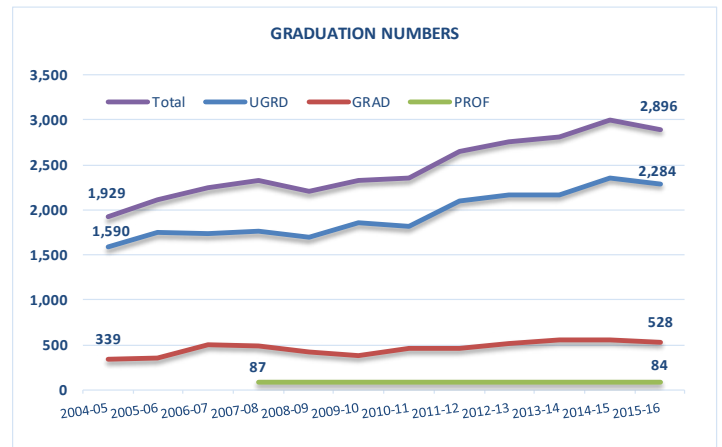
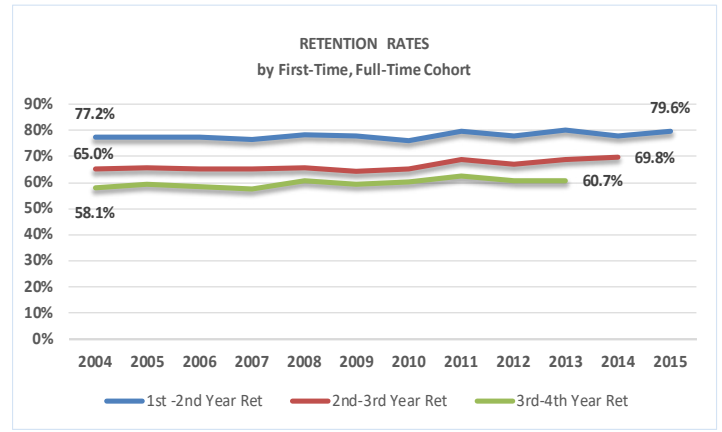


* Source for the FTE numbers in this section: NDSU Headcounts and FTE Enrollments Institutional Totals report - Total FT + FTE of Part Time column

Applicants, Acceptances, Enrollments



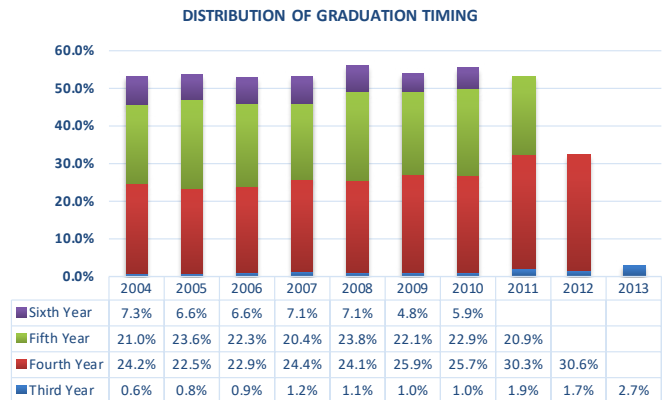
Retention & Graduation Rates



Pharm.D. graduates were reported with graduate student totals for IPEDS federal reporting and were reflected as such in the figures above through Summer 2007. Effective Fall 2007, graduates from the Pharm.D. program are included in the Professional (PROF) category.

Graduate (GRAD) totals include degrees awarded at the masters, doctoral and professional doctorate levels, excluding Pharm.D. degree.

Figures above indicate total number of degrees conferred, not headcounts. Some duplication may exist among students who earned more than one degree type.



Tuition, Costs & Financial Aid

TUITION & REQUIRED FEES (FALL 2016 / SPRING 2017)

NOTE: The tuition and fee rates below do not include course fees or program fees.

UNDERGRADUATE - FULL TIME Tuition Rates Per Academic Year	Approx First Year of Enrollment Assessed	Regular Rate assessed on residency status (capped rate)			
		North Dakota	Minnesota*	Contig/WUE/ MSEP/Alumni Dep	Other Non- Resident
Base Rate (12 or more credits)	Freshman	\$ 6,924	\$ 7,755	\$ 10,386	\$ 18,488
Differential Tuition Rates (replaces Base Rate):					
Architecture & Landscape Architecture	Sophomore	A \$ 9,212	\$ 10,317	\$ 13,818	\$ 24,596
College of Business Major	Junior	C \$ 7,253	\$ 8,123	\$ 10,879	\$ 19,365
College of Business Minor (add-on-fee)	Junior	D \$ 13.67	\$ 15.31	\$ 20.50	\$ 36.50
<i>Per Business Credit</i>					
Engineering	Freshman	B \$ 7,620	\$ 8,534	\$ 11,429	\$ 20,344
Nursing	Sophomore	A \$ 8,018	\$ 8,980	\$ 12,027	\$ 21,408
Pharmacy	Junior	A \$ 13,664	\$ 14,542	\$ 20,496	\$ 36,484

GRADUATE - FULL TIME Tuition Rates Per Academic Year		Regular Rate assessed on residency status (capped rate)			
		North Dakota	Minnesota*	Contig/MSEP	Other Non- Resident
Base Rate	12 or more credits	\$ 7,427	\$ 9,432	\$ 11,141	\$ 19,830
Differential Tuition Rates (replaces Base Rate):					
Architecture	E	\$ 9,713	\$ 12,335	\$ 14,569	\$ 25,933
Engineering		\$ 8,122	\$ 10,315	\$ 12,184	\$ 21,687
Nursing		\$ 8,521	\$ 10,821	\$ 12,781	\$ 22,750
Public Health (tuition does not cap)	Per Credit	\$ 674.23	\$ 856.28	\$ 1,011.35	\$ 1,011.35

GRADUATE - PART TIME Tuition Rates Per Credit		Regular Rate assessed on residency status			
		North Dakota	Minnesota*	Contig/MSEP	Other Non- Resident
Base Rate	1 - 11 credits	\$ 309.46	\$ 393.02	\$ 464.19	\$ 826.26
Differential Tuition Rates (replaces Base Rate):					
Architecture & Landscape Architecture	E	\$ 457.14	\$ 580.57	\$ 685.72	\$ 1,220.58
Engineering		\$ 338.84	\$ 430.33	\$ 508.26	\$ 904.71
Nursing		\$ 376.16	\$ 477.72	\$ 564.23	\$ 1,004.34
Public Health	Per Credit	\$ 674.23	\$ 856.28	\$ 1,011.35	\$ 1,011.35

MINNESOTA RECIPROCITY
112% of ND resident undergraduate rate for those students approved by the state of M for reciprocity tuition and 127% of ND resident graduate rates based on program of instruction

TUITION EXCHANGE
Eligible for tuition at 150% of NDSU's resident tuition

Western Undergraduate Exchange (WUE):

- Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, and the Commonwealth of the Northern Marianas Islands

Midwest Student Exchange Program (MSEP):

- Illinois, Indiana, Kansas, Michigan, Missouri, Nebraska, Wisconsin

Contiguous:

- Manitoba, Montana, Saskatchewan, South Dakota

Alumni Tuition Incentive Program:

- Children and spouses of ND college and university graduates may be eligible for reduced tuition at NDSU through the Alumni Tuition Incentive Program. New undergraduate students who are otherwise non-resident students and are residents of states or provinces not engaged in a reduced tuition structure may be eligible for a tuition rate at 150% of the ND resident rate.

	Per Academic Year	Per Credit Hour	
Student Fees	\$1,283	\$53.47	Student fees cover the cost of selected university programs and activities, admission to fine arts and athletic events, student publications, technology, and health and wellness services. Figure does not include the \$120 new student fee.
Room & Board	\$7,918	N/A	Several room and board arrangements are available for on-campus housing. Rates presented here reflect arrangements most commonly selected by new freshmen (double room and the 7-Day Meal Plan.) Rates and plans vary.

NOTATION DETAILS:

- * All Minnesota rates are per the MN Reciprocity Agreement except the Pharmacy Program, which is excluded from the agreement. Minnesota residents who have not been approved by the State of Minnesota for the Reciprocity rates will be charged the MSEP tuition rate.
- A Architecture, Nursing and Pharmacy differential tuition rates are assessed on all credits of students admitted into the professional programs.
- B Engineering differential tuition is assessed on all credits of students enrolled in pre-Engineering and Engineering programs for: Agriculture & Biosystems, Civil, Computer, Construction Engineering/Management, Electrical, Environmental, Industrial, Mechanical and Manufacturing.
- C College of Business differential tuition is assessed on all credits of students admitted to a primary or secondary undergraduate major of: Accounting, Business Administration, Finance, Management, Management Information Systems, Marketing, and Global Business.

NOTATION DETAILS:

- D Students with majors outside the College of Business, who have declared a minor within the College of Business, will be charged tuition in accordance with their declared major. However these students will be charged additional tuition assessed only on credits offered through the College of Business, which will be capped at 12 credits per semester. This additional rate will be applied to students who are not enrolled in a College of Business major but have been admitted to a minor in: Accounting, Business Administration, Fraud Investigation, Logistics Management and Management Information Systems; or a Certificate in Entrepreneurship or Professional Selling.
- E Architecture students with both Undergraduate and Graduate credits will have their tuition capped at the Graduate tuition rate.

A Comparison of NDUS Campuses to Regional Averages

With the exception of the two-year campuses, the costs of tuition, mandatory fees, room and board for North Dakota University System (NDUS) campuses continue to be less than their regional counterparts in 2016-17. *Regional peers include: Arizona, Colorado, Idaho, Minnesota, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.*

Source: NDUS 2017 Student Affordability Report

Tuition & Mandatory Fees for Resident Undergraduates

NORTH DAKOTA (NDSU / UND)	2013-14	2014-15	2015-16	2016-17
NDUS Variance to Regional Average (\$)	(\$788)	(\$746)	(\$781)	(\$711)
NDUS Variance to Regional Average (%)	-9.5%	-8.8%	-8.9%	-8.0%
DOCTORAL UNIVERSITIES:	2013-14	2014-15	2015-16	2016-17
NORTH DAKOTA (NDSU / UND)*	\$7,524	\$7,781	\$7,972	\$8,172
+(-) previous year - \$	\$280	\$257	\$191	\$200
+(-) previous year - %	3.90%	3.40%	2.50%	2.50%
Arizona	\$10,027	\$10,368	\$10,746	\$11,058
Colorado	\$10,550	\$11,035	\$11,507	\$12,016
Idaho	\$6,434	\$6,675	\$6,902	\$7,094
Minnesota	\$13,421	\$13,626	\$13,790	\$14,224
Montana	\$6,399	\$6,450	\$6,503	\$6,551
Nevada	\$6,587	\$6,615	\$6,863	\$7,103
New Mexico	\$6,334	\$6,510	\$6,697	\$6,840
Oregon	\$8,654	\$8,948	\$9,507	\$9,822
South Dakota	\$7,868	\$7,968	\$8,315	\$8,315
Utah	\$6,821	\$7,170	\$7,431	\$7,692
Washington	\$12,250	\$12,411	\$11,883	\$10,824
Wyoming	\$4,404	\$4,646	\$4,892	\$5,055
REGIONAL AVERAGE	\$8,312	\$8,527	\$8,753	\$8,883
+(-) previous year - \$	\$227	\$215	\$226	\$130
+(-) previous year - %	2.80%	2.60%	2.70%	1.50%

*North Dakota figures are the average of both of its doctoral universities (NDSU and UND)

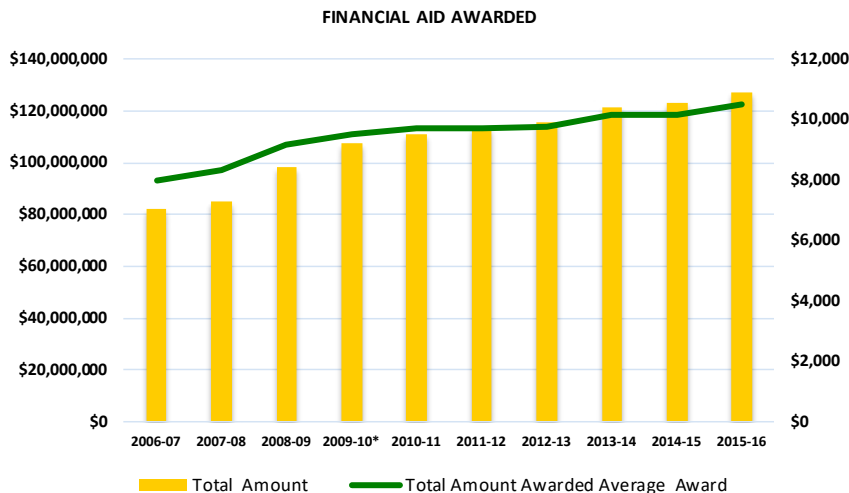
Room & Board Rates

NORTH DAKOTA (NDSU / UND)	2013-14	2014-15	2015-16	2016-17
NDUS Variance to Regional Average (\$)	(\$1,899)	(\$1,929)	(\$1,958)	(\$1,848)
NDUS Variance to Regional Average (%)	-21.5%	-21.2%	-21.0%	-19.2%
DOCTORAL UNIVERSITIES:	2013-14	2014-15	2015-16	2016-17
NORTH DAKOTA (NDSU / UND)*	\$6,944	\$7,150	\$7,369	\$7,774
+(-) previous year - \$	\$40	\$206	\$219	\$405
+(-) previous year - %	0.60%	3.00%	3.10%	5.50%
Arizona	\$9,377	\$9,709	\$9,789	\$10,723
Colorado	\$10,773	\$11,016	\$10,992	\$11,287
Idaho	\$7,115	\$7,225	\$7,333	\$7,509
Minnesota	\$8,732	\$8,920	\$9,314	\$9,377
Montana	\$7,922	\$8,193	\$8,528	\$8,863
Nevada	\$9,962	\$10,208	\$10,296	\$10,673
New Mexico	\$7,873	\$8,055	\$8,131	\$8,730
Oregon	\$10,711	\$10,904	\$11,400	\$11,572
South Dakota	\$6,819	\$6,798	\$7,534	\$7,640
Utah	\$6,663	\$7,104	\$7,395	\$7,638
Washington	\$10,719	\$11,055	\$11,174	\$11,137
Wyoming	\$9,451	\$9,755	\$10,037	\$10,320
REGIONAL AVERAGE	\$8,843	\$9,079	\$9,327	\$9,622
+(-) previous year - \$	\$294	\$235	\$248	\$296
+(-) previous year - %	3.40%	2.70%	2.70%	3.20%

STUDENT FINANCIAL AID SUMMARY

Financial Aid Awards

The following represents a description and summary of the amounts provided to NDSU students under various federal, state and institutional financial assistance programs over a period of years. This is the most recent Financial Aid composite to date, and the table below indicates the average awards given.



* Beginning with 2009-10 and forward, veterans benefits were no longer considered a resource for financial aid purposes; therefore, total aid from 2009-10 and forward does not include veterans benefits

Total Amount Awarded

Academic Year	Total Amount	No. of Students	% of Enrollment	Total	Average Award
2006-07	\$81,970,398	9,953	81.20%	12,258	\$7,981
2007-08	\$84,740,529	9,869	78.79%	12,527	\$8,312
2008-09	\$98,487,230	10,775	81.50%	13,229	\$9,140
2009-10*	\$107,776,019	11,358	80.10%	14,189	\$9,489
2010-11	\$111,206,574	11,483	79.70%	14,407	\$9,684
2011-12	\$113,340,991	11,681	81.10%	14,399	\$9,703
2012-13	\$115,785,552	11,878	82.20%	14,443	\$9,748
2013-14	\$121,299,012	11,959	81.75%	14,629	\$10,142
2014-15	\$123,114,018	12,121	83.50%	14,516	\$10,157
2015-16	\$127,254,862	12,135	85.87%	14,132	\$10,487

2015-16 Financial Aid Breakdown

Type of Aid	Amount	%	Categories
Grants	\$13,039,813	10.2%	Federal Pell Grant, Federal Supplemental Grant, Student Support Services Grant, ND State Grant
Loans/Work Study	\$75,822,826	59.6%	Federal Direct Loan, Federal Perkins Loan, Private Alternative Loans, Work Study
Scholarships	\$34,042,038	26.8%	Institutional, Private, State
Other Paid Tuition	\$4,350,185	3.4%	National Guard, Other Third Party Paid Tuition
Total 2015-16	\$127,254,862		

Freshman Guaranteed Scholarships

Scholarship	ACT / SAT Scores*	Cumulative HS GPS	Freshman Scholarship Award
NDSU Presidential	32+ ACT / 1450+ SAT (or 1400+ [^])	3.5+ GPA	\$12,000 (\$3,000/year for a maximum of four years)
Presidential Honor	29-31 ACT / 1350-1440 SAT (or 1290-1390 [^])	3.5+ GPA	\$10,000 (\$2,500/year for a maximum of four years)
Provost's Scholarship	25-28 ACT / 1200-1340 SAT (or 1130-1280 [^])	3.5+ GPA	\$6,000 (\$1,500/year for a maximum of four years)

* SAT=Evidence Based Reading and Writing + Math

[^] Required score for students who took the SAT prior to March 5, 2016

For a full listing of scholarships available at NDSU, please see ndsu.academicworks.com

NDSU at a Glance

SENIOR MANAGEMENT: PRESIDENT AND PRESIDENT'S CABINET

CAMPUS DEMOGRAPHICS

Buildings	95
Acres	261
Research Extension Centers	8
Research Extension Acres	19,869

FALL 2016 EMPLOYEE STATS

Administrators	84
Ranked Faculty & Lecturers	756
Part-Time Academic Staff	129
Graduate Assistants & Fellows	984
Program Administrators & Coaches	59
Extension Educators, Experiment Station & Other Researchers	238
Professional, Technical, Office, Trades, & Service Staff	1,485
Temporary Workers (including Students)	2,550
Total Employees	6,296
Full-Time	2,509
Part-Time	3,787
FTE	4,067

FALL 2016 FACULTY STATS

Total Faculty	817
Full-Time	700
Part-Time	117
Percent Tenured (of full-time faculty)	51.1%
Percent Holding Doctorates (of full-time faculty)	86.1%

Faculty counts include: Professors, Associate/Assistant Professors, Instructors, Lecturers/Sr. Lecturers, Part-Time Academic Staff*

*Part-Time Academic Staff can be full-time working 40 hrs per week or part-time working less than 40 hrs per week and can be in temporary or permanent positions

Source: HR PeopleSoft Queries (11/1/2016); HR/Payroll pay period end date 9/30/16

Dean L. Bresciani	President
Timothy Alvarez	VP for Student Affairs
Bruce Bollinger	VP for Finance & Administration
John Glover	President/CEO NDSU Foundation & Alumni Association
Kathryn Gordon	Faculty Senate President
Ken Grafton	VP for Agricultural Affairs
Chuck Hoge	Executive Director NDSU Research & Technology Park
Beth Ingram	Provost
Matt Larsen	Director of Athletics
James Osland	Staff Senate President
Laura McDaniel	Associate VP for University Relations
Spencer Moir	Student Body President
Kelly Rusch	VP for Research & Creative Activities
Marc Wallman	VP for Information Technology
Stephanie Wawers	Executive Assistant to the President
Christopher Wilson	Chief of Staff
Dale Zetocha	Executive Director NDSU Research Foundation

Division Restructuring

The 2017 North Dakota Legislature reduced budgets, including that of Higher Education, during its recent legislative session as a result of the State's present economy. Due to these cuts, NDSU evaluated various reporting structure models of similar national research institutions, including the University of Minnesota Twin Cities (UMN). After extensive consideration and input that included the North Dakota University System Chancellor, a model comparable to UMN was adopted. Effective July 1, 2017, the senior administrative structure and related positions for the Division of Student Affairs will be eliminated and its remaining units realigned under other divisions within the University.

Most of the Student Affairs units will be realigned with the Division of Academic Affairs under the Associate Vice Provost of Enrollment Management (now senior student affairs officer) Dr. Laura Oster-Aaland, who previously served as the Associate Vice President for Enrollment Management in the Student Affairs division. Student Affairs auxiliary services units will be realigned with the Division of Finance and Administration and the handful of remaining units will be realigned in other areas within the Division of Academic Affairs.

This measure is being taken to protect the student affairs functions and positions that directly impact NDSU students, with the savings used to limit further reductions to the faculty ranks. No student services will be cut as a result of this realignment, as only administrative positions are affected.

PLANNING FOR THE FUTURE

The [Strategic Plan](#) defines the strategic priorities for NDSU for the next five years and ensures that our resources are used effectively and purposefully to educate students, perform world-class research, pursue creative and artistic excellence, and serve the citizens of North Dakota. The [Strategic Vision](#) contains goals, tasks and metrics that define how the strategic vision will be implemented at NDSU.

Strategic Plan 2015-2020: A Student-focused Research University serving North Dakota

Our strategic plan is built on three pillars: educational opportunities that support student access and success; outreach and engagement that create better lives for North Dakotans; and research, creative works and discovery focused on grand challenges.

Student Success and Learning Objectives:

- Increase graduate student enrollment
- Reduce time to degree and attrition rates for graduate programs and improve placement for doctoral students
- Strategically increase undergraduate student enrollment
- Improve undergraduate graduation rates

Outreach and Engagement Objectives:

- Improve communication with citizens of North Dakota
- Tie research mission to needs of North Dakota, when appropriate
- Increase the educational reach of North Dakota

Research and Discovery Objectives:

- Increase research strength in focused areas of excellence
- Increase national prominence of NDSU as a research university
- Streamline processes and align policies to support the research vision
- Increase NDSU's research capacity
- Improve campus climate

The three pillars mutually support the overarching mission of NDSU. NDSU is guided by core values of:

- **Educational Excellence:** We provide a rigorous and research-based learning environment that challenges students to excel both within and outside of the classroom;
- **Cutting-edge Scholarship:** We are an engaged university and acknowledge and pursue scholarship in all its forms, acknowledging the importance of both basic and applied research and the integral nature of teaching, research and outreach;
- **Accountability:** As a land-grant institution, we have a special relationship with, and are accountable to, the people of North Dakota. We strive to improve our region's quality of life and to contribute to its economic prosperity;
- **Diversity:** We maintain a campus climate that supports and respects faculty, staff and students who have diverse cultures, backgrounds, and points of view;
- **Collaboration:** We operate with transparency and a commitment to shared governance and responsibility.

Strategic Vision 2015-2020

The strategic vision is meant to be a dynamic document that is updated and edited as necessary to meet the needs of NDSU's faculty, staff, students, administrators and external constituents. To that end, NDSU will:

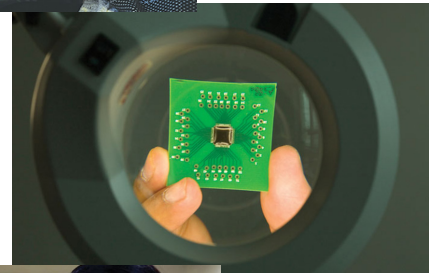
1. Improve communication pathways among faculty, staff, students, administrators and external constituents;
2. Provide timely information and training related to institutional budgets, planning, and institutional policies;
3. Report annually on progress towards strategic plan goals.

Additional resources

[Strategic Plan Progress Report](#) (Metrics update for period 2015-16)

Research: [Collaboration Resources](#)

Student Success and Learning: [Retention Interventions Fall 2016](#)



Budgetary Highlights

CHANGES TO STATE FUNDING

2017-2019 Biennium - NDSU

Against a backdrop of reduced resources, NDSU continues to receive significant State support. The 65th Legislative Assembly (2017-2019) continues to support Higher Education in general and NDSU in particular.

NDSU received general funds for the completed student credit hour formula of \$2,886,790 and fully funded benefitted employee health insurance. One time general funds were received for the Minard Hall renovation project deficiency of \$1,634,854 and general operating funds of \$535,193. NDSU also received a \$1.34M increase from the State Land Trust fund for a total of \$4.7M for the biennium. A tuition rate increase of 4% for FY2018 and FY2019 was approved, with NDSU's student enrollment expected to remain steady or show a modest increase during this time period.

Two revenue bonded capital projects were authorized by the legislative assembly for construction of a new residence hall in the amount of \$39.5M and a replacement of the existing University Village housing complex for \$10M in order to meet continued student demand for on campus housing. Additionally, NDSU was authorized for a capital project addition to Sudro Hall for \$28M funded from donations.

2017-19 Budget Reduction. The North Dakota Legislature reduced budgets within the State, including that of Higher Education, as a result of North Dakota's economy. NDSU's budget for the 2017-19 biennium was reduced by 16.9% when compared to the 2015-17 original base. This amounted to a \$26,649,451 general fund budget reduction.

The biennial budget was prepared using a collaborative process that began in January 2016. At the request of the President, the Provost convened a budget study workgroup that met weekly from the end of February until the first of June. The study group collected and evaluated recommendations regarding a potential adjustment in NDSU's appropriation. The following principles guided the recommendations:

- Resources should be allocated effectively to achieve excellence
- Seeking excellence in all that NDSU does will result in mediocrity - reallocations will not be across-the-board
- Quality will be improved by focusing on what works, supported by assessment, data and evidence
- Previous budget reductions and their impact on units must be taken into account

The group deployed a Qualtrics survey to collect recommendations. Faculty and staff were invited to participate in a Town Hall Forum held on campus. In addition, the Provost presented preliminary recommendations to the Chairs and Heads and to the Deans. The President and Provost discussed the budget reduction at the final Faculty Senate meeting of the year.

The group discussed recommendations and evaluated them for

feasibility, likelihood of cost savings, effect on core mission of NDSU, and degree of campus support. Some recommendations are directly pointed at costs savings, while others are directed at maintaining NDSU's core missions in being a student-focused, land grant, research university. The following initiatives have been implemented:

Academic Affairs Reductions

Eliminate Administrative Positions and Streamline Administrative Function. We have reduced the FTE number of administrators, including one Dean, Associate Deans, Chairs/Heads and Directors. The administration associated with College of University Studies has been eliminated and the students have been moved into other colleges. Student Affairs units have moved under the Provost to streamline management functions.

Impact

In closing the College of University Studies, we will serve students through the other academic colleges. Upon matriculation, students will immediately be placed in one of the academic colleges. We have realigned job duties to ensure coverage of necessary functions. The merging of academic and student affairs will have a positive impact on ensuring seamless services for students and reduction in duplication of services.

Collegiate and Divisional Reductions. Each college and unit within Academic Affairs has been assigned a goal for budget reduction that will be accomplished through the eliminations of positions or reductions in operating budgets.

Impact

Colleges have eliminated vacant positions, realigned staff to serve more departments, and reduced reliance on part-time instructors. Operating budgets that support travel, up-to-date computers and software, printing and other such items have been reduced.

Reduce the Hiring of Part-Time and Adjunct Faculty. NDSU is committed to the success of its students, which is best accomplished when those students are taught by full-time faculty members. We will employ part-time faculty when those faculty meet an exceptional need of a program. Deans will be asked to reallocate open lines to meet the teaching needs of programs. We have implemented minimum course size requirements.

Impact

Part-time academics have traditionally filled gaps in the curriculum due to faculty departures. Departments will have less flexibility in responding to faculty resignations and retirements. Departments will offer fewer elective and upper-division courses. Class sizes will increase. Some specialized tracks in some majors may need to be merged.

Extend Hiring Freeze for Select Positions. NDSU implemented a hiring freeze to manage the budget allotment. The positions affected by the hiring freeze will not be automatically filled at the end of the biennium and will revert to the college or Provost. Positions will be evaluated for centrality to NDSU's mission and may be permanently eliminated or reallocated to other units and departments.

Impact

Core functions will be strengthened while other units may become

smaller.

Offer a Voluntary Separation Incentive Program (VSIP). This program began on June 15th and closed on September 15th. We accepted 34 positions (30.62 FTE).

Impact

Lines vacated due to this program may be eliminated or, alternatively, the person will be replaced with a less-experienced person who earns a lower salary. Some expertise on campus will be lost as a result as we move towards a younger, less-experienced work force of faculty and staff. Some specialized functions may be eliminated.

Student Affairs Reductions

Division Restructuring

As previously stated, the 2017 North Dakota Legislature reduced budgets during its recent legislative session (including that of Higher Education) as a result of the State's present economy. Due to these cuts, NDSU evaluated various reporting structure models of similar national research institutions, including the University of Minnesota Twin Cities (UMN). After extensive consideration and input that included the North Dakota University System Chancellor, a model comparable to UMN was adopted. Effective July 1, 2017, the senior administrative structure and related positions for the Division of Student Affairs will be eliminated and its remaining units realigned under other divisions within the University.

Most of the Student Affairs units will be realigned with the Division of Academic Affairs under the Associate Vice Provost of Enrollment Management (and now senior student affairs officer), Dr. Laura Oster-Aaland, who previously served as the Associate Vice President for Enrollment Management in the Student Affairs division. Student Affairs auxiliary services units will be realigned with the Division of Finance and Administration and the handful of remaining units will be realigned in other areas within the Division of Academic Affairs.

This measure is being taken to protect the student affairs functions and positions that directly impact NDSU students, with the savings used to limit further reductions to the faculty ranks. No student services will be cut as a result of this realignment, as only administrative positions are affected.

Finance and Administration Reductions

Units within the Finance and Administration division have identified budget reductions that will be accomplished through the offering of a voluntary separation incentive program, eliminating open positions, where possible, and reducing operating budgets.

Impact

Facilities Management's ability to respond to and manage campus basic repair and service needs will be impacted with reduced operating budgets in HVAC, Electrical, Painting, Building Maintenance. Elimination of the Biological Safety Officer position, facility supervisor positions, Customer Account Services Collection Officer, custodian positions and the reallocation of Purchasing Contract Administrator and Center for Child Development Teacher salary to local funding sources.

Athletics Reductions

Athletics has identified budget reductions that will be accomplished by reducing operating expenses for administrative travel, medical and office supplies, postage and printing, repair services and phone services.

Impact

Reduction of expenses to critical unit operations, funding will be reallocated and prioritized to minimize impacts to student athletes where possible. Student athletes may be affected by missed class time (bus vs air travel), number of student athletes allowed to travel, reduction of non-conference opponents as a part of the overall schedule, extended uniform replacement cycles and equipment resulting in poor condition and potential safety issues.

Presidents Office Operating Reductions

Operating budget reductions have been identified, including office supplies, professional development, postage and printing, repair services, travel, extended computer replacement cycles.

Moving Forward

Encourage the Development of New Programs. A task force will provide recommendations on the feasibility of expanding certain programs that meet the needs of North Dakota and could generate additional revenue for NDSU. These programs could include professional master's programs, graduate certificates, and the expansion of summer school.

Impact

Investments in new programs will provide NDSU with the resources to reinvest in the campus. The goal is to ameliorate the impacts cited above. However, this is a long-term solution to the budget reduction since the development of new programs can take several years.

Strategic Investments. NDSU remains a top-100 public research university and is committed to the discovery and dissemination of new knowledge. To that end, we will continue to invest in the infrastructure necessary to remain a high research university. Over the next biennium, we will continue to expand high performance computing (CCAST), support core research facilities and invest in areas of strategic research importance (Grand Challenge Initiative). We will reallocate faculty lines to the two Grand Challenge research areas that were identified in spring 2016: Healthy Populations and Cancer Test Beds.

We continue to focus on student retention and graduation. Within this category, we will invest in early alert initiatives to identify at-risk students, a seamless advising system that will better serve students, and data analytics that will help us to identify programs and courses that are critical to students pathways to graduation (Student Success Campus and PAR).



GENERAL FUND APPROPRIATIONS

Ongoing NDSU General Fund Appropriations by the North Dakota Legislature NDSU Main Campus

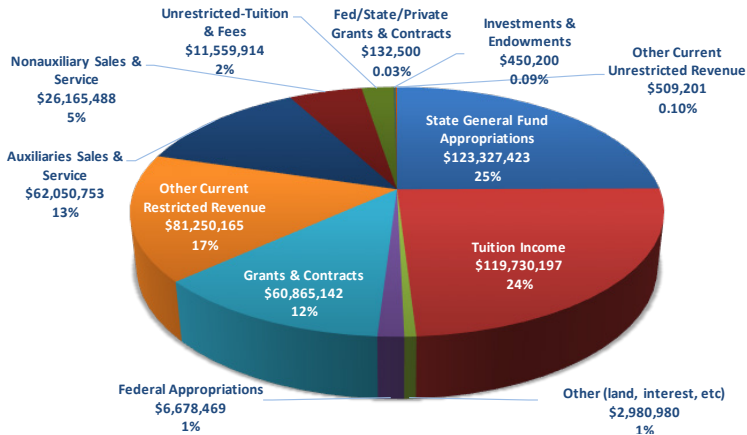
Fiscal Year	Salaries, Operating & Equipment	Capital Improvements	Yearly Grand Total	Biennial Total
2019	63,196,991	1,366,122	64,563,113	129,126,235
2018	63,197,000	1,366,122	64,563,122	
2017	71,378,716	4,022,991	75,401,707	172,322,984
2016	72,644,964	24,276,312 ***	96,921,276	
2015	67,839,185	38,315,656 **	106,154,841	176,840,714
2014	68,767,355	1,918,518	70,685,873	
2013	77,445,495	1,993,813	79,439,308	133,875,594
2012	48,235,092	6,201,194 *	54,436,286	
2011	54,470,160	9,425,072 *	63,895,232	125,996,580
2010	54,835,385	7,265,963 *	62,101,348	
2009	55,197,103	5,591,680 *	60,788,783	110,952,354
2008	47,046,090	3,117,481	50,163,571	
2007	41,761,958	258,497	42,020,455	86,793,615
2006	43,299,070	1,474,090	44,773,160	
2005	38,154,841	706,168	38,861,009	79,749,610
2004	40,182,433	706,168	40,888,601	
2003	40,226,452	992,388	41,218,840	80,543,682
2002	38,579,702	745,140	39,324,842	
2001	37,111,009	683,188	37,794,197	74,921,622
2000	35,170,058	1,957,367	37,127,425	

* Figure includes state funding for Minard Hall Project \$17,500,000

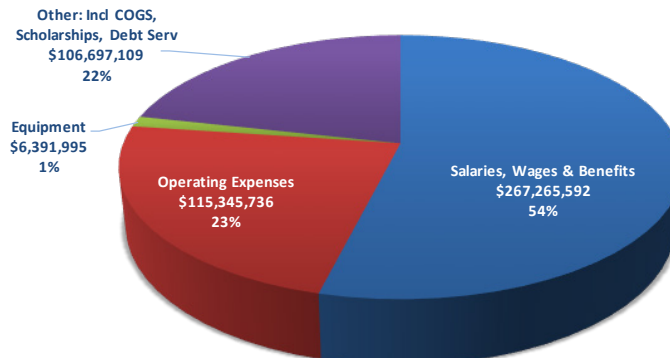
** Figure includes state funding for STEM Building Project \$29,367,709

*** Figure includes state funding for STEM Building Project Carryover \$15,424,741

Unexpended FY17 Capital Improvements will be carried over to FY18



NDSU 2016-17 Annual Budget (\$495,700,432)



NDSU 2016-17 Operating Budget (\$495,700,432)

Research Overview

NDSU IS THE HIGHEST RANKING NORTH DAKOTA UNIVERSITY:
 FOR FY15 (MOST RECENT YEAR AVAILABLE) RANKED 83 AMONG PUBLIC INSTITUTIONS;
 120 AMONG ALL INSTITUTIONS

Ranked in the
 “Doctoral Universities:
 Higher Research
 Activity” category
 by the Carnegie
 Commission on Higher
 Education

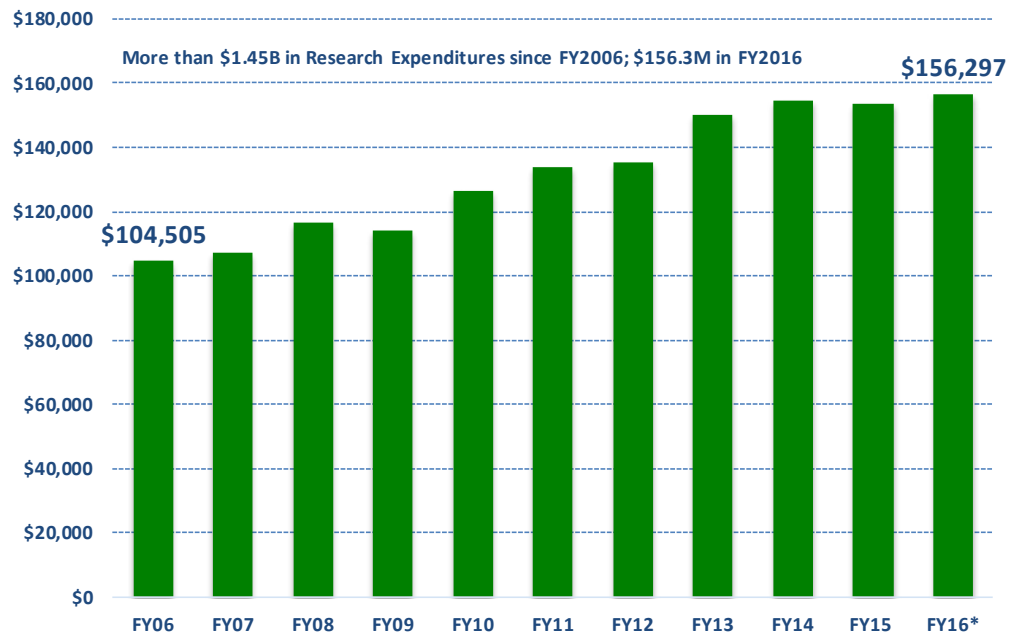
Top 100 NSF Ranking
 For FY15, NDSU is listed
 in the top 100 research
 universities in the U.S. in:

- Agricultural Sciences (15)
- Social Sciences (39)
- Chemistry (68)
- Psychology (94)
- Computer Sciences (99)
- Physical Sciences (99)

based on research
 and development
 expenditures reported
 to the National Science
 Foundation.



GROWTH OF NDSU RESEARCH & DEVELOPMENT EXPENDITURES (IN THOUSANDS)

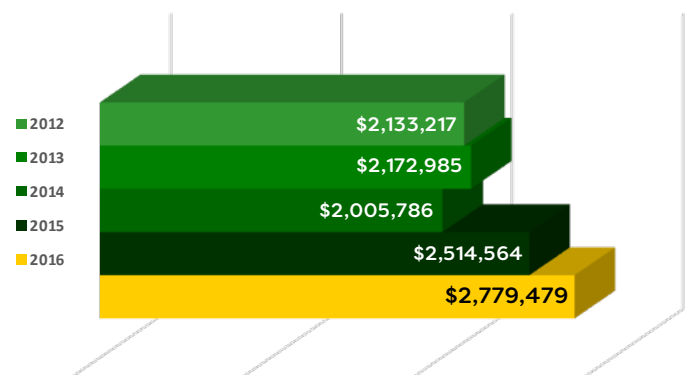


*FY16 reported to and accepted by NSF but is not yet published
 Source: National Science Foundation Higher Education Research & Development (HERD) Survey

NDSU's FY15 licensing revenue was greater than that of other, larger land grant universities with similar or greater research expenditures

UNIVERSITY	Research Expenditures	Licensing Revenue
Ohio State University	\$962.5M	\$2.19M
Penn State University	\$801.3M	\$1.87M
University of Hawaii	\$400.5M	\$266K
Mississippi State University	\$226.4M	\$225K
Florida State University	\$221.1M	\$497K
Utah State University	\$175.4M	\$1.61M
Washington State University	\$193.8M	\$1.24M
NORTH DAKOTA STATE UNIVERSITY	\$153.5M	\$2.51M

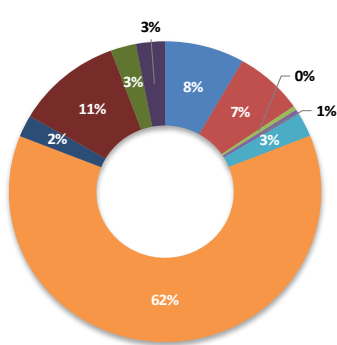
LICENSING INCOME



National Science Foundation Higher Education Research & Development Survey (HERD) Data

Each year, the National Science Foundation (NSF) requests data from universities and colleges on their respective fiscal year research and development expenditures. The survey is developed and conducted by the NSF division of Science Resources Statistics (SRS) and fulfills the legislative mandate of the National Science Foundation Act to “provide a central clearinghouse for the collection, interpretation, and analysis of data on scientific and engineering resources”. The surveys contribute to decisions affecting higher education, Congress, the executive branch, and education associations using institutional data.

The data represented in this section is generated from funding awarded to NDSU. Sources of funding include: Federal government, State and local government, industry, institution, and other sources such as non-profit foundations. Institutional funds include state appropriations, tuition and fees, and gifts expended for research and development activities. In addition, un-reimbursed indirects costs and cost sharing are included as part of the institutional data.

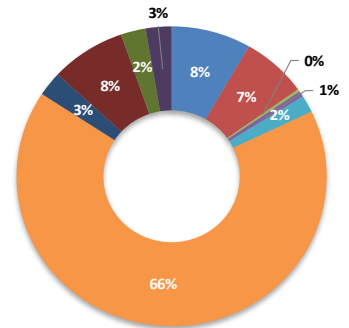


2015

NDSU Research Expenditures (HERD Survey)

CATEGORY	FY2015	* FY2016
Engineering	\$12,678,000	\$13,009,000
Physical Sciences	\$10,951,000	\$10,684,000
Environmental Sciences	\$705,000	\$439,000
Mathematical Sciences	\$777,000	\$979,000
Computer Sciences	\$3,949,000	\$2,878,000
Life Sciences	\$95,345,000	\$103,685,000
Psychology	\$3,590,000	\$4,105,000
Social Science	\$16,906,000	\$12,250,000
Other Sciences (Interdisciplinary)	\$4,033,000	\$4,077,000
Non-Sci & Eng	\$4,608,000	\$4,191,000
TOTAL	\$153,542,000	\$156,297,000

* FY2016 Preliminary Figures and subject to change

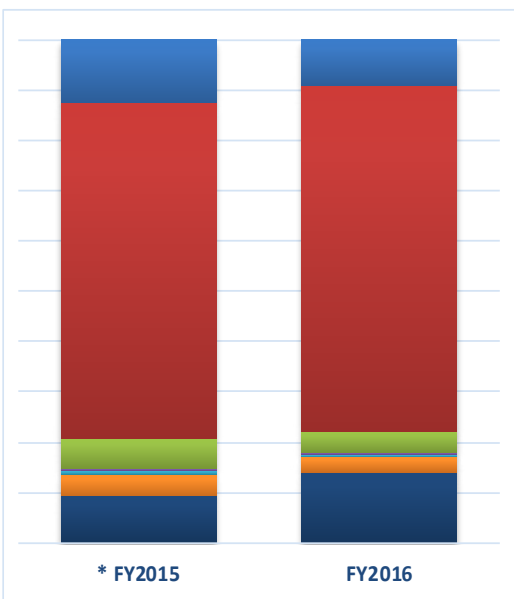


2016

External Awards & Federal Formula Funds

BY CATEGORY	* FY2015	FY2016
Total External Awards	\$ 65,486,657	\$ 70,620,367
Hatch/McIntire-Stennis Funds	\$ 3,184,546	\$ 3,184,348
NDSU Extension Service Smith-Lever Formula Funds	\$ 3,920,040	\$ 3,919,415
Student Financial Aid	\$ 11,021,451	\$ 10,530,068
Total Federal Formula Funds	\$ 18,126,037	\$ 17,633,831
Grand Total	\$ 83,612,694	\$ 88,254,198

* Adjustments were made to the previously published FY2105 External Awards total; adjusted total is included here.



* Previously published FY2015 External Awards total adjusted

Planned Improvements

2017-19 MAJOR CAPITAL PROJECT REQUESTS

The following NDSU capital projects were included in the 2017-19 North Dakota University System biennial budget request to the 65th North Dakota Legislative Assembly:

CAPITAL PROJECT	AMOUNT & FUNDING SOURCE	DESCRIPTION
Dunbar II	\$49,111,684 (State General Fund Appropriation)	<ul style="list-style-type: none"> • New, six-story building replacement • ~ 106,000 square feet • Consolidate services for Department of Chemistry by relocating laboratories currently spread out across campus into new facility • Include portion of Department of Geosciences for synergistic efficiencies to improve overall student experience • Accommodates upper-level undergraduate and graduate students, faculty (offices and research), improved lab areas • Addresses: Safety and code concerns, critical deferred maintenance issues, accessibility (ADA compliance), space issues
Sudro Hall Addition	\$28,000,000 (Private Funding)	<ul style="list-style-type: none"> • Construction of a multi-story addition and partial renovation of the current facility • Acquisition of new or expanded teaching labs • Adding/redesigning research lab space • Consolidating all recently displaced health profession units (Health Science Library, Public Health, School of Nursing, Pharmaceutical Science Research Lab and Office) back into one facility • Integrating student study spaces back into the building • Incorporating classrooms with IVN technology to allow faculty at both Fargo and Bismarck nursing campuses to teach students regardless of location
New Residence Hall	\$39,505,000 (Revenue Bonding)	FEATURED in presentation
University Village Replacement - Phase I	\$10,000,000 (Revenue Bonding)	FEATURED in presentation
West Dining Center Expansion*	\$1,500,000 (Auxiliary/Local)	<ul style="list-style-type: none"> • Adding 200 seats to the center, along with a large group meeting room to accommodate current demand for contract dining
Residence Dining Center - Phase II*	\$1,500,000 (Auxiliary/Local)	<ul style="list-style-type: none"> • Addition of made/cook-to-order stations, display cooking capabilities, authentic options and ability to customize meals for students
Residence Dining Center - Phase III*	\$2,000,000 (Auxiliary/Local)	<ul style="list-style-type: none"> • Renovating the current kitchen facilities - space reorganization, new vent hoods, new cold food prep area, new dedicated dry storage, expanded coolers and freezers, new equipment where needed

* Not included in the legislative request - legislative authorization is not required for projects that are paid from cash (auxiliary/local funds) vs. state appropriation, private fundraising or from bond proceeds

New Residence Hall - \$39,505,000

The proposed New Residence Hall will create additional housing to better accommodate current NDSU students, including second year students who are at a greater retention risk. Current demand for on-campus living within residence halls continues to exceed the inventory of beds. NDSU has consistently opened each fall semester with 30 to 60 students beyond capacity, requiring some students to live in temporary quarters. Over time, it has been more difficult for upper-class students to remain in the residence halls, if so desired. Nearly 250 of these students were placed on a wait

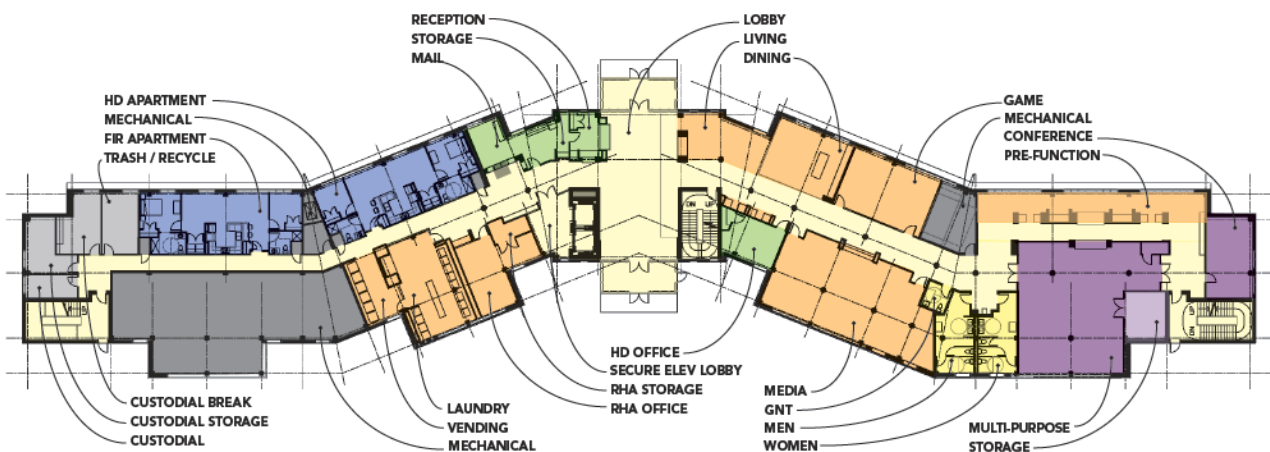
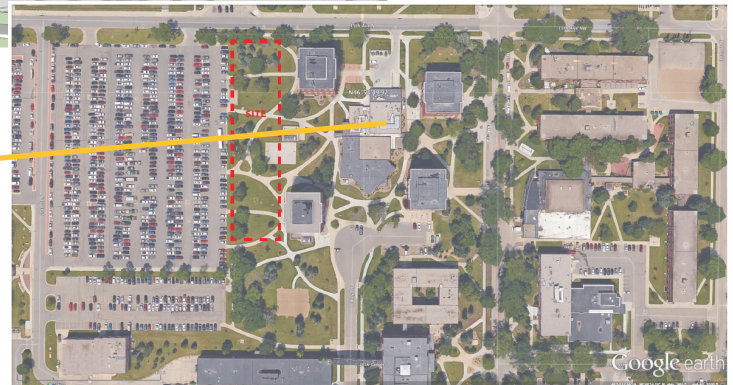
list for rooms in 2015. Over time, many of them canceled their applications and sought other housing options because NDSU was unable to accommodate them. In addition, only 180 out of 697 new transfer students were able to secure on-campus housing.

The new six story facility will be ~130,000 square feet with a capacity of around 390 beds targeting second year students. The hall will be located adjacent to the current campus high rise residence halls, HR parking lot and West Dining Center.



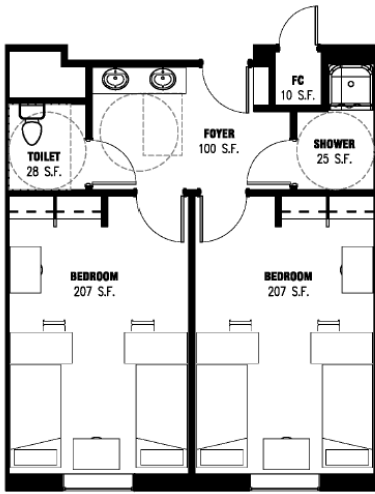
New Residence Hall

Campus High Rise Residence Halls:
Pavek, Seim, Thompson, Sevrinson
HR Parking Lot
West Dining Center

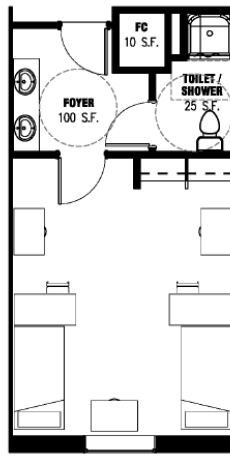


First Floor:

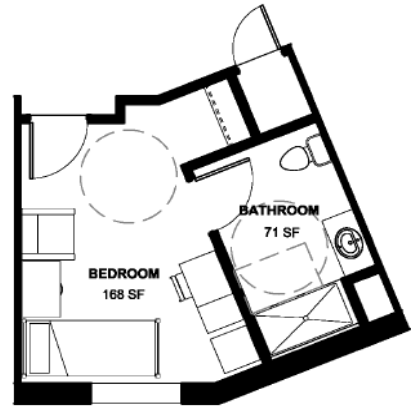
- Building services
- Public & community spaces (vending, laundry, community room, hall director office)
- Residence Hall and Faculty-in-Residence apartments



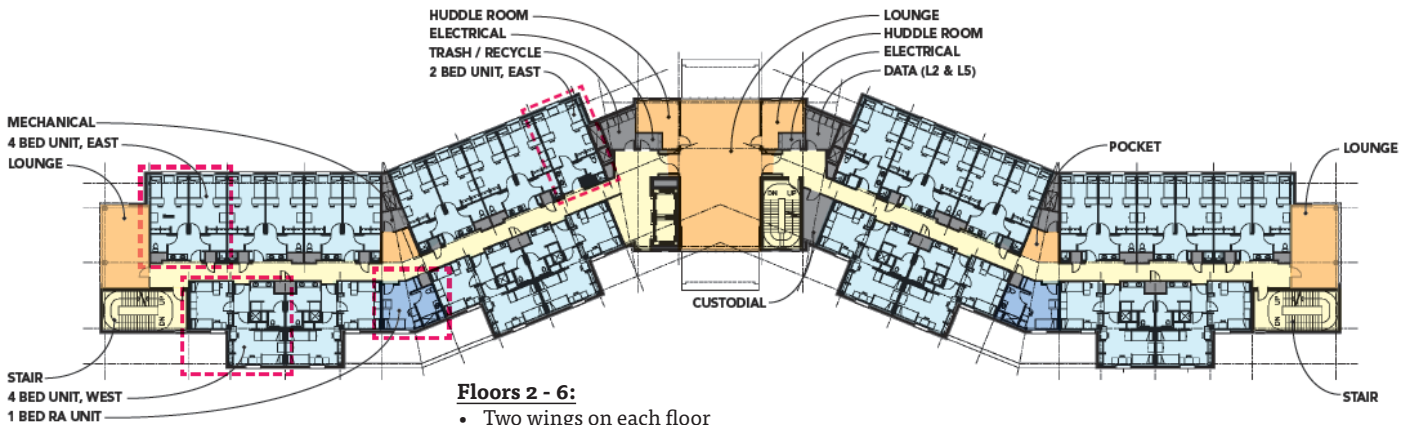
Four Bed Unit, East



Two Bed Unit, East

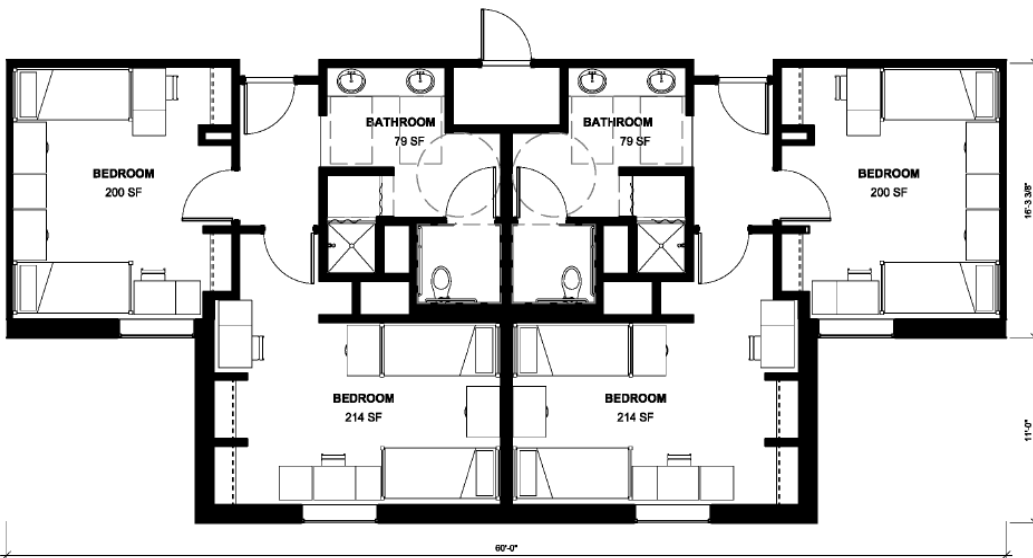


RA Unit

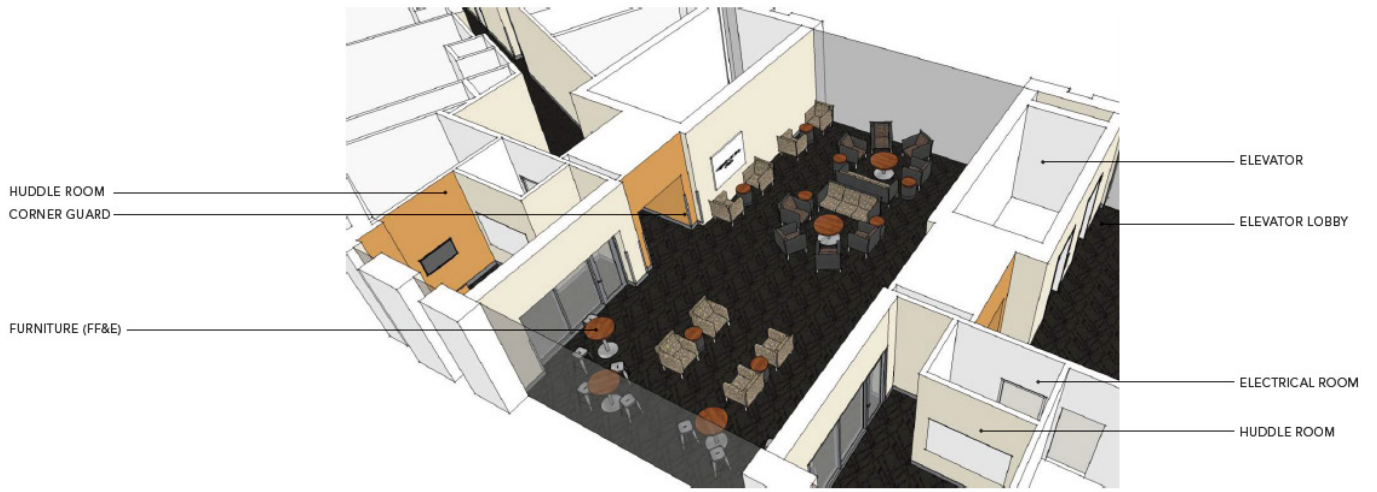


Floors 2 - 6:

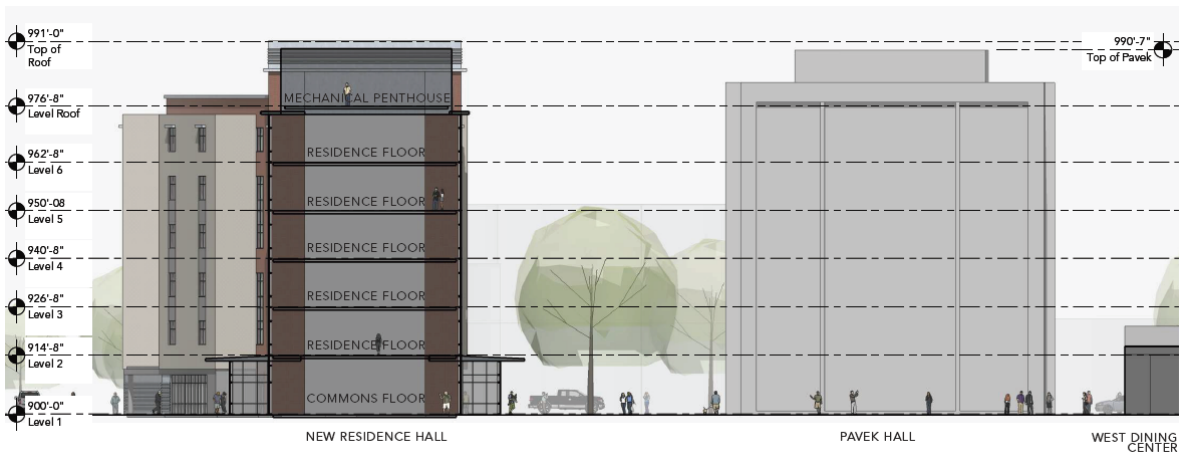
- Two wings on each floor
- Each wing houses a 39-student 'community' of:
 - Nineteen 2-bedroom, double occupancy units with shared bathroom (630 sq. ft.)
 - One separate single occupancy RA suite with bathroom (250 sq. ft.)
 - Community study room
- Shared central floor lounge, smaller study/huddle spaces, floor support spaces



West Unit Floor Plan



Typical Floor Lounge



University Village Replacement - Phase I (\$10,000,000)



Proposed Site Plan for Phase I Replacement

The University Village apartment complex was completed in 1970 and for many years was commonly known as “married student housing”. The complex consists of multiple two-story, walk up row-house apartments attached side-by-side in small groupings. Multiple small three-story traditional apartments are included as well. The structures are very dated and do not meet current market needs for students. Maintenance on the buildings has been a challenge due to complex building envelopes and roof configurations.

NDSU Residence Life has proposed a multi-phase replacement project that would take the University Village buildings out of service and replace them with multi-story apartment buildings similar to other market rate apartments being built by developers around campus. This project is necessary in order to remain competitive in the student housing market.

The proposed replacement project would be constructed in multiple phases with the first phase constructed on the southwest corner of the complex. This phase would displace 87 units in eight buildings and approximately 76 existing parking spaces. Phase I proposed new configuration in this area would include approximately 90 apartments and 168 parking spaces depending on the exact configuration and unit mix, which has not yet been determined. Assuming maximum occupancy per unit with the minimum being all one-bedroom units and the maximum being all two-bedroom units, the range of students served would be 180-360, with the actual number being somewhere near the midpoint.

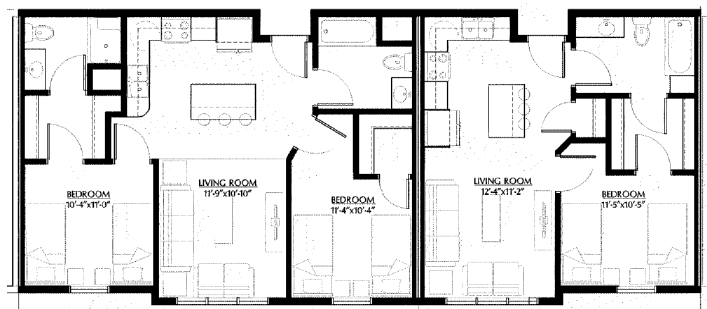
The concept stage for the early schematic design of the proposed project includes multiple three-story apartment buildings with no balconies and a slab on grade conventional wood framing construction.

Typical units would include studio, one-, two- and possibly three-bedroom apartments with either a single or double bathroom. Common laundry areas would also be featured on each floor.



The 246 units in the existing University Village complex are home to over 800 students each year, with the mix of apartments accommodating the maximum occupancy *per unit* noted below:

- 77 one-bedroom apartments (maximum of two students)
- 168 two-bedroom apartments (maximum of four students)
- 1 three-bedroom apartment (maximum of four students)



Typical Apartment Unit Configuration

NDSU Foundation & Alumni Association

NDSU FOUNDATION AND ALUMNI ASSOCIATION REPORTS BEST YEAR OF GIVING IN NDSU HISTORY

Philanthropists provided a record-breaking \$52.3 million through the NDSU Foundation and Alumni Association during the fiscal year ending December 31, 2016.

This is up dramatically from the \$28.6 million reported in 2015 and exceeds the previous benchmark of \$39 million in 2014. Just five years ago, the foundation recorded \$16 million in annual fundraising production. More than 8,600 donors made gifts to support every corner of campus.

The foundation reported outright gifts and pledges of \$30,927,976 that included \$5.1 million in matching funds through the North Dakota Higher Education Challenge fund program, new gifts and commitments. The matching grant program contributed one dollar for every two dollars of private funds for approved projects. Deferred commitments, also known as planned gifts or estate gifts, totaled \$21,402,566. These commitments are to be realized at some point in the future.

In addition to the new fundraising production secured, the foundation transferred more than \$20 million to NDSU for scholarships, faculty support, college and department programs, facilities and equipment. These funds include spendable earnings from the foundation's permanent endowment and expendable funds that are available for campus programs to spend immediately.

A five year look at philanthropy through the foundation:

- FY16: \$52.3M
- FY15: \$28.6M
- FY14: \$39.0M
- FY13: \$17.4M
- FY12: \$16.0M

The NDSU Foundation and Alumni Association is a legally separate, non-profit organization dedicated to building enduring relationships that maximize advocacy and philanthropy to support NDSU.

Source: NDSU Foundation & Alumni Association

Current Fundraising Goals:

Secure total gift production of \$27 million - \$17 million cash/pledges, \$10 million deferred

Summary of Financial Overview of NDSU Foundation and Alumni Association

	2015	2016
Total fundraising production	\$ 28,608,290	\$ 52,330,542
Endowment value as of December 31	\$ 142,674,144	\$ 167,201,113
Total asset value as of December 31	\$ 249,109,715	\$ 268,122,340
Funds transferred to NDSU:		
a. Gifts, grants, scholarships	\$ 3,725,098	\$ 3,882,322
b. Departmental, building & equipment	\$ 15,306,586	\$ 16,315,749
Total Budget Analysis:		
Revenue	\$ 5,417,615	\$ 5,354,672
Expenses	\$ 4,538,735	\$ 4,393,658
Budget Surplus	\$ 878,880	\$ 961,014
Operating Reserve as of December 31	\$ 3,464,434	\$ 3,775,448

Economic Impact

THE ECONOMIC IMPACT OF NORTH DAKOTA STATE UNIVERSITY | JANUARY 2017

North Dakota State University (NDSU) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits to each of these groups. Results of the analysis reflect Fiscal Year (FY) 2015-16.

Impact on Business Community

During the analysis year, NDSU and its entrepreneurial activities, students, and visitors added **\$927.3 million** in income to the NDSU Service Area* economy, approximately equal to **1.3%** of the region's total gross regional product. By comparison, this impact from the university is more than half the size of the entire Accommodation & Food Services industry in the region. The economic impacts of NDSU break down as follows:

Operations spending impact

- NDSU employed 1,899 full-time and part-time employees in FY 2015-16 (less research employees). Payroll amounted to **\$195 million** (less payroll that went towards research employees), much of which was spent in the NDSU Service Area to purchase groceries, clothing, and other household goods and services. The university spent another **\$63 million** to support its day-to-day operations (less research activities).
- After adjusting NDSU's gross impact downward by \$88 million to account for the impact that would have occurred regardless of NDSU, the net impact of university payroll and expenses in the NDSU Service Area during the analysis year was approximately **\$210.2 million** in added income.

Research spending impact

- Research activities at NDSU impact the regional economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation in the NDSU Service Area through inventions, patent applications, and licenses. In FY 2015-16, NDSU spent **\$83.9 million** on payroll to support research activities.
- NDSU's research spending generated **\$103.1 million** in added income for the NDSU Service Area economy.

Start-up and spin-off company impact

- NDSU creates an exceptional environment that fosters innovation and entrepreneurship, evidenced by the number of start-up and spin-off companies created by the university.
- In FY 2015-16, NDSU's start-up and spin-off companies generated **\$9.3 million** in added income for the NDSU Service Area economy.

Impact of student spending

- Around **38%** of students attending NDSU originated from outside the region. Some of these students relocated to the NDSU Service Area in order to attend NDSU. In addition, a number of students would have left the region if not for NDSU. These relocators and retained students spent \$63.8 million on groceries, transportation, rent, and so on. A significant portion of these expenditures occurred in the region.
- The expenditures of relocators and retained students during the analysis year added approximately **\$39.9 million** in added income to the NDSU Service Area economy.

Visitor spending impact

- Thousands of out-of-region visitors are attracted to the NDSU Service Area for activities at NDSU, including commencement and sports events. These visitors brought new dollars to the economy through their spending at hotels, restaurants, gas stations, and other regional businesses.
- Off-campus visitor spending added approximately **\$4.4 million** in added income for the NDSU Service Area economy.

IMPACTS CREATED BY NDSU
IN FY 2015-16

ADDED INCOME	JOBS
\$210.2 million	2,139
Operating spending impact	
\$103.1 million	1,206
Research spending impact	
\$9.3 million	121
Start-up and spin-off company impact	
\$39.9 million	533
Student spending impact	
\$4.4 million	114
Visitor spending impact	
\$560.4 million	7,773
Alumni impact	
\$927.3 million	11,886
Total impact	

Alumni impact

- Over the years, students have studied at NDSU and entered or re-entered the workforce with newly-acquired skills. Today, thousands of these former students are employed in the NDSU Service Area. NDSU former students' higher earnings along with the increased output of businesses that employed them during the FY 2015-16 has the largest impact on the regional economy.
- The accumulated contribution of former students currently employed in the regional workforce amounted to **\$560.4 million** in added income during the analysis year.

Total impact

- The overall impact of NDSU on the local business community during the analysis year amount to **\$927.3 million** in added income, equal to the sum of operations spending impact, research spending impact, start-up and spin-off company impact, student spending impact, visitor spending impact, and alumni impact.

Return on Investment to Students, Taxpayers and Society

Student perspective

- NDSU's 2015-16 students paid a total of **\$127.8 million** to cover the cost of tuition, fees, books, and supplies. They also forwent **\$247 million** in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the university, students will receive a present value of **\$898.7 million** in increased earnings over their working lives. This translates to a return of **\$2.40** in higher future earnings for every \$1 that students invest in their education. The average annual return for students is **10.7%**

Taxpayer perspective

- In FY 2015-16, state taxpayers in North Dakota paid **\$165.3 million** to support the operations of NDSU. The net present value of the added tax revenue stemming from the students' higher lifetime earnings and the increased output of businesses amounts to **\$133.4 million** in benefits to taxpayers. Savings to the public sector add another **\$67.1 million** in benefits due to a reduced demand for government-funded services in North Dakota.
- Dividing the benefits to taxpayers by the associated costs yields a **1.2** benefit-cost ratio, i.e., every \$1 in costs returns \$1.20 in benefits. The average annual return on investments for taxpayers is **2.6%**.

Social perspective

- Society as a whole in North Dakota will receive a present value of **\$1.8 billion** in added state revenue over the course of the students' working lives. Society will also benefit from **\$436 million** in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the state.
- For every dollar that society spent on NDSU educations during the analysis year, society will receive a cumulative value of **\$3.30** in benefits, for as long as the FY 2015-16 student population at NDSU remains active in the state workforce.

CONCLUSION

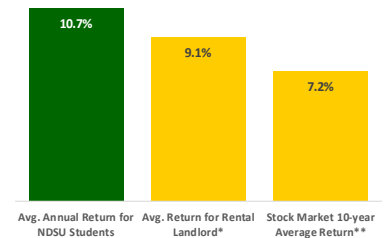
NDSU's impact of **\$927.3 million** in added income was equal to approximately 1.3% of the GRP of the NDSU Service Area. By comparison, this contribution that the university provides on its own is more than half the size of the entire Accommodation & Food Services industry in the region. These impacts that would not have been generated without the university's presence.

The results of this study demonstrate that NDSU creates value from multiple perspectives. The university benefits local businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers into the workforce. It enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. It benefits state taxpayers through increased tax receipts across the state and a reduced demand for government-supported social services. Finally, it benefits a society as a whole in North Dakota by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

TOP INDUSTRIES IMPACTED BY NDSU

TOTAL INCOME	JOBS
\$155.9 million	1,814
Professional & Technical Services	
\$88.5 million	1,135
Government, Non-Education	
\$60.8 million	1,041
Health Care & Social Assistance	
\$48.3 million	406
Manufacturing	
\$39.1 million	483
Construction	
\$534.6 million	7,009
All Other Industries	
\$927.3 million	11,886
Total Impact	

Student Rate of Return



*RealityTrac's Q3 2014 study of 586 counties nationwide
 **Forbes' S&P 500 (compounded annualized) avg. return, 1994-2014.

For every \$1 spent by...

STUDENTS

\$2.40

Gained in lifetime earnings for STUDENTS

TAXPAYERS

\$1.20

Gained in added state revenue and social savings for TAXPAYERS

SOCIETY

\$3.30

Gained in added taxes and public sector savings for SOCIETY

*State of North Dakota and 18 counties in western Minnesota

(Source: Emsi - The Economic Value of North Dakota State University Fact Sheet, January 2017)

Division of Finance & Administration

MISSION

Finance and Administration is a critical pillar of the University, providing supportive learning and partnership



Vision

Finance and Administration strives to be a resourceful partner by providing direct and advisory services while promoting accountability to the University and its extended community

Core Values

Our division is committed to excellence and we demonstrate that through our innovative problem solving, cooperative relationships, and focus on customer service

The Division of Finance and Administration provides the fiscal and administrative counsel to the executive offices of the University, assuring that the institution operates within the legal and regulatory parameters of the State Board of Higher Education and the North Dakota University System. We provide human resources and fiscal management and coordination of University-wide planning, budgeting and policy analysis. The Division is also responsible for maintaining the physical environment and ensuring the safety of students, faculty, and staff. Through partnerships with units across the University, Finance and Administration strives to provide the highest level of service attainable.

OFFICE OF THE VICE PRESIDENT



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ndsu.edu/vpfa/

Who We Are

(www.ndsu.edu/vpfa)

ACCOUNTING

ndsu.edu/accounting/

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Controller
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The NDSU Accounting Office is the university's central accounting office responsible for leadership and management in the following areas: accounts payable; general ledger; financial systems training; banking; investments; capital asset management; long-term debt; taxes; external audits coordination; and financial reporting.

BUDGET

ndsu.edu/budget/

Cynthia Rott
Director
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cynthia.rott@ndsu.edu

The NDSU Budget Office is responsible for: planning, development, analysis, and implementation of the fiscal management process and preparation of the NDSU comprehensive annual and biennial budgets; coordination, preparation, maintenance and reporting of budgeting systems/activities; long range planning; capital project review and monitoring; and providing management with information, analyses and recommendations for budgetary needs consistent with NDSU and SBHE guidelines, procedures and policies.

CENTER FOR CHILD DEVELOPMENT

ndsu.edu/childcenter/

Debra Habedank
Director
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debra.habedank@ndsu.edu



The Center for Child Development is an education and service program that employs high quality teachers to educate children of NDSU faculty and staff. Their primary goals are to:

- Serve as an education and research facility for North Dakota State University
- Educate and care for children using a developmentally appropriate curriculum
- Provide support and strengthen the quality of life for young children and their families

CUSTOMER ACCOUNT SERVICES

ndsu.edu/cas/

Dorreen Kramer
Director
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Customer Account Services facilitates the processes used for assessing and collecting revenue generated by the University. Their mission is to maintain a high level of customer support while efficiently and accurately performing all functions in the collection of the University's accounts receivables.

FACILITIES MANAGEMENT

ndsu.edu/facilities/

Michael Ellingson
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NDSU's Facilities Management supports the University by enhancing the quality of its physical facilities (buildings, infrastructure, grounds and related services.) This is done through planning, designing, engineering, constructing and maintaining in a responsive, service-oriented, effective, and environmentally-conscious manner.

GRANT & CONTRACT ACCOUNTING

ndsus.edu/grants/

Ann Young
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701.231.8356
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Grant and Contract Accounting, as a component of NDSU Finance and Administration operations, is committed to providing high quality financial services to faculty and administrative staff dealing with sponsored programs. Through sound financial leadership, Grant and Contract Accounting supports the research, instruction and outreach activities of North Dakota State University.

HUMAN RESOURCES and PAYROLL

ndsus.edu/hr/

Colette Erickson
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Human Resources and Payroll supports, promotes and impacts the success of the University and its diverse community by providing services in employee relations, recruitment, performance development and management, onboarding, training, benefits, compliance and payroll.

PURCHASING

ndsus.edu/purchasing/

Stacey Winter
Director
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Purchasing provides the University with professional technical assistance in procuring quality equipment, goods and services in specified commodity areas by following established state and institutional guidelines on the basis of competitive bids; assists campus in redistribution and disposal of excess/surplus property in compliance with all law and policies; and provides campus with timely and cost effective mailing and shipping services.

UNIVERSITY POLICE & SAFETY OFFICE

ndsus.edu/police_safety/

Mike Borr
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The University Police and Safety Office provides professional services and resources to help the campus be a safe and secure environment while being prepared to respond to the emergency service needs of the community. To accomplish this, the department serves as the lead institutional unit responsible for safety and security, law enforcement, risk management and emergency preparedness and response.

TECHNICAL SERVICES

Matthew Chaussee
Manager
701.231.9764
matthew.chaussee@ndsus.edu



Technical services in the Division of Finance and Administration center on leveraging technology in a way that increases employee productivity. This is accomplished through technology-related training, project management, cross-divisional communication within North Dakota State University and direct involvement with technology projects administered by the University System.

STUDENT LOAN SERVICE CENTER

slsc.ndus.edu

Kelly Bisek
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The Student Loan Service Center (SLSC) provides loan servicing for institutional loans issued by the eleven state colleges and universities in the North Dakota University System. This includes monitoring, reporting and collecting on loans in accordance with state and federal laws and regulations.

2016-17 Division Highlights

Over the last fiscal year, the employees in the Division of Finance and Administration continued to foster and build teams within the division and throughout the campus in order to fulfill the core mission of NDSU and the division.

We continue to maintain a solid base of financial stability for NDSU. Per the calculated composite financial index (CFI), NDSU had a 2.33 index in FY2017. This financial stability has also been noted in the ratings report to management by the rating agencies of Moody's Investors Service and Standard and Poor's. The University was rated **Aa3** with a **stable** outlook and **'AA-'/Stable**, respectively, by the agencies.

The following will highlight some of the major accomplishments achieved by the division:

Accounting/Financial Operations

The Accounting Office encountered heavy turnover of key experienced personnel and vacant positions in the latter half of FY2017. The remaining staff joined together, with most learning new duties and supporting each other to serve the campus and to complete the fiscal year end processing. In addition, the key fiscal year-end deadlines for NDUS reports/templates and audit requests were moved up by one week. Accounting was able to meet those tighter deadlines.

In January 2017, the North Dakota University System's Core Technology Services (CTS) department released a new self-service online system for reimbursing employee travel and other expenses. CTS initially issued an NDUS implementation deadline of 8/1/2017, but later extended the deadline to 11/1/2017. This system provides for speedier reimbursement of employee expenses in a paperless manner. Despite heavy Accounting Office turnover, vacant positions, other obstacles, and weaknesses with the system, Accounting worked with the campus to train and implement the system during the last three months of FY2017 – proceeding on a college by college basis across the university to ensure proper setup of the system's approval workflow. The entire process was completed in the fall of 2017.

Other accomplishments by the department were:

- Facilitated issuance of approximately \$22.8 million of refunding bonds for NDSU Housing & Auxiliary Facilities System issued in July 2017. Expectations are for a \$2.94 million net present value savings, which represents 13.0% of the refunded debt.
- Facilitated issuance of approximately \$48.8 million of new revenue bonds for the construction of a new residence hall and replacement of University Village (Phase I). A favorable interest rate of 3.44% was achieved in the transaction.
- No formal audit findings found for NDSU in the FY2016 financial audit. No proposed audit adjusting entries to NDSU financials. It is too early to know of FY2017 financial audit issues at this point.
- Minimal federal audit issues for NDSU
- Updated and created new financial forecasting models that were created for auxiliary department to assist in long-term capital and financing projects
- Facilitated or assisted with multiple internal audit, performance audit and program audit related issues

Budget

- Developed and implemented plans for a twenty-percent general fund reduction
- Developed and implemented plans for the general fund allotment reduction
- Continued to enhance the ITS service center to increase efficiency for that division
- Designed and built the FY18 annual budget
- Evaluated and refined the NDSU budget model
- Promoted best business practices and process improvements

- Continued to evaluate and find more efficiencies in the the budget

Center for Child Development

- Accredited Early Childhood Program through the National Association for the Education of Young Children, recognizing high-quality early childhood programs providing a safe and nurturing environment while promoting the physical, social, emotional and intellectual development of young children
- Awarded four grants: 1) Jr. Master Gardens Grant; 2) the USDA Child and Adult Care Food Program; 3) Team Nutrition Grant; and 4) Childcare Alive Grant
- Provided support for NDSU faculty research on young children
- Received Bright & Early ND 4-STAR award
- Provided student hands-on experiences with children and families through courses in Nursing, Pharmacy, Health, Nutrition and Exercise Science, Human Development and Family Science, Early Childhood and Elementary Education, and Social Work
- Developed and maintained partnerships with community agencies such as: Early Intervention Partners, Minnesota State University-Moorhead, NDSU Emergency Food Pantry through a Caring and Sharing Community Giving Project, ND Lion's Club, United Way of Cass-Clay, Rethinking Mental Health, Child Care Aware, USDA Child and Adult Care Food Program, Cass Public Health, Fargo Police Department, NDSU Dining Services, Public Schools, and Area Preschool Advocates
- Provided tours of the Center for Child Development to the community, including high schools of Fargo North and Fargo South, Moorhead, Fergus Falls, and Enderlin and to NDSU faculty, staff and students

Customer Account Services

During the 2017 fiscal year, Customer Account Services focused on improving existing internal and external processes and procedures, aiming to improve efficiency and enhance the experiences of the customers we serve – students and NDSU departments.

- Restrictions that prevented students from registering with a past due balance were reduced, eliminating student registration delays due to recently incurred charges and/or small balances owed.
- An initiative to decrease the number of paper forms and replace with electronic versions was kicked off. Upon submission, each form is immediately received by our office and placed into a workflow. The introduction of the electronic versions has eliminated lost forms, reduced printing costs, and shortened processing time.
- Working with existing collection partners, our current services

were enhanced to include a more concerted effort to seek out prompt payment from international payers.

- Our office collaborated with other NDSU departments to review the communications sent to currently enrolled students, focusing on timing, comprehension, and overall usefulness to the student. Communication improvements at the system level were implemented as well.
- After an analysis of internal expenses was completed, two monthly processes were consolidated, which resulted in departmental savings due to quantity and frequency discounts without any impact to the customer.

In addition to process improvements, our office has become more involved in orientation for incoming freshmen with the intent to: 1) Help families more thoroughly understand the financial obligations associated with higher education; and 2) Assist students in successfully navigating NDSU policies. This initiative has coincided with email communications targeted to the specific needs of freshmen students.

Facilities Management

- Renovated Ag/Bio shops in Ag Service Center
- Updated restrooms on 2nd and 3rd floors of FLC
- Updated classrooms, labs and/or common spaces with new finishes (carpet, paint, ceilings, lighting, etc.) in the following buildings: Ladd, Morrill, Dolve, Stevens, Gate City Bank Auditorium, CJPP, and the Engineering complex
- Continued to improve campus safety by expanding LED walkway lighting on campus
- Replaced outdated fire alarms in CIE
- Expanded automatic door openers on outside doors of south entry of Weible Hall and east entry of Reed Hall
- Replaced several deteriorating outside doors on Engineering complex, FLC, Johnson Hall, Reed Hall
- Replaced the south steps and handrails on Bentson Bunker Fieldhouse and updated finishes in the locker room and gender neutral restroom
- Replaced Dacotah Field turf
- Upgraded the football locker room in the Fargodome
- Replaced electrical switchgear in EML and upgraded half of Loftsgard data wiring
- Remodeled and expanded Barry Hall coffee shop
- Added outdoor seating area to the NW corner of the Library
- Received grant to install energy meters in the following buildings: Electrical Engineering, Ehly, & Dolve (electric meters); QBB & Loftstard (water meters); 3 main pipes that serve campus (steam meters)
- Repaired tunnel lids in Engineering complex
- Installed 5 additional irrigation systems, bringing the campus total to 58 systems
- Implemented the Passport pay-by-phone parking application for pay parking lots on campus
- Added indoor recycling opportunities to Barry Hall and A. Glenn Hill building

Capital Projects:

- Parking Lot Reconstruction: MO Lot; BU Lot; AE Lot; T1/L Lot
- Churchill Hall Renovation completed
- SHAC completed
- Aquatics Center opened for swimming
- New \$39,505,000 Catherine Cater (residence) Hall design completed
- New \$10,000,000 University Village - Apartment 1701 in design process
- Burgum Hall Roof & Chiller Replacement
- Johnson Hall Roof Replacement
- Johnson Hall Lavatory Replacement - Phase 1
- Reed Hall Elevator Replacement
- RDC Serving Station & Seating Remodel

- FLC Roof Replacement
- Dolve Hall Office Remodel & Window Replacement
- Walster Hall 246, 247, 248 Research Labs Updated & Equipment Room Added

Human Resources and Payroll

- Assisted in the implementation and administration of the Faculty and Staff Voluntary Incentive Separation Program. Ninety-two applications were submitted for the program. There were a total of fifty-five approved for NDSU, Upper Great Plains Transportation, NDSU Extension Services, North Dakota Agriculture Experiment Station and North Dakota Forest Service.
- Served on the NDUS Human Resource Council RFP Sub Committee for a criminal background check vendor to serve North Dakota University System. The cost for an average background check was reduced from \$46.66 to \$35.00 due to using the same vendor.
- Conducted the following training sessions:
Annual Human Resources and Payroll "Hot Topic Session" addressed updates of ND employment laws open records and veteran changes in recruitment, remote worksite (telecommuting) procedure, probationary termination process, changes in leave, review of TLAB.
Workshops to assist employees dealing with the change in their personal and work environments:
 - Mindfulness and Stress Management
 - Handling Personal Change
 - The Basics: Memory Loss, Dementia, and Alzheimer's Disease
 - Compassion Fatigue for Caregivers
- Processed 31 reduction-in-forces due to budget cuts and grants ending
- FMLA events continue to grow, up 5.5% from FY16, 146 employees FY17
- Implemented PeopleSoft HRMS Time Labor and Absence Management modules. These modules allow employees to log in to HRMS to directly report time worked and absence requests, reducing the need for paper/time/leave slips and manual entries.

Purchasing

- Held 2nd annual Vendor Fair on November 16, 2016, for all university departments, with 65 vendors attending
- Some of the larger purchases bid out during the year:
 - Dacotah Field Athletic Turf Replacement
 - Concession Vendors (SHAC)
 - Concession Carts (SHAC)
 - Fueling Stations (SHAC, Fargodome)
 - Football Lockers (Fargodome)
 - Rubber Floor for Men's Football Locker Room (Fargodome)
 - Softball Stands
 - Scoreboards (SHAC)
 - Seed Plant Equipment (CREC, NCREC)
 - Pouring Rights (SHAC)
 - Background Checks for all of ND University System
 - Mobile Parking App
 - Mattresses, Washers & Dryers (Residence Life)

University Police & Safety

- Completed security upgrades utilizing legislative appropriations for Safety and Security funding in the 2015/2017 biennium, extending coverage of the video surveillance and card control access systems out to a number of academic buildings.
- Implemented an electronic fingerprinting system including

two portable scanning units and a printing solution to better serve the needs of the campus community. Many students, including those within the pharmacy, education, and nursing programs, require fingerprints on a yearly basis. Since implementation, nearly 1000 students, staff, and faculty members have been fingerprinted using the system. Transitioning to the electronic solution has greatly increased officer speed and accuracy. This has resulted in a near 0% rejection rate for prints, greatly increasing the efficiency and level of service provided to the campus.

- Transitioned to routing citations for criminal offenses through the district court housing our jurisdiction as legislatively directed by SB2193. While this had the potential to disrupt operations and impact the community at large, the University Police and Safety Office worked in partnership with the State Attorney's Office and the Clerk of Court to streamline a process which would have minimal impact on procedures and all involved parties. University Police and Safety has continued to work closely with the Fargo Police Department and City Attorney's Office to ensure quality of service to the NDSU Campus and the surrounding community.
- The Police implemented the use of the Tracker Evidence Management System. This management software allows the department to more easily enter property and evidence and also track property and evidence using barcode tracking, digital and physical data storage, and non-amendable chain of custody. This system enabled the officers who serve as property and evidence custodians to spend less time on data entry and more time managing the property and evidence to ensure that the items are being dealt with in a timely fashion and not sitting indefinitely in the limited storage space provided by the department.
- The Police Department was once again the recipient of two Federal Awards that are provided by the NDDOT. The Occupant Protection grant and the Distracted Driving grant are worked in conjunction with other agencies in the SE

region of North Dakota. The Occupant Protection enforcement campaign focuses on drivers not wearing their safety belts. The Distracted Driving enforcement campaign focuses on decreasing the use of handheld electronic devices by drivers through heightened enforcement of distracted driving laws in the state. Both of these programs are designed to increase awareness and improve the safety for all those driving on or walking near our roadways.

- Conducted or assisted with approximately 60 safety and awareness training sessions that focused on both personal safety and risky behaviors, such as Personal Safety and Multi Hazard Response, Freshman Parent Orientation Sessions, Alcohol and Sexual Violence Awareness, Alcohol and Risk Mitigation, Active Shooter Response, Basic Narcotics Awareness, and Self-Defense Calls for Women Rape Aggression Defense (RAD).
- Continued successful work on the Worker's Compensation Experience Rate Modification and Discount Programs resulting in significant premium reductions of over \$500,000.
- Upgraded chemical fume hood flow testing equipment used to ensure operation within acceptable parameters. Used the new equipment to test approximately 400 chemical fume hoods on campus, an increase of roughly 40% due to new building and laboratory space construction.
- Continued the eye wash and safety shower testing program, which found a 1% and 2% deficiency rate respectively. All non-compliant eyewash and safety shower equipment was replaced. Similar to the increase in fume hoods, this equipment also experienced marked increases in the past couple of years, specifically 27% for eyewashes and 47% for safety showers in the new or renovated laboratory areas.
- Assisted with coordination for a significant cleanup in Ladd and Dunbar Halls to bring their space usage into compliance with municipal fire codes.



Financial Information

NDSU's overall financial standing continues to be sound with total assets of \$651 million and total liabilities of \$202 million resulting in a net position total of \$458 million (an increase of \$29 million over the previous fiscal year.) The University has done well in managing its financial resources and is better off as a result of the current year's activities.

This financial information for this annual report consists of a series of financial statements. The Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows provide information on the University as a whole and present a long-term view of the University's finances. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information in a way that helps answer the question, "Is the University as a whole financially better off or worse as a result of the year's activities?" The Statement of Cash Flows summarizes transactions affecting cash during the fiscal year. It also provides information about the ability of the University to generate future cash flows necessary to meet its obligations and to evaluate its potential for additional financing.

Other non-financial factors, such as the condition of the campus' infrastructure, changes in legislative funding and changes in student enrollments, need to be considered in order to assess the overall health of the System.

Fiscal 2017 Financial Highlights *Overall – Strong Financial Position, Positive Trends*

Key Ratios Viewed by NDSUO & SBHE

- Overall key ratios show very little change in fiscal 2017
- All financial ratios in line with NDUS averages

HLC Composite Financial Index (CFI)

- With component units (foundations), the Composite Financial Index (CFI) decreased from 2.71 to 2.33 mainly due to the increase in NDSU's share of the State's Pension Liability
- Without Components Units (University Only) as requested by SBHE, the CFI decreased from 2.62 to 2.10 mainly due to the increase in NDSU's share of the State's Pension Liability

Balance Sheet (Statement of Net Position)

- The largest changes on the Balance Sheet are in Capital Assets and Pension Liability:
 - Capital Asset acquisitions during fiscal 2017 contributed to the increase. Churchill Hall renovation and Veterinary Diagnostic Laboratory are the largest projects
- Long-term debt balances related to capital assets trending downward
- Pension Liability increased approximately \$8 million due to changes in actuarial assumptions, according to NDPERS

Income Statement (Statement of Revenues, Expenses, and Other Changes in Net Position)

- Scholarship/Fellowship expense increase in FY17 is primarily due to a change in the NDUS Scholarship Allowance calculation that counts ND State Grants as institutional grants. NDSU requested and received a change to the formula
- Capital interest on long-term debt continue trending downward due to past debt retirement and refinancing
- Operating revenues and expenses have no material fluctuations
- No other notable trends
- The Prior Period Adjustment is related to a change in estimated allowance for doubtful notes receivable implemented by the Student Loan Service Center

Long-Term Liabilities

- LT Liabilities related to capital assets trending downward slightly
- NDSU closed on two refunding transactions in July 2017
- Fiscal 2018 LT liabilities will increase significantly due to new construction financing

Indirect Cost Recoveries & Grant Expenses (Facilities & Administrative)

- Required Schedule for bond issues

Housing & Auxiliary System Income Statement

- Continued strong coverage – required coverage is 1.10, current coverage is 2.33

Unrestricted Net Position

- The \$8 million increase in the Pension Liability is the main factor contributing to the decrease in Unrestricted Net Position
- The largest offsetting factors are the increase in tuition carryover in university appropriated funds and the increase in appropriated carryovers in the Ag Experiment Station and other state agencies

For detailed financial information, please see [NDSU's Annual Financial Report for June 30, 2017](#)

Bond Rating

A bond rating is the measure of quality and safety of a bond. It indicates the likelihood that a debt issuer will be able to meet scheduled repayments. "AAA" is the best possible rating and "D" is the worst. Bond ratings are requested when the University plans to issue or refinance debt. For NDSU, the following are its most recent bond ratings with the respective rating agencies:

Aa3 / Stable: Moody's Investors Services

The rating reflects "the university's strong growth of flexible reserves providing sound coverage of debt and sound flexibility to absorb declines in state operating support. The Aa3 is further supported by NDSU's recognition as top research institution within its 5 state region with growing STEM programming and projections for continued solid student demand due to favorable demographics in the Fargo area. The housing and auxiliary facilities revenue bonds will continue to have a very strong debt service coverage. Offsetting credit factors include ongoing state funding pressure with the State of North Dakota (Aa1 negative), a growing fixed cost base and highly competitive research funding environment at a time when the university is working to expand its research profile."

The stable outlook incorporates "expectations of growing net tuition revenue and stable cash flow margins of 7-8% providing solid debt service coverage of over 2 times despite constrained state funding." Other factors supporting the rating reflect Moody's view of the university:

- Good student demand as North Dakota's land grant university with considerable regional reach and located in economically and demographically vibrant Fargo area
- Expanding research profile supported by higher NSF national rankings and increased focus on STEM programming
- Growing financial reserves add financial flexibility
- Historical solid state support of capital, creating favorable operating and financial leverage relative to peers

Market Profile: Solid student demand with growing research profile, strong regional recognition for STEM programs

Operating Performance: Thinning operations with strategic reserve use and state cuts, but continued healthy debt service coverage

Wealth and Liquidity: Strong recent reserve growth adds flexibility and cushion for capital plans

Leverage: Favorable leverage through good state capital support

Governance and Management: Good strategic positioning bolstered by careful planning

AA- / Stable: S&P Global Ratings

S&P Global Ratings affirmed its 'AA-' long-term rating to NDSU. The outlook is stable.

They assessed NDSU's enterprise profile as very strong characterized by stable enrollment, solid matriculation rates, and good geographic diversity, which has helped offset local demographic pressures. The university's financial profile was assessed as very strong, characterized by healthy available resources, good financial policies, and a low debt burden. The 'AA-' rating reflects S&P Global Ratings assessment of NDSU's strengths:

- Healthy financial resource ratios for the rating category and low pro forma maximum annual debt service burden, at 1.9% of fiscal 2016 adjusted operating expenses
- Adequate demand trends, with over 14,400 students and total full-time-equivalent (FTE) enrollment of approximately 12,800
- Relatively broad geographical draw for a public flagship institution, as demonstrated by NDSU's large out-of-state and international student population (59% of total enrollment in fall 2016).

Somewhat offsetting factors, in their opinion, include:

- Relatively small endowment size and limited fundraising history compared with that of similar rated public flagship institutions and the rating agency
- Declining high school demographics within the state although to date, NDSU's enrollment has not suffered as a result of negative demographic trends
- Potential for pressures to state funding environment in the near-term due to declines in the oil and gas industry, which could pressure operating revenues.

The stable outlook reflects the rating agency's expectation that "over the outlook period, NDSU's enrollment will be stable, financial operations and financial resource ratios will remain in line with those of similarly rated universities in the rating category." They also expect the university will keep operations close to break-even on a full-accrual basis, despite pressures to state funding. In their view, beyond the outlook period, they could consider a positive rating action if the university posts strong full-accrual operating surpluses and increases its endowment size and financial resource ratios to levels commensurate with a higher rating.

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