

**North Dakota University System**  
**Semi-annual Budget Reporting to the SBHE Budget and Finance Committee**  
**For FY15 – Period Ending June 30, 2014**

Campuses are required to report to the State Board of Higher Education on a semi-annual basis (December and June) anytime one or more of the conditions noted below exist. If none of these conditions exist, campuses are not required to submit a report, but must notify the NDUS Office that none of these conditions exist.

**1. Report a variance of (+/-) \$100,000 or 2 percent or more, whichever is greater, is expected from original ANNUAL budget net tuition revenue estimates. Provide description of variance below – Report \$ and % amount of variance and # of students – Will variance continue Y/N? If yes, will variance continue into next fiscal year?**

**DSU**           -\$1,197,476/-16% or 265 students; variance will continue into next fiscal year and DSU expects enrollments to be similar in 2014-15 as in 2013-14. Budgets and spending have been adjusted accordingly.

**LRSC**           -\$239,047/-5.23% or 128FTE/-12.13%; estimates for FY15 have been revised to reflect the lower enrollment and tuition collections and FY15 budgets have been prepared accordingly.

**MaSU**           -\$110,058/-2.6% or approx. 22 FTE; FY14 headcount is up 2%, full-time and FTE counts are down 3% and 2% respectively from FY13. Headcount growth was in part-time students. Variance won't continue since Fall 2014 projections are up approximately 3% in headcount (35 students) and 3% in FTE (27 students).

**VCSU**           +\$194,000/+3.7%. additional revenues versus budget primarily related to increased FTEs in the Spring and Summer and a decrease in tuition waivers.

**WSC**           +\$101,596/+5.6%; budgeted 570 FTEs and actual was 615 FTEs.

**2. Report a variance of (+/-) 4 percent or more is expected from original annual budget revenue estimates for total auxiliaries. Provide description of variance below. Report \$ and % amount of variance. Report variance of 5% (+/-) in resident hall occupancy rates (spring and fall) over the previous year that is expected and/or realized.**

**All**

**Campuses**     In response to a SAO audit recommendation, each school in the NDUS reviewed its classification of Athletics. The SAO had noted that there was a lack of consistency in the functional classification of some athletic-related activities within the NDUS. Based upon an agreed-upon methodology, each campus performed an evaluation to determine whether activities are self-supporting, and therefore, appropriately classified as auxiliaries or not. As a result of this process, during FY14, all campuses re-classified some athletic activities, primarily from auxiliaries to student services. However, there were also re-classifications within instruction, institutional support and sales and services also. Revenue re-classifications ranged from approximately \$275,000 to \$12 million at various campuses.

<b>DSU</b>	-\$128,985/-3.9%; due to enrollment declines and related utilization of auxiliary services. Residence hall occupancy rates remain approximately 54%
<b>MaSU</b>	-\$180,380/-6.3%; increased FTE and full-time enrollment did not materialize; and fewer students are in residence halls as indicated by the occupancy rate variance. Food Service and Housing revenues are down 16% (\$154,000) and 5% (\$36,000) respectively from original budget. (2012-13 combined average fall and spring occupancy, 267; 2013-14 combined average occupancy, 225, results in a 16% negative variance from previous year.)
<b>MiSU</b>	Housing and Food Services – MiSU experienced approximately a 12% increase in revenue over budget. Demand for housing remains strong. In addition, revisions to campus dining plans (continuous unlimited dining option) are very popular with students and have resulted in considerable growth in auxiliary revenue.
<b>NDSCS</b>	+\$264,532/+5.5%; due to increased bookstore sales and board contracts.
<b>NDSU</b>	+\$2,510,045/+5.55%; Variance is due to an increase in Bookstore revenue primarily related to playoff and national championship game sales and a continued high occupancy rate for Residence Life.
<b>UND</b>	-\$1,332,403/-9.4% housing and -\$682,899/-3.4% dining. Decrease in residence hall occupancy is -14.39% (Spring 2014 2,510 beds or 78.66% and Spring 2013 2,970 beds or 93.05%)
<b>VCSU</b>	+\$151,000/+4.6%; additional revenue versus budget related to increased numbers of students utilizing on-campus housing and resident dining, offset with lower athletic revenues. (Spring 2014 321 and Spring 2013 283 ~ 13% increase from Spring 2013 to Spring 2014)
<b>WSC</b>	-\$540,183/-18.8%; Both revenues and expenses were estimated high. Spring 2014 occupancy = 85% Spring 2013 occupancy = 88% Fall 2013 occupancy = 84% Fall 2012 occupancy = 95% After transfers, auxiliaries are expected to be self-supporting.

**3. INDIVIDUAL deficit fund balance of \$50,000 or more (all campuses, except UND and NDSU) and \$100,000 or more at UND/NDSU that will be reportable at fiscal year end. Provide description of deficit, explain the reason it happened and the expected timeframe for elimination of the deficit. Report \$ of deficit. Is there an approved deficit plan in place? If yes, is deficit tracking according to plan.**

<b>MaSU</b>	<b>Fund 10000 Food Services</b> - there is a strong correlation between housing occupancy and board plan participation. Housing occupancy was down 16% and board plans were down 12% from previous year resulting in a \$89,000 reduction in
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Food Service revenue. The reduced revenue was compounded by a \$41,000 increase in operating costs primarily from recognizing accumulated bad debts (\$25,000) and increased cost of goods sold (\$16,000). Reduced board plans should have resulted in \$55,000 savings in food costs but was not realized because of increased food prices. Our goal is to balance the operating budget, and eliminate the accumulated deficit over the next three fiscal years. A deficit plan will be created after fall registration numbers are determined.

<b>History of Fund 1000</b>
<b>June 30, 2014</b>
(148,462)

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**MiSU**

MiSU has deficit net asset balances in **Fund 10229-Beaver Lodge & Fund 10232-University Heights** of \$86,873 & \$644,828, respectively. These deficit balances were caused by recording a payable to the local fund that fronted the purchase (Fund 24001, Interest Income). Therefore, there is an offsetting receivable & positive net asset balance in Fund 24001. These purchases are related to the 2011 Flood. As rent revenue is recorded in housing funds, the excess will be transferred to the unrestricted fund that was used for the purchase. Repayment may take up to 15 years. The repayment schedule is contingent upon how much revenue is collected each year. If housing occupancy rates continue at the current level, the repayment timeframe will be shorter. Housing funds are checked for excess cash balances on a quarterly basis. The balance in the Beaver Lodge fund was reduced substantially by the receipt of one-time flood recovery funds from the 2013 Legislature. [The SBHE at their January 17, 2013, authorized MiSU to proceed.](#)

	June 30, 2012	Dec. 31, 2012	June 30, 2013	Dec. 31, 2013	June 30, 2014
Fund 10229- Beaver Lodge:	(\$2,699,987)	(\$2,629,734)	(\$211,055)	(\$140,528)	(\$86,873)
Fund 10232- University Heights:	(\$595,709)	(\$573,070)	(\$681,348)	(\$660,313)	(\$644,828)

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**MiSU**

**Fund 24100-Flood 2011** has a net asset deficit balance of \$144,878. This fund was used to capture expenses associated with emergency and restorative work caused by the flood of 2011 not reimbursed by FEMA. This deficit will grow as projects are completed and it is expected to be covered through a deficiency appropriation. The deficit has been partially covered through a deficiency appropriation from the 2013 legislative session with the balance to be requested in the 2015 session.

June 30, 2012	Dec. 31, 2012	June 30, 2013	Dec. 31, 2013	June 30, 2014
(\$22,509)	(\$149,978)	(\$144,878)	(\$144,878)	(\$144,878)

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**Scoreboard Advertising; Fund 10241** has a deficit net asset balance of \$650,608; 6 local companies have signed 7-year advertising contracts for \$17,500 per year. These funds will be deposited in this fund to cover the purchase cost and installation of the scoreboard. The annual advertising revenue will continually reduce the fund net asset deficit each year until FY '20 when it will again reach a positive balance. [The SBHE at their May 9, 2013 meeting authorized MiSU to proceed with an inter-fund borrowing transition.](#)

Dec. 31, 2013	June 30, 2014
(\$593,060)	(\$650,608)

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**MiSU**

A \$105,592 deficit in **Fund 10245**, Athletics, resulted not because of an excess of expenses over budget but instead a shortfall of budgeted to actual revenue (e.g., declining student enrollment resulting in a decline in student fee revenue). Future athletic budgets will accommodate gradual reductions of this deficit through budgeted surpluses (not to exceed 5 years). Rather than take care of these deficits with institutional funds, MiSU will require athletics to use future revenues from Press Box suite rentals and increased commissions from concession & catering associated with the new Press Box which will come on-line April 2015.

June 30, 2014
(\$105,592)

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**NDSU**

**Barry Hall Finishing Costs** – The deficit is the result of paying furniture, IT equipment and landscaping costs on the Barry Hall project in fiscal 2010. Original NDSU plans were to pay for these costs through a lease agreement with the NDSU Development Foundation. During a performance audit in fiscal 2010, the State Auditor’s Office questioned the legality of lease agreements on Barry Hall; as a result, the lease agreement on the Barry Hall finishing costs was put on hold.

Based on advice from the ND University System Office, NDSU did not enter into the planned lease agreement; but instead accumulated the costs in a university fund/project, reporting the deficit, and implemented a plan to repay the deficit over 5 years. Paying for these costs using inter-fund borrowing in this manner results in interest savings and keeps the university’s long-term debt down.

There is an approved plan (approved by the SBHE Budget, Audit & Finance Committee May 2011) in place and is being tracked according to that plan.

June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
(\$2,700,000)	(\$2,117,226)	(\$1,587,226)	(\$1,057,226)	(\$527,226)
est.				

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**NDSU**

**Minard Hall Building Collapse Related Costs** - These are costs related to the additional project authorization of \$4,874,300 approved by the SBHE ([November 2011](#) and [Budget Section \(December 2011\)](#)). The costs include collapse related change orders, department relocation, forensic and legal costs. The reported amount of the deficit is \$4,236,955. November 2011-SBHE authorized NDSU to carry a deficit fund balance and authorized NDSU to take any necessary action, including litigation, to seek recovery of damages, expenses, and costs resulting from the collapse, with any recovery being used to offset the ongoing costs of Minard Hall or, if the project is complete at the time of recovery, to reimburse the State of ND for the costs of the project to the extent that recovery dollars are available, following consultation with the Chancellor. Recovery efforts are ongoing.

June 30, 2013	Dec. 31, 2013	June 30, 2014
(\$3,982,121.89)	(\$4,089,624)	(\$4,236,955)

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**UND and UND Medical School**

**EERC Sick leave & Other – 22064/22066 – (\$808,389)** These funds have not been reported in previous reports. Beginning this year, UND is including the EERC accrued leave balance.

UND is revising the deficit reported for EERC accrued leave balances because a system-wide query was fixed and needed to be re-run.

June 30, 2014
(\$808,389)

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**UND and UND Medical School**

**EERC Legal Costs** - 22364 - \$945,615: The EERC FY14 Legal Repayment has been approved by UND to be deferred for 1 year, as outlined in the 6/30/13 semi-

annual budget report. The remainder of the legal deficit will be retired through the comprehensive plan outlined for the EERC over a period not to exceed 10 years from 2013.

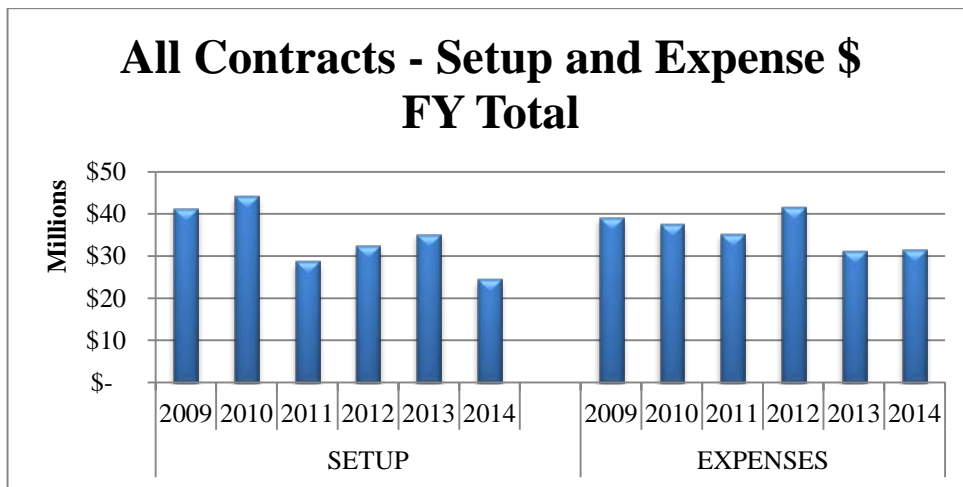
June 30, 2013		June 30, 2014		
(\$945,875)		(\$945,615)		
June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
(\$1,937,385)	(\$1,753,238)	(\$1,551,701)	(\$1,356,000)	(\$1,153,847)

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**EERC Fiscal Year End Carryover – 21546-** (\$1,738,248):

In the December 2013 semiannual budget report to the SBHE Budget and Finance Committee, the EERC estimated there would be a total deficit at the end of FY14 of \$1,645,893, including a \$500,000 deficit from FY14. In April 2014, UND reported that the FY14 deficit may grow to \$750,000. The actual EERC FY14 deficit was \$592,356. An increase in research expenditures and additional savings in overhead budgets in April, May and June resulted in a lower deficit than anticipated.

FY13 Fund 21546	EERC Fiscal Year-End Carryover	(\$1,145,893)
FY14 Fund 22024	Facility/Admin. Recovery	(\$ 592,356)
FY14	Ending Balance	(\$1,738,249)



With the change in leadership at the EERC, the EERC Interim Director reports directly to the UND Office of the Provost. Further discussions are taking place with EERC management, the Provost, and the UND Vice President for Finance and Operations on strategies for increasing revenue, assessing operations and services (holistically including both EERC and UND) to identify efficiencies/achieve greater effectiveness and managing the deficit. A multi-year

plan is under development and will be presented to the SBHE Budget and Finance Committee and their October 17, 2014 meeting.

June 30, 2012	June 30, 2013	Dec. 31, 2013	June 30, 2014
(\$0)	(\$1,145,893)	(\$1,645,893)	(\$1,738,248)

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**Citation Cost Center Aerospace (22430)** - \$197,611 - The operations of the Citation are funded primarily through research programs sponsored by the federal government. Recent budget turmoil at the federal level has meant reductions in federal research spending. As a result, the Citation has been underutilized and so fixed cost expenditures have led to deficits in the cost center.

The plan to reduce the deficit includes continuing to shift a greater portion of work effort and salaries to Flight Operations. Preliminary indications are very good for two major programs generating over \$400,000 revenue in FY16, so the emphasis is on the FY15 cycle. Contracts are being pursued with previous project sponsors. The Odegard School will continue to transfer money to reduce the deficit, but FY15 could see an increase in deficit if additional contracts aren't received. In the unlikely event that revenue sources continue to decline, sale of the Citation platform will commence and proceeds should be sufficient to cover any associated fund deficits.

June 30, 2012	June 30, 2013	Dec. 31, 2013	June 30, 2014
(\$99,915)	(\$230,741)	(\$230,741)	(\$197,611)

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**WSC**

The bookstore deficit of \$93,763 occurred over the past three years as labor was increased and book sales declined. Untimely reconciliations resulted in an overstatement of revenue in FY2012 that went unnoticed until FY2013. Additional floor space and increased operating hours upon completion of the Steven's Hall remodel are anticipated to improve profitability. The bookstore will have to ensure proper staffing and purchase additional inventory during the initial opening; therefore, the deficit is expected to continue through FY15, then reduce each year thereafter

The bookstore recently increased prices and eliminated a part-time, benefitted position at the beginning of fiscal year 2015. A remodeled space is opening in calendar year 2015. Revenue and expense data for the remodeled space will be closely monitored so that operating adjustments can be made on a timely basis.

The conservative plan is for the bookstore to operate at break-even for fiscal year 2015. Once the impact of the move to the new location is assessed, a realistic time-

line for eliminating the deficit will be developed. The goal is to eliminate this deficit in 5-7 years.

June 30, 2014

(\$93,763)

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**WSC**

Fundraising goals of the Booster Club have not been met for the past couple of years. Additionally, the Hockey team has had added expenditures for travel to national championship games for the past three years. Turnover in the athletic director and hockey coach positions have made it difficult to follow through on pledges of support. Over the past couple years coaching salaries have shifted from auxiliary funding to appropriated funding. The current reorganization with a full time athletic director will permit the department to focus on fundraising and budget monitoring.

A meeting is being scheduled with the new athletic director, the foundation director, and the booster club to create a plan of action for fundraising to cover prior year operating deficits. The fiscal year 2015 budget was reduced approximately 20%. The Athletic budget will be closely monitored. A deficit plan should be available for review by the Budget and Finance Committee in October.

June 30, 2014

(\$299,806)

4. **CUMULATIVE net asset deficit balances, that will be reportable at fiscal year end, of \$25,000 or more (all campuses, except UND and NDSU) and \$50,000 or more at UND/NDSU, including disclosure of the number of funds that make up the cumulative deficit. Exclude deficit balances reported in question #4 above (Ex. BSC has funds with deficit balances >\$25,000 and <\$50,000 that cumulate to \$150,000). Provide description of deficit, a list of affected fund numbers and names of funds, and explain the reason it happened.**

**MiSU**

**Fund 24044, Copy Paper Clearing** has a deficit net asset balance of \$40,722. The balance in the fund is due to timing issues. The fund is used for the campus-wide purchase of copy paper. Bulk paper purchases are much less expensive (per ream) than individual purchases, so the campus encourages all departments to participate in bulk orders. However, the initial purchase cost must be fronted by the university, and then recovered by departments as they buy paper from the university. This clearing fund routinely swings between surplus and deficit, and purchases and sales occur during the year.

June 30, 2014

(\$40,722)



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**NDSCS** NDSCS has a deficit fund balance in its Outreach activity of \$101,314 as of June 30, 2014. The department has identified and implemented a reorganizing plan of the Outreach structure which will reduce costs and increase revenue. The identified plan is improving the deficit situation and expects the deficit to be eliminated within 18-24 months.

Dec. 31, 2013	June 30, 2014
(\$142,622)	(\$101,314)

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**NDUSO** **Fund 30010- Administration** – The deficit of \$593,730 resulted from an accrual at fiscal year-end of \$578,699 to record the severance liability incurred for the former NDUS Chancellor and \$56,532 for the former NDUS General Counsel. The liability related to the former Chancellor includes salary, payroll taxes, retirement contributions, health and life insurance and long-term disability through June 30, 2015. The liability related to the former General Counsel is for health insurance premiums. The vast majority of the deficit will be eliminated by June 30, 2015. Funds have been set aside during the 13-15 biennium to cover contractual agreements.

Dec. 31, 2013	June 30, 2014
(\$982,775)	(\$593,730)

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**UND and UND Medical School**

Fund #	Fund Title	6/30/12	6/30/13	6/30/14
22414	Aerospace Maintenance Parts			(\$74,291)
22386	EERC, Natural Mtls Analytical Lab	(\$12,183)	(\$64,390)	(\$85,817)
22394	EERC, Particulate Research Lab			(\$51,984)

These are recharge centers. The deficits will recover through annual rate development.

**5. Campus does not anticipate meeting annual bond reserve requirements.**

**None reported.**

**6. If campus is a party to a legal action, provide the following for each:**

- a. **Brief summary statement of the nature of the claim – (with first report)**
- b. **Summary statement concerning likelihood and estimate of loss – (with first report)**
- c. **Current status – (until action is closed)**

**DSU**

- a) *Brief summary statement of the nature of the claim:* Bonnie Dick and Bruce Dick v. Dickinson State University. Begun in April 2013, in ND Federal District Court. Plaintiffs allege violation of ADA and ND Human Rights Act, and that Bonnie Dick was constructively discharged from DSU; seeking at least \$250,000 in damages.
- b) *Summary statement concerning likelihood and estimate of loss –* The liability of DSU is believed to be low, based upon evidence received to date.
- c) *Current status* – Conferences have been held with Judge as scheduled; Discovery has been ongoing. In addition to written discovery, depositions have been held and more are scheduled. Dispositive motion deadline set by Court at 10-1-14; whether any dispositive motion will be brought by DSU depends upon information to be obtained from ongoing discovery. No trial date has been set.

**NDSU**

- a) *Brief summary statement of the nature of the claim:* North Dakota Public Finance Authority v. North Dakota Natural Beef, LLC et. Al. (East Central Judicial District)
  - b) *Summary statement concerning likelihood and estimate of loss -* NDSU was named as a defendant in a commercial real estate foreclosure action against real property owned by North Dakota Natural Beef, LLC because NDSU has a leasehold interest in the foreclosed property. It has been NDSU's position that its leasehold interest is superior to the foreclosed mortgage. The parties agreed to a settlement in which NDSU was paid \$160,000 in return for disclaiming its interest in the premises.
  - c) *Current status* – NDSU has received payment, and this case is closed.
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- a) *Brief summary statement of the nature of the claim:* NDSU v. ND State Fire & Tornado Fund (East Central Judicial District) Ongoing
  - b) *Summary statement concerning likelihood and estimate of loss -* ND State Fire and Tornado Fund is NDSU's insurer, and it denied coverage for the construction collapse at Minard Hall. NDSU filed a complaint seeking coverage. The complaint and the answer have been served.
  - c) *Current status* – Discovery relevant to this case is occurring in the companion case described below, so discovery in this case is on hold.
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- a) *Brief summary statement of the nature of the claim:* State of ND, by and through NDSU and NDSBHE v. Johnson Laffen Galloway Architects, Ltd., Heyer Engineering, P.C., Northern Technologies Inc., Meinecke-Johnson Company and Earth Developers, Inc., (East Central Judicial District) Ongoing

- b) Summary statement concerning likelihood and estimate of loss - A construction collapse during the renovation at Minard Hall caused economic damage to NDSU. NDSU filed suit against several parties involved with the project. The complaint and the answers have been served.
- c) Current status – Discovery is complete and expert discovery is in progress.

## UND

- a) Brief summary statement of the nature of the claim: In the matter of the Inquiry of Richard C. Buen, action started March 20, 2014, Inquiring Party, v. Maui Memorial Medical Center, et al. Among Health Care Providers is Irminne VanDyken, M.D., a medical surgical resident from the University of North Dakota. This proceeding is a Medical Inquiry and Conciliation Panel held by the Office of Administrative Hearings, Department of Commerce and Consumer Affairs required under the laws of Hawai'i. It is not a litigation action.
  - b) Summary statement concerning likelihood and estimate of loss - There is no allegation that our surgical resident provided substandard care. There does not seem to be any potential liability for the resident or the University.
  - c) Current status - Discovery has begun.
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- a) Brief summary statement of the nature of the claim: Gabriel Jenko v. University of North Dakota School of Medicine and Health Sciences. Mr. Jenko was a resident in University of North Dakota School of Medicine and Health Sciences (School), action started December 31, 2013. Mr. Jenko was dismissed from the School in his last year because of professionalism issues. Mr. Jenko seeks damages in the amount of \$1,285,000.00 for reimbursement to the Army for his tuition and loss of wages.
  - b) Summary statement concerning likelihood and estimate of loss - The liability of the University of North Dakota is low.
  - c) Current status - Discovery has begun.
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- a) Brief summary statement of the nature of the claim: Gina Bowles and Jason Bowles v. Sticca, action started February 27, 2014. Dr. Sticca performed a biopsy of Bowles rib following the markings of a radiologist. Bowles alleges that Dr. Sticca failed to accurately and adequately identify the appropriate rib during the surgery.
  - b) Summary statement concerning likelihood and estimate of loss - The liability of the University of North Dakota is low.
  - c) Current status – As of June 30, 2014, nothing has happened.
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- a) Brief summary statement of the nature of the claim: Stumpf v. Sauter, action started June 20, 2014. Plaintiff alleges that during surgery performed by Dr. Sauter, Dr. Sauter failed to remove all of the surgical clips causing Plaintiff pain and suffering as well as physical damage.
  - b) Summary statement concerning likelihood and estimate of loss - The liability of the University is yet undetermined.
  - Current status – Discovery has not yet started.

**7. For legislatively appropriated and/or Board approved capital projects report: 1) if actual expenditures are anticipated to exceed, or do in fact exceed, the dollar spending authorized; 2) if funding sources vary from those originally approved; 3) if project represents a significant change in scope (e.g. size, configuration, use).**

None reported

**8. Campus anticipates the need for deficiency appropriation.**

**MiSU** Restoration projects related to the Souris River flood of 2011 continue on campus. MiSU must fund the project costs and seek reimbursement from FEMA. Matching amounts and disallowed costs will be submitted to the 2015 Legislature as a 2013-15 deficiency appropriation request.

**NDSU** **Status update Minard Hall**  
Minard Hall is substantially complete and in full operation as of the Fall 2013-14 academic term.

Per ND University System Legal Counsel: the litigations related to this incident are on-going with the discovery process being scheduled to be complete as of June 30, 2014. Thereafter, expert disclosures and expert depositions will be started. The trial is scheduled for July 2015. Litigation costs have been higher than anticipated due to the fact that additional parties were required to be included in the litigation because of information revealed during the discovery process. Total litigation costs remain unknown, but additional authorization may be required.

NDSU requested and was approved by the SBHE (November 2011) and Budget Section (December 2011) to increase the project authorization of the Minard Hall project by \$4,874,300 from \$18,000,000 to \$22,874,300 under Section 48-01.2-25 and to authorize under Section 15-10-12.3 the additional funding from insurance proceeds, legal settlements, and other available funds.

If legal settlement proceeds are less than the estimated \$4,874,300 of additional estimated costs NDSU would seek direction from the SBHE for options to pay for the costs incurred, including the possible request for a 2013-15 deficiency appropriation from the Legislative Assembly in 2015.

The SBHE approved (December 2010) plans to expand the original scope and timeline of the Minard Hall capital improvement project and subsequent collapse to include NDSU seeking legislative authorization and funding, subject to consultation with the president of the State Board and the Chancellor. Updates on the project progress are provided regularly to NDSU's President, Chancellor and State Board of Higher Education.

**VCSU** VCSU intends on requesting a 2013-15 deficiency request during 2015 session for costs over the \$275,000 of deferred maintenance funding allocated by the University System and SBHE for the removal of the structurally failing retired (since 1973) science building. Estimated total cost is \$400,000, resulting in a deficiency request approximating \$125,000.

VCSU also intends on requesting a 2013-15 deficiency funding for permanent flood protection the City of Valley City is moving forward with. Based on valuation of properties protected by the flood wall constructed directly north of the University, VCSU's share of the new flood wall (totaling about \$12 million) is estimated at \$3.2 million.

## **9. Other events having a significant impact on campus revenues or expenses.**

**BSC** Oil related activity in the western part of the state continues to impact BSC. While enrollments appear to be stabilizing, we are still feeling the impact in the area of housing and salaries. We continue to experience difficulty in attracting qualified candidates for staff and faculty positions due to the inability to offer competitive salaries. Increasing salaries in select broadband categories was needed in the FY15 budget cycle to combat the tight labor market.

We continue to have long waiting lists for campus housing due to lack of affordable housing in the community. We are working with the BSC Foundation to build additional student housing on campus for occupancy fall 2015.

**NDSU** **Grant & Contract activity**  
Due to the continued decline in the receipt of competitive grant funding and continued uncertainty regarding the U.S Government treatment and budgeting of earmarked funds, NDSU is experiencing a significant change in the receipt of this type of grant funding. NDSU leadership continues to work with ND legislative leadership, in Washington D.C., to determine the status on the continuation of this significant funding.

**Pathways Plan Tuition Model**  
The university system Chancellor has been developing and working on a comprehensive tuition model with the overarching goals of increased simplicity and transparency. In order to achieve these goals recommended by the Chancellor NDSU continues to provide detailed analysis and information for the university system implementation of this new tuition model.

**WSC** Increased labor costs are impacting the scope of the Stevens Hall remodeling project; as well as limiting our ability to hire, train, and retain qualified faculty and staff.

**Schedule of Campus Leases**  
 Prepared for the SBHE Budget and Finance Committee  
 (as required by SBHE Policies 909(7) and 804(8))

**Add additional lines, as needed.**

**Bismarck State College**

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>							
	08/01/08	31800	Horizon Building Lease - 2nd Floor North <sup>1</sup>	Operating	59	\$ 4,805	0
	07/01/13	22585	Horizon Building Lease - 1st Flr and 2nd Flr N (13-15)	Operating	24		0
	07/15/05	31800	Allied Health Building Lease	Operating	180	1,168,860	83,491
	07/01/13	34010	Lineworker Land and Building Lease (13-15)	Operating	24	109,624	27,406
	07/01/13	31800 <sup>2</sup>	Meadowlark Building Lease (13-15)	Operating	24	264,960	66,240
	04/01/10	31400	Pitney Bowes Mail Machine Lease	Operating	60	5,082	1,452
	08/01/09	30900	Library Copier Lease	Operating	60	1,612	714
	07/01/01	34010	Backhoe Lease (w/Foundation)	Operating	open-ended	-	1,575
	07/28/06	30300	Welding Trailer Lease (w/Foundation)	Operating	open-ended	-	1
<b>Total BSC Operating Leases</b>						<b>\$ 1,554,943</b>	<b>\$ 180,879</b>

<sup>1</sup> Rolled into new lease below

<sup>2</sup> Also charged to Funds 42000 25148 25149

**Capital Leases:**

Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014
09/01/10	30900	ABM-Library Hallway Copier	Capital	60	\$ 2,911				\$ 2,911
01/01/07	31800	BSC Foundation-Mechanical Maintenance Bldg.	Capital	174	870,000				870,000
09/15/13	41000	BSC Foundation-Mechanical Maintenance Bldg. Addition	Capital	24	207,531				207,531
07/01/07	31800	BSC Foundation-NECE Building	Capital	300	875,493				875,493
10/25/13	10100	Wells Fargo - Motor Coach	Capital	60	250,515				250,515
<b>Total BSC Capital Leases</b>					<b>\$ 2,206,450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,206,450</b>

**Dakota College at Bottineau**

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>							
<b>Total DCB Operating Leases</b>						<b>\$ -</b>	<b>\$ -</b>

**Capital Leases:**

Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014
09/01/09	31401	DM525 Digital Mailing System	Capital	60	\$ 1,473				\$ 1,473
09/01/10	26504	Xerox W7755P Copier/Printer	Capital	60	8,552				8,552

	11/01/12	26504	Xerox WC7775 Copier/Printer	Capital	48	11,265					11,265
	12/01/12	26504	Xerox WC5335 Copier/Printer	Capital	48	5,246					5,246
<b>Total DCB Capital Leases</b>						<b>\$ 26,536</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,536</b>

### Dickinson State University

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>	03/23/12	31800	2011 Buick Lucerne	Operating	36	\$ 5,369	\$ 4,027
	11/30/12	31400	Pitney Bowes Mailing System	Operating	48	24,108	1,764
<b>Total DSU Operating Leases</b>						<b>\$ 29,477</b>	<b>\$ 5,791</b>

Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014
					-				\$ -
					-				-
					-				-
					-				-
<b>Total DSU Capital Leases</b>						<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### Lake Region State College

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>	06/01/09	10100	Copier Lease (Canon ir2018i-Bookstore)	Operating	60	\$ 706	\$ 385
	06/01/09	31550	Copier Leases (St Svc, Pres(DPAC), IO, AFB, Main)	Operating	60	21,864	11,518
	07/01/09	31550	Copier Lease (Canon ir2022i)(I.T.)	Operating	60	1,186	593
	12/01/09	31550	Copier Lease (Business Office)	Operating	54	1,726	941
	10/24/11	31550	Copier Lease (Erlandson)	Operating	60	15,280	2,292
	10/24/11	41000	Copier Lease (NDSD)	Operating	60	4,880	732
	01/01/12	31550	Copier Lease (Foundation)	Operating	60	5,124	732
	10/01/11	31550	Postage Machine Lease	Operating	48	18,483	2,054
	11/1/2012	31803	Space Lease-Twete Inc	Operating	36	24000	0
	8/1/2013	10300	Schilken Family Apartment Building (Housing)	Operating	36	216000	36000
	3/13/2013	43500	Coper Lease (Canon ir2525) (ABE)	Operating	60	3960	0
	4/29/2013	20800	Truck Lease (TrainND)	Operating	4	6000	0
	08/01/12	12000	Copier Lease (Library)	Operating	60	9,604	1,189
	07/01/13	31802	Space Lease (NDSD)	Operating	24	21,700	6,605
		20800	Space Lease (NDJS)	Operating	24		900
<b>Total LRSC Operating Leases</b>						<b>\$ 350,513</b>	<b>\$ 63,940</b>

Joann, you will have to remove this entry 4,300

1. The \$4300 lease for NDJS that began 7-1-13, was amended 11-13. It will not be \$200/month instead of \$100/month for more space. It was listed on the report from 6-30-13 (even though it didn't begin until 7-1-13) because the agreement was made before 6-30-13. However, it was on that report as \$2400.

<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
									\$	-
<b>Total LRSC Capital Leases</b>					\$	-	\$	-	\$	-

<b>Mayville State University</b>										
Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14			
<b>Operating Leases:</b>										
	09/01/12	25080/40410	Donna Campbell - Head Start Building	Operating	36	\$ 8,250				
	02/01/10	25080/40410	City of Hillsboro - Head Start Building	Operating	36					
	01/01/10	31800	Kent Paulson - Storage Building	Operating	36	1,800	1,800			
	09/01/12	25080/40410/404	University of North Dakota - Head Start Building	Operating	24		15,000			
	01/01/12	40440	Sanford - AHEC Building Lease	Operating	12		2,660			
	06/01/12	20040	Farmers Union Insurance - AHEC Building Lease	Operating	12		100			
	07/01/12	25230	First American- Laptops Additional Lease Ext	Operating	3		17,204			
	07/01/11	20040	Williston State College	Operating	12					
	07/01/12	40440	Coal Country Community Health Center, Beulah ND	Operating	12	600	1,200			
	07/01/12	40440	Linda Weaver - AHEC Hettinger, ND	Operating	12		3,000			
<b>Total MaSU Operating Leases</b>						<b>10,650</b>	<b>40,964</b>			

<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
1/1/2010	25260	Advanced Business Methods - Copiers	Capital	48	\$ 3,251				\$	3,251
7/1/2012	10300	University Lease- Chiller	Capital	46	103,105				\$	103,105
7/1/2012	25230	First American- Laptops	Capital	24	93,211				\$	93,211
8/1/2012	25230	University Lease -#6 - Laptops	Capital	24	22,324				\$	22,324
4/30/2013	31400	Pitney Bowes - Folder/Insertor	Capital	56	9,118				\$	9,118
3/31/2013	31400	Pitney Bowes - Mail Machine	Capital	45	7,334				\$	7,334
8/1/2013	25230	University Lease - #7 - Laptops	Capital	24	343,358				\$	343,358
<b>Total MaSU Capital Leases</b>					<b>581,701</b>	-	-	-	\$	<b>581,701</b>

<b>Minot State University</b>										
Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14			
<b>Operating Leases:</b>										
	08/30/11	31406	Post Office - Pitney Bowes DM1000 System	Operating	48	\$ 23,628	\$ 4,296			
	08/30/11	31406	Post Office - Pitney Bowes W360 Tabber System	Operating	48	13,497	2,454			
	07/01/13	31009	CEL - Horizon Building - BSC Campus 2,668 sq ft	Operating	12	-	47,635	47,635		
<b>Total MiSU Operating Leases</b>						<b>\$ 37,125</b>	<b>\$ 47,635</b>	<b>\$ 54,385</b>		



<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
12/01/11	30227	Social Science - Canon IR 3245i Copier	Capital	60	\$ 4,060				\$ 4,060	
11/10/11	24022	Advancement - Kyocera Copier	Capital	48	3,659				\$ 3,659	
07/01/11	25206	Copy Center - P4112CP	Capital	48	25,431				\$ 25,431	
09/01/12	25206	Copy Center - FFPS770 - Flow Server	Capital	60	24,875				\$ 24,875	
03/01/13	30225/30226	Science - Xerox Copier WC5335PT	Capital	60	4,668				\$ 4,668	
09/01/12	25206	Copy Center - X770 mainframe	Capital	60	73,213				\$ 73,213	
03/01/13	25200	NDCPD - Savin C9065 Copier	Capital	48	13,802				\$ 13,802	
12/01/13	30220	Music - Kyocera Copier	Capital	60	7,344				\$ 7,344	
<b>Total MiSU Capital Leases</b>					<b>\$ 157,052</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157,052</b>	

### North Dakota State College of Science

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>	10/01/05	22450	Parking Lot Lease	Operating	180	\$ 87,624	\$ 10,953
	05/01/11	18040&31100	STTC	Operating	120	1,363,000	87,000
<b>Total NDSCS Operating Leases</b>						<b>\$ 1,450,624</b>	<b>\$ 97,953</b>

<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due at 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
02/28/11	31400	Pitney Bowes Mailing System Upgrade	Capital	60	12,551				\$ 12,551	
<b>Total NDSCS Capital Leases</b>					<b>\$ 12,551</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,551</b>	

### North Dakota State University

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14
<b>Operating Leases:</b>	03/01/06	37650	Joseph Clement-Land	Operating	120	\$ 25,825	
	03/01/06	37650	James Clement-Land	Operating	120	24,329	
	07/01/07	37650	Rough Rider Industries-Land	Operating	120	28,000	7,000
	03/31/07	37660	Adams County - Land	Operating	120	3,312	
	03/01/10	37650	Robert T Fitch Trust-Land	Operating	60	11,008	
	11/01/10	43500	Sitting Bull College-Land	Operating	60	174,104	
	01/01/12	37860	Fessenden Co-op Association-Land	Operating	36	15,150	
	01/01/12	37860	Candy Schroeder-Land	Operating	36	6,400	
	01/01/13	37760	Vicki Steinke - Land	Operating	24	6,600	
	01/01/13	37860	John & Stacey Rzaszutak, -Land	Operating	36	1,000	
	09/01/11	43500	Gerald Zimmerman - Land	Operating	36	3,000	
	11/01/09	22121	Liberty Business Systems - Lanier Multifunction Machines & S	Operating	48	11,315	6,789
	06/01/12	22121	Liberty Business Systems - Lanier Pro 901cr	Operating	36	90,311	15,052

09/01/04	30883	Dev Fndtn-Criminal Justice bldg	Operating	124	131,388	43,796
04/01/05	30883	Dev Fndtn-Graduate Center	Operating	129	90,002	18,000
10/10/05	12700	Fargodome/Development Fnd-Locker Room	Operating	120	169,500	60,500
01/01/09	19633	FM City Development II-Bison Inform	Operating	60	31,187	31,187
08/01/08	30883	JPR Investments LLC-Stop-n-Go Center	Operating	120	3,353,850	375,696
08/01/09	43500	Denver West Office Leasing Co LLC - Amendment - Office sp	Operating	64	15,574	34,496
07/01/09	19633	Batcheller Real Estate, LLC - Appareo Building	Operating	120	1,428,385	88,326
10/01/09	12212	Cityscapes Plaza LLC - Bookstore	Operating	56	104,164	54,511
08/15/09	30779	Cityscapes Plaza LLC - Security Office & Parking	Operating	56	49,408	26,950
01/01/11	35100	Northern Lights-Ft Berthold Extension Offices	Operating	60	24,750	4,500
07/01/07	22139	NDSU Research & Tech Park, Inc-Technology Incubator	Operating	96	60,700	14,800
05/01/12	43300	Overlook LLC-Office Space	Operating	56	94,985	41,997
11/01/11	46000	SpaceAge Properties, LLC	Operating	24	11,250	7,500
02/01/12	Numerous Grant:	Rocky Gordon/Bismarck Parking-Bldg	Operating	60	104,130	11,825
07/01/12	43300	Bogner, Walter - Office Space	Operating	24	8,450	3,900
07/01/12	19633	Fargodome - Event Center 55 Days/Year	Operating	60	644,440	65,344
01/01/13	30883	Bullinger Enterprises-Building (5 year Renewal)	Operating	60	846,450	141,075
07/15/12						
	43300	Overlook LLC-Office Space	Operating	35.5	135,300	67,650
02/01/13	43300	IRET Properties-Office Space	Operating	29	3,162	
07/01/13	35100	Gateway Office Building - Office Space	Operating	24		62,400
11/01/13	46000	SpaceAge Properties, LLC-Lab/Warehouse Space (extends le	Operating	24		48,000
01/01/14	30883	FM City Development II-Bison Info Network - Suite A - 5 yr Ex	Operating	60		243,263

these entries  
will have to be  
removed

1/ = restatement of 6/30/2010 balance

<b>Total NDSU Operating Leases</b>					<b>7,707,429</b>	<b>353,663</b>	<b>#</b>	<b>1,154,113</b>	<b>-</b>
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	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due
						at 12/31/13				6/30/2014
<b>Capital Leases:</b>	11/12/08	12719	Wells Fargo-Athletic Field Turf	Capital	96	\$ 211,857				\$ 211,857
	08/15/09	30779	Cityscapes- Security Office Fit-up loan	Capital	58	21,936				21,936
	10/01/09	12212	Cityscapes- Bookstore Fit-up loan	Capital	56	18,172				18,172
	06/24/12	30875	Bank of America-Energy Savings Performance Contract	Capital	168	6,854,458				6,854,458
	06/10/10	37000	Wells Fargo-Maxxum 125 MFD Loader	Capital	49	8,306				8,306
	12/17/10	37000	Wells Fargo-Analytical Instruments	Capital	49	20,678				20,678
	12/21/10	30115	Wells Fargo-New Case 440 Skidsteer	Capital	49	4,767				4,767
	06/02/11	37850	Wells Fargo-John Deere 444 K 2011 Loader	Capital	39	14,881				14,881
	03/11/11	37000	Wells Fargo-2007 Case IH MX245 MFD Tractor	Capital	53	20,018				20,018
	12/30/11	46000	Wells Fargo-Almaco Model SPC2-B Combine	Capital	25	79,893				79,893
	03/15/12	37660	Wells Fargo-Truax FLEXII Drill, Model FLXII-812RD	Capital	60	17,146				17,146
	06/30/12	46000	Wells Fargo-Zurn 150 Demo Plot Combine	Capital	49	48,368				48,368
	07/01/12	37100	Wells Fargo-New Holland Long Beach Cab	Capital	49	57,135				57,135
	09/15/12	37860	Wells Fargo-Zurn 150 Plot Combine	Capital	48	61,251				61,251
	09/01/13	12700	Wells Fargo-Audio Visual Equipment	Capital	36	128,223				128,223
	10/17/13	22121	Liberty Business Systems - Lanier Production Printer Pro 11	Capital	24	39,575				39,575
	10/10/05	Paid by NDSUDF	NDSU Development Fnd-Fargodome-Paid from Gifts @ ND	Capital	180	2,063,622				2,063,622
	07/01/05	30883	NDSU Development Foundation-Renaissance Hall	Capital	303	5,110,000				5,110,000
	05/01/12	19633	NDSU Development Foundation-Barry & Klai Hall (Refund L	Capital	295	10,960,000				10,960,000
<b>Total NDSU Capital Leases</b>						<b>25,740,286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,740,286</b>

University of North Dakota

Minimum

Actual Operating

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Operating Future	Lease Payments	
						Payments Reported at 6/30/14	Made	7/1/13-6/30/14
<b>Operating Leases:</b>								
	7/1/2009	10323	University Point LLC #2	Operating	300	1,065,514		21,458
	10/1/2010	40800	Bremer Bank-No.Plains Children's Advocacy Center	Operating	24	8,366		-
	12/1/2010	20593/43500	GF Regional Airport Authority-Building AFSS	Operating	61	125,459		25,092
	1/1/2011	21214	52nd Avenue Investments-Morgue	Operating	300	2,127,049		39,390
	9/1/2011	21221	Office Space-Custer Health	Operating				-
	1/1/2001	21220/31100	Bismarck Parking Authority	Operating	1	-		-
	7/1/2011	10360	DPI-Housing Lease	Operating	12			2,900
		21154	UND-Housing for Surgery Residents	Operating		4,850		-
	2/1/2009	20554	GF Regional Airport Authority-Land/Runway	Operating	120	800,260		71,665
	1/2/2006	20586/2059 1/20598/206 02/20604	UND Aero Found.-Op Agr-Aircraft/Sims	Operating	per hour			778,705
	7/7/2003	20554/22422	UND Aero Found-Land for Hanger 259 - part of capital lease i	Operating	240	284,876		14,244
	11/1/2007	22602	Gibbs Warehousing, Inc	Operating	1			10,600
	7/1/2011	30287	Bismarck State College (Horizon Cntr.)	Operating	24			
	10/1/2010	43300	RSTS Inc.-Suncrest Office Park	Operating	12			3,900
	6/10/2011	21154	Lofts at Sodo LLC-Surgery Apartments	Operating	12			-
	7/1/2012	30332	Trinity Hospital	Operating	24	18,000		9,000
	8/1/2012	22389	Empire Arts Center	Operating	24	5,850		2,700
	8/1/2008	22328	Alerus Center	Operating	120	1,262,000		200,000
	7/1/2011	21221	Southdale Business Center-Custer Family Planning Cntr.	Operating	15	4,800		10,200
	1/1/2012	43300	Ctr. For Innovation & Bus. Dev. CIF Room 201	Operating	12			4,800
	1/1/2011	43300	Ctr. For Innovation & Bus. Dev. CIF Room 205	Operating	12	2,400		1,600
	6/1/1988	31810	BNSF Railway Company	Operating	1	5,835		-
	4/17/2012	31400	City of Grand Forks - Research Land	Operating	60	7,646		-
	2/1/2010	20558	Landing Strip - Adams	Operating	12			-
	1/1/2013	43300	University of Mary-Bismarck-ND SBDC	Operating	24	7,470		2,905
	10/1/2012	43500	UND Research Foundation-Technology Accelerator	Operating	12	36,939		49,252
	1/1/2013		Draganfly Innovations Inc	Operating	12	-		-
	1/1/2013		Grand Forks County Sheriff's Dept-sublease of Dragonfly	Operating	24	-		-
	5/31/2010	20606	Frasca International	Operating				111,348
	10/1/2012	30709	UND Foundation & Alumni Assoc-Gorecki Alumni Center	Operating	57			
	7/1/2013	20880/43300	Bismarck State College (Horizon Cntr.-Rm. 118)	Operating	12			4,713
	7/1/2013	43300/43500	Bismarck State College (Horizon Cntr.-Rm. 131)	Operating	24			4,308
	4/1/2013	20558	Moreland, James & Tami	Operating	24			3,333
	6/1/2007	43300	Cankdeska Cikana Community College	Operating				3,250
	9/1/2013	20488	UND Research Foundation-Technology Accelerator	Operating				11,248
<b>Total UND Operating Leases</b>						<b>5,767,313</b>	<b>-</b>	<b>1,386,611</b>

<b>Capital Leases:</b>									
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-)	Principal Balance Due 6/30/2014
7/8/2004	20592	Piper Arrow PA-28R-201 N405ND	Capital	120	18,371				18,371
2/25/2005	20584	34 ATC Radar Simulators	Capital	120	173,194				173,194
6/1/2005	20608	Schweizer 269C Helicopter 1675U	Capital	120	47,086				47,086

7/15/2005	20584	34 ATC Radar Consoles	Capital	120	66,991	66,991
6/26/2007	20596	Piper Seminole PA44-180 N492ND	Capital	120	-	-
9/12/2007	20596	Piper Seminole PA44-180 N1067L	Capital	120	197,747	197,747
9/7/2007	10028	Synthetic Turf	Capital	72	26,459	26,459
10/29/2007	20610	206B Bell Helicopter N7079P	Capital	91	207,786	207,786
5/11/2007	21325	EERC Lab equipment	Capital	120	323,099	323,099
7/11/2008	22486	Cessna Citation II 550	Capital	120	475,069	475,069
7/17/2008	20596	Piper Seminole PA44-180 N583ND	Capital	120	-	-
8/11/2008	20596	Piper Seminole PA44-180 N580ND	Capital	120	-	-
9/2/2008	20591	Cessna 172S Skyhawk N 563ND	Capital	120	-	-
9/2/2008	20591	Cessna 172S Skyhawk N 564ND	Capital	120	-	-
9/2/2008	20591	Cessna 172S Skyhawk N 565ND	Capital	120	-	-
9/15/2008	20591	Cessna 172S Skyhawk N 566ND	Capital	120	-	-
9/15/2008	20591	Cessna 172S Skyhawk N 567ND	Capital	120	-	-
9/15/2008	20591	Cessna 172S Skyhawk N 568ND	Capital	120	-	-
10/21/2008	21220	Sysmex Hematology Machine	Capital	84	13,078	13,078
2/3/2009	20608	2002 Schweizer 269C Helicopter	Capital	84	-	-
5/21/2009	20596	Piper Seminole PA44-180 N593ND	Capital	120	332,742	332,742
6/11/2009	20591	Cessna Skyhawk SP172 N529ND	Capital	120	153,126	153,126
6/11/2009	20591	Cessna Skyhawk SP172 N556ND	Capital	120	153,126	153,126
6/11/2009	20591	Cessna Skyhawk SP172 N557ND	Capital	120	153,126	153,126
6/26/2009	21220	Del Medical Radiographic Suite	Capital	84	20,974	20,974
7/15/2009	21703	Blackboard computers	Capital	48	-	-
10/28/2009	20596	Piper Seminole PA44/180 N590ND	Capital	120	332,964	332,964
10/27/2009	20591	Cessna 172S Skyhawk N551ND	Capital	110	131,357	131,357
10/27/2009	20591	Cessna 172S Skyhawk N552ND	Capital	110	131,357	131,357
12/10/2009	20591	Cessna Skyhawk SP172 N536ND	Capital	120	164,801	164,801
12/10/2009	20591	Cessna Skyhawk SP172 N537ND	Capital	120	164,801	164,801
12/10/2009	20591	Cessna Skyhawk SP172 N550ND	Capital	120	164,801	164,801
12/10/2009	20591	Cessna Skyhawk SP172 N558ND	Capital	120	164,801	164,801
12/10/2009	20591	Cessna Skyhawk SP172 N559ND	Capital	120	164,801	164,801
3/24/2010	20608	Schweizer Model S-300C Helicopter	Capital	120	239,468	239,468
4/19/2010	10160	24 E-Z Fo RXV Electric Golf Carts	Capital	60	21,427	21,427
4/30/2010	20591	Cessna Skyhawk SP172 N546ND	Capital	120	176,375	176,375
5/25/2010	20591	Cessna Skyhawk SP172 N547ND	Capital	120	178,386	178,386
5/25/2010	20591	Cessna Skyhawk SP172 N548ND	Capital	120	178,386	178,386
6/15/2010	20591	Cessna Skyhawk SP172 N549ND	Capital	120	177,939	177,939
6/15/2010	20591	Cessna Skyhawk SP172 N579ND	Capital	120	177,929	177,929
7/8/2010	20596	Piper Seminole PA44/180 N585ND	Capital	120	390,108	390,108
7/19/2010	20596	Piper Seminole PA44/180 N586ND	Capital	120	389,530	389,530
8/4/2010	20591	Cessna Skyhawk SP172 N507ND	Capital	120	181,770	181,770
8/4/2010	20591	Cessna Skyhawk SP172 N508ND	Capital	120	181,770	181,770
9/9/2010	20591	Cessna Skyhawk SP172 N526ND	Capital	120	183,209	183,209
9/9/2010	20591	Cessna Skyhawk SP172 N523ND	Capital	120	183,209	183,209
9/13/2010	20586	Piper Seminole Training Devices	Capital	84	369,927	369,927
12/28/2010	10160	Toro Reelmaster, Groundmaster, Workman Sprinkler Heads	Capital	48	18,780	18,780
4/15/2011	20593	UAS Simulator	Capital	60	134,487	134,487
	21134, 20339, 20822,					
6/21/2011	21626	Multiphoton Confocal Microscope	Capital	60	86,479	86,479

8/15/2011	20591	Cessna Skyhawk SP172 N560ND	Capital	120	202,353	202,353
8/15/2011	20591	Cessna Skyhawk SP172 N561ND	Capital	120	202,353	202,353
8/15/2011	20591	Cessna Skyhawk SP172 N562ND	Capital	120	202,353	202,353
8/31/2011	30723	Minor equipment-furniture-Aerospace	Capital	120	389,925	389,925
10/1/2011	20586	Piper Seminole (glass) FTD	Capital	84	226,932	226,932
8/1/2009	10329	Hamline Square Apartments	Capital	300	8,007,590	8,007,590
3/27/2009	31803	West Campus Steamline	Capital	180	2,764,065	2,764,065
4/1/2010	21941	School of Medicine Simulation Center	Capital	60	82,724	82,724
6/1/2006	31801	Energy Improvement 05 - recognize liability as expenses are	Capital	192	1,710,651	1,710,651
10/1/2003	20554/22422	Aerospace Foundation-Aerospace Hanger 259	Capital	239	1,612,812	1,612,812
6/15/2008	21224	UND Foundation Minot Family Medicine Center	Capital	252	2,869,619	2,869,619
7/24/2002	NONE	UND Foundation EERC-refinanced as bonds payable	Capital	288	-	-
8/30/2012	21220	Hemostasis & Chemical Analyzer, Powerpack, & Stress Test	Capital	84	80,037	80,037
9/14/2012	21220	Colonoscopy Machine and accessories	Capital	60	61,146	61,146
9/14/2012	21626	Plycom HDX Codec, Power Procedure Table, & minor equipr	Capital	60	328,516	328,516
6/14/2013	30333/30335	Minor Equipment	Capital	24	231,876	231,876
11/1/2012	31400	Panasonic CF31 Toughbooks	Capital	48	3,930	3,930
10/21/2013	30282	Cisco Equipment/Software/Support	Capital	48	76,645	76,645

<b>Total UND Capital Leases</b>					<b>26,104,363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,104,363</b>
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### Valley City State University

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14	
<b>Operating Leases:</b>	08/01/11	20073	Notebook Computers	Operating	24	39,921	-	
	08/01/13	20073	Notebook Computers	Operating	24		\$442,800	
	08/01/13	20073	Macbook Computers	Operating	36		\$608,892	
	03/30/10	10100	Postage Machine	Operating	48	2,658	885	
	08/01/09	20067	Photocopiers (FMC, SC, Library)	Operating	36	65,738	17,559	
	05/01/10	20099	Kathryn School	Operating	60	5,500	750	
	08/20/11	10304	Washer and Dryers - Snoeyenbos Hall	Operating	36	1,634	1,342	
	08/20/10	10301	Washer and Dryers - Kolstoe, McCoy, Mythaler, Robertson	Operating	36	-	4,025	
<b>Total VCSU Operating Leases</b>						<b>\$115,450</b>	<b>\$ 1,051,692</b>	<b>\$383,125</b>

These entries will have to be removed

Capital Leases:	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014
						-				-
						-				-
						-				-
<b>Total VCSU Capital Leases</b>						<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### Williston State College

Lease Start	Lease Term	Minimum Operating Future Payments Reported	Actual Operating Lease Payments Made
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Campus	Date	Fund #	Description	Type of Lease	(in months)	at 6/30/14	7/1/13-6/30/14	
<b>Operating Leases:</b>								
	11/01/10	105107	Trailers from Foundation	Operating	0	-		
<b>Total WSC Operating Leases</b>						\$ -	\$ -	\$ -

<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
11/01/10	30200	Midwest Leasing - Sharp MX2600N Coier	Capital	60	3,291				3,291	
10/01/09	25004	Rent for Leased Semi Trucks from WSC Foundation	Capital	60	28,556				28,556	
11/01/13		Rent for Leased Motor Coach from WSC Foundation	Capital	84	375,000				375,000	
<b>Total WSC Capital Leases</b>					\$ 406,847	\$ -	\$ -	\$ -	\$ -	\$ 406,847

**NDUS Core Techology Services**

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14	
<b>Operating Leases:</b>								
ND Vision Services	07/01/11	20110	Campus Solutions Offices at NDSB		24	-	16,155	
STTC	08/01/12	31400	Fargo CTS Offices		24	69,642	26,785	
Center for Innovation	09/01/12	31400	Office Space in Skalicky Hall		12	11,000	27,500	
<b>Total CTS Operating Leases</b>						\$ -	\$ -	\$ 70,440

<b>Capital Leases:</b>										
Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Principal Balance Due 12/31/13	Principal New Leases	Principal Paid	Adjustments +/-	Principal Balance Due 6/30/2014	
Wells Fargo L004075	05/24/10	31400	IVN Equipment		60	\$ 63,467			\$ 63,467	
<b>Total CTS Capital Leases</b>					\$ 63,467	\$ -	\$ -	\$ -	\$ 63,467	

**NDUS Office**

Campus	Lease Start Date	Fund #	Description	Type of Lease	Lease Term (in months)	Minimum Operating Future Payments Reported at 6/30/14	Actual Operating Lease Payments Made 7/1/13-6/30/14	
<b>Operating Leases:</b>								
	07/01/13	30010/20010	office rent for Horizon Bldg	Rentals/Leases	12	-	126,192	
<b>Total NDUS Office Operating Leases</b>						\$ -	\$ 126,192	\$ 63,096

<b>Capital Leases:</b>										
Lease Start	Lease Term	Principal Balance Due	Principal	Principal	Adjustments	Principal Balance Due				

Date	Fund #	Description	Type of Lease	(in months)	12/31/13	New Leases	Paid	+/( -)	6/30/2014
<b>Total NDUS Office Capital Leases</b>					\$ -	\$ -	\$ -	\$ -	\$ -

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