

1.28 **ARTICLE 1**
1.29 **HIGHER EDUCATION APPROPRIATIONS**

1.22 **ARTICLE 1**
1.23 **HIGHER EDUCATION APPROPRIATIONS**

1.30 Section 1. **SUMMARY OF APPROPRIATIONS.**

1.24 Section 1. **SUMMARY OF APPROPRIATIONS.**

1.31 Subdivision 1. **Summary By Fund.** The amounts shown in this subdivision
1.32 summarize direct appropriations, by fund, made in this article.

1.25 Subdivision 1. **Summary By Fund.** The amounts shown in this subdivision
1.26 summarize direct appropriations, by fund, made in this article.

	<u>SUMMARY BY FUND</u>		
	<u>2014</u>	<u>2015</u>	<u>Total</u>
2.3 <u>General</u>	\$ <u>1,398,228,000</u>	\$ <u>1,429,733,000</u>	\$ <u>2,827,961,000</u>
2.4 <u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>	<u>4,314,000</u>
2.5 <u>Total</u>	<u>\$ 1,400,385,000</u>	<u>\$ 1,431,890,000</u>	<u>\$ 2,832,275,000</u>

	<u>SUMMARY BY FUND</u>		
	<u>2014</u>	<u>2015</u>	<u>Total</u>
1.29 <u>General</u>	\$ <u>1,336,854,000</u>	\$ <u>1,378,282,000</u>	\$ <u>2,715,136,000</u>
2.1 <u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>	<u>4,314,000</u>
2.2 <u>Total</u>	<u>\$ 1,339,011,000</u>	<u>\$ 1,380,439,000</u>	<u>\$ 2,719,450,000</u>

2.6 Subd. 2. **Summary By Agency - All Funds.** The amounts shown in this subdivision
2.7 summarize direct appropriations, by agency, made in this article.

2.3 Subd. 2. **Summary By Agency - All Funds.** The amounts shown in this subdivision
2.4 summarize direct appropriations, by agency, made in this article.

2.8 **SUMMARY BY AGENCY - ALL FUNDS**

2.9	<u>2014</u>	<u>2015</u>	<u>Total</u>
2.10 <u>Minnesota Office of Higher</u> 2.11 <u>Education</u>	\$ <u>243,113,000</u>	\$ <u>242,218,000</u>	\$ <u>485,331,000</u>
2.12 <u>Board of Trustees of the</u> 2.13 <u>Minnesota State</u> 2.14 <u>Colleges and</u> <u>Universities</u>	<u>577,615,000</u>	<u>593,115,000</u>	<u>1,170,730,000</u>
2.15 <u>Board of Regents of the</u> 2.16 <u>University of Minnesota</u>	<u>578,306,000</u>	<u>595,206,000</u>	<u>1,173,512,000</u>
2.17 <u>Mayo Clinic</u>	<u>1,351,000</u>	<u>1,351,000</u>	<u>2,702,000</u>
2.18 <u>Total</u>	\$ <u>1,400,385,000</u>	\$ <u>1,431,890,000</u>	\$ <u>2,832,275,000</u>

2.19 Sec. 2. **HIGHER EDUCATION APPROPRIATIONS.**

2.20 The sums shown in the columns marked "Appropriations" are appropriated to the
2.21 agencies and for the purposes specified in this article. The appropriations are from the
2.22 general fund, or another named fund, and are available for the fiscal years indicated
2.23 for each purpose. The figures "2014" and "2015" used in this article mean that the
2.24 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
2.25 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
2.26 year 2015. "The biennium" is fiscal years 2014 and 2015.

2.5 **SUMMARY BY AGENCY - ALL FUNDS**

2.6	<u>2014</u>	<u>2015</u>	<u>Total</u>
2.7 <u>Minnesota Office of Higher</u> 2.8 <u>Education</u>	\$ <u>196,512,000</u>	\$ <u>196,197,000</u>	\$ <u>392,709,000</u>
2.9 <u>Board of Trustees of the</u> 2.10 <u>Minnesota State Colleges and</u> 2.11 <u>Universities</u>	<u>570,865,000</u>	<u>597,865,000</u>	<u>1,168,730,000</u>
2.12 <u>Board of Regents of the</u> 2.13 <u>University of Minnesota</u>	<u>570,283,000</u>	<u>585,026,000</u>	<u>1,155,309,000</u>
2.14 <u>Mayo Clinic</u>	<u>1,351,000</u>	<u>1,351,000</u>	<u>2,702,000</u>
2.15 <u>Total</u>	\$ <u>1,339,011,000</u>	\$ <u>1,380,439,000</u>	\$ <u>2,719,450,000</u>

2.16 Sec. 2. **HIGHER EDUCATION APPROPRIATIONS.**

2.17 The sums shown in the columns marked "Appropriations" are appropriated to the
2.18 agencies and for the purposes specified in this article. The appropriations are from the
2.19 general fund, or another named fund, and are available for the fiscal years indicated
2.20 for each purpose. The figures "2014" and "2015" used in this article mean that the
2.21 appropriations listed under them are available for the fiscal year ending June 30, 2014, or
2.22 June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal
2.23 year 2015. "The biennium" is fiscal years 2014 and 2015.

2.27	<u>APPROPRIATIONS</u>	
2.28	<u>Available for the Year</u>	
2.29	<u>Ending June 30</u>	
2.30	<u>2014</u>	<u>2015</u>
2.31	<u>Sec. 3. MINNESOTA OFFICE OF HIGHER</u>	
2.32	<u>EDUCATION</u>	
2.33	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 243,113,000 \$ 242,218,000</u>
2.34	<u>The amounts that may be spent for each</u>	
2.35	<u>purpose are specified in the following</u>	
2.36	<u>subdivisions.</u>	
2.37	<u>Subd. 2. State Grants</u>	<u>194,625,000 194,625,000</u>
3.1	<u>If the appropriation in this subdivision for</u>	
3.2	<u>either year is insufficient, the appropriation</u>	
3.3	<u>for the other year is available for it.</u>	
3.4	<u>Subd. 3. Child Care Grants</u>	<u>6,684,000 6,684,000</u>
3.5	<u>Subd. 4. State Work-Study</u>	<u>14,502,000 14,502,000</u>
3.6	<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>11,465,000 10,570,000</u>
3.7	<u>If the appropriation in this subdivision for</u>	
3.8	<u>either year is insufficient, the appropriation</u>	
3.9	<u>for the other year is available to meet</u>	
3.10	<u>reciprocity contract obligations.</u>	

2.24	<u>APPROPRIATIONS</u>	
2.25	<u>Available for the Year</u>	
2.26	<u>Ending June 30</u>	
2.27	<u>2014</u>	<u>2015</u>
2.28	<u>Sec. 3. MINNESOTA OFFICE OF HIGHER</u>	
2.29	<u>EDUCATION</u>	
2.30	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 196,512,000 \$ 196,197,000</u>
2.31	<u>The amounts that may be spent for each</u>	
2.32	<u>purpose are specified in the following</u>	
2.33	<u>subdivisions.</u>	
2.34	<u>Subd. 2. State Grants</u>	<u>160,548,000 160,214,000</u>
3.1	<u>If the appropriation in this subdivision for</u>	
3.2	<u>either year is insufficient, the appropriation</u>	
3.3	<u>for the other year is available for it.</u>	
3.21	<u>Subd. 3. Child Care Grants</u>	<u>6,684,000 6,684,000</u>
3.22	<u>Subd. 4. State Work-Study</u>	<u>14,502,000 14,502,000</u>
3.23	<u>Subd. 5. Interstate Tuition Reciprocity</u>	<u>3,250,000 3,250,000</u>
3.24	<u>If the appropriation in this subdivision for</u>	
3.25	<u>either year is insufficient, the appropriation</u>	
3.26	<u>for the other year is available to meet</u>	
3.27	<u>reciprocity contract obligations.</u>	

3.11	<u>Subd. 6. Safety Officer's Survivors</u>	<u>100,000</u>	<u>100,000</u>
3.12	<u>This appropriation is to provide educational</u>		
3.13	<u>benefits under Minnesota Statutes, section</u>		
3.14	<u>299A.45, to eligible dependent children and</u>		
3.15	<u>to the spouses of public safety officers killed</u>		
3.16	<u>in the line of duty.</u>		
3.17	<u>If the appropriation in this subdivision for</u>		
3.18	<u>either year is insufficient, the appropriation</u>		
3.19	<u>for the other year is available for it.</u>		
3.20	<u>Subd. 7. Indian Scholarships</u>	<u>3,100,000</u>	<u>3,100,000</u>
3.21	<u>The director must contract with or employ</u>		
3.22	<u>at least one person with demonstrated</u>		
3.23	<u>competence in American Indian culture and</u>		
3.24	<u>residing in or near the city of Bemidji to</u>		
3.25	<u>assist students with the scholarships under</u>		
3.26	<u>Minnesota Statutes, section 136A.126, and</u>		
3.27	<u>with other information about financial aid for</u>		
3.28	<u>which the students may be eligible. Bemidji</u>		
3.29	<u>State University must provide office space</u>		
3.30	<u>at no cost to the Minnesota Office of Higher</u>		
3.31	<u>Education for purposes of administering the</u>		
3.32	<u>American Indian scholarship program under</u>		
3.33	<u>Minnesota Statutes, section 136A.126. This</u>		
4.1	<u>appropriation includes funding to administer</u>		
4.2	<u>the American Indian scholarship program.</u>		
4.3	<u>Subd. 8. Tribal College Grants</u>	<u>150,000</u>	<u>150,000</u>
4.4	<u>For tribal college assistance grants under</u>		
4.5	<u>new Minnesota Statutes, section 136A.50.</u>		
4.6	<u>Subd. 9. High School-to-College Developmental</u>		
4.7	<u>Transition Grants</u>	<u>100,000</u>	<u>100,000</u>

3.28	<u>Subd. 6. Safety Officer's Survivors</u>	<u>100,000</u>	<u>100,000</u>
3.29	<u>This appropriation is to provide educational</u>		
3.30	<u>benefits under Minnesota Statutes, section</u>		
3.31	<u>299A.45, to eligible dependent children and</u>		
3.32	<u>to the spouses of public safety officers killed</u>		
3.33	<u>in the line of duty.</u>		
4.1	<u>If the appropriation in this subdivision for</u>		
4.2	<u>either year is insufficient, the appropriation</u>		
4.3	<u>for the other year is available for it.</u>		
4.4	<u>Subd. 7. Indian Scholarships</u>	<u>1,850,000</u>	<u>1,850,000</u>
4.5	<u>The director must contract with or employ</u>		
4.6	<u>at least one person with demonstrated</u>		
4.7	<u>competence in American Indian culture and</u>		
4.8	<u>residing in or near the city of Bemidji to</u>		
4.9	<u>assist students with the scholarships under</u>		
4.10	<u>Minnesota Statutes, section 136A.126, and</u>		
4.11	<u>with other information about financial aid for</u>		
4.12	<u>which the students may be eligible. Bemidji</u>		
4.13	<u>State University must provide office space</u>		
4.14	<u>at no cost to the Minnesota Office of Higher</u>		
4.15	<u>Education for purposes of administering the</u>		
4.16	<u>American Indian scholarship program under</u>		
4.17	<u>Minnesota Statutes, section 136A.126. This</u>		
4.18	<u>appropriation includes funding to administer</u>		
4.19	<u>the American Indian scholarship program.</u>		

4.8 For grants under Minnesota Statutes, section
 4.9 135A.61, for the high school-to-college
 4.10 developmental transition program grants.

4.11 Subd. 10. **Intervention for College Attendance**
 4.12 **Program Grants** 671,000 671,000

4.13 For the intervention for college attendance
 4.14 program under Minnesota Statutes, section
 4.15 136A.861.

4.16 This appropriation includes funding to
 4.17 administer the intervention for college
 4.18 attendance program grants.

4.19 Subd. 11. **Student-Parent Information** 122,000 122,000

4.20 Subd. 12. **Get Ready** 180,000 180,000

4.21 Subd. 13. **Midwest Higher Education Compact** 95,000 95,000

4.22 Subd. 14. **Minnesota Minority Partnership** 45,000 45,000

4.23 Subd. 15. **United Family Medicine Residency**
 4.24 **Program** 351,000 351,000

4.25 For a grant to United Family Medicine
 4.26 residency program. This appropriation
 4.27 shall be used to support up to 18 resident
 4.28 physicians each year in family practice at
 4.29 United Family Medicine residency programs
 4.30 and shall prepare doctors to practice family
 4.31 care medicine in underserved rural and
 4.32 urban areas of the state. It is intended
 4.33 that this program will improve health
 4.34 care in underserved communities, provide
 5.1 affordable access to appropriate medical
 5.2 care, and manage the treatment of patients in
 5.3 a cost-effective manner.

4.20 Subd. 8. **Intervention for College Attendance**
 4.21 **Program Grants** 671,000 671,000

4.22 For the intervention for college attendance
 4.23 program under Minnesota Statutes, section
 4.24 136A.861.

4.25 This appropriation includes funding to
 4.26 administer the intervention for college
 4.27 attendance program grants.

4.28 Subd. 9. **Student-Parent Information** 122,000 122,000

4.29 Subd. 10. **Get Ready** 180,000 180,000

4.30 Subd. 11. **Midwest Higher Education Compact** 95,000 95,000

4.31 Subd. 12. **Minnesota Minority Partnership** 45,000 45,000

4.32 Subd. 13. **United Family Medicine Residency**
 4.33 **Program** 351,000 351,000

5.4 Subd. 16. MnLINK Gateway and Minitex 5,905,000 5,905,000

4.34 Subd. 14. MnLINK Gateway and Minitex 5,605,000 5,605,000

5.5 Subd. 17. Statewide Longitudinal Education
5.6 Data System 882,000 882,000

5.7 \$582,000 in fiscal year 2014 and \$582,000
5.8 in fiscal year 2015 are appropriated to the
5.9 Office of Higher Education for transfer
5.10 to the Office of Enterprise Technology to
5.11 maintain infrastructure of the Statewide
5.12 Longitudinal Education Data System and
5.13 to acquire additional data through purchase
5.14 and development. This transfer to the Office
5.15 of Enterprise Technology is onetime. Any
5.16 ongoing information technology support
5.17 or costs for the Statewide Longitudinal
5.18 Education Data System will be incorporated
5.19 into the service level agreement and will be
5.20 paid to the Office of Enterprise Technology
5.21 by the Office of Higher Education under
5.22 the rates and mechanism specified in that
5.23 agreement.

5.24 Subd. 18. Hennepin County Medical Center 645,000 645,000

5.25 For transfer to Hennepin County Medical
5.26 Center for graduate family medical education
5.27 programs at Hennepin County Medical
5.28 Center.

7.5 The Board of Regents of the University
7.6 of Minnesota must transfer \$645,000 in
7.7 fiscal year 2014 and \$645,000 in fiscal year
7.8 2015 from the appropriations made to it for
7.9 operations and maintenance to the Hennepin
7.10 County Medical Center for graduate family
7.11 medicine education programs at Hennepin
7.12 County Medical Center.

5.29 Subd. 19. Teach for America 750,000 750,000

5.30 For the purpose of supporting Teach for
5.31 America activities in Minnesota and must
5.32 not be used for teaching services performed
5.33 outside Minnesota. The appropriation shall
5.34 be used for:

6.1 (1) expenses related to the recruitment,
6.2 selection, and training of Teach for America
6.3 corps members;

6.4 (2) ongoing professional development and
6.5 support of Teach for America corps members;

6.6 (3) ongoing alumni support; and

6.7 (4) management and operational support,
6.8 development, and central services, including
6.9 finance, technology, and human services.

6.10 The appropriations are expected to leverage
6.11 an additional \$2,121,230 in fiscal year
6.12 2014 and \$3,428,730 in fiscal year 2015 in
6.13 nonstate money.

6.14 Teach for America must by February 1, 2015,
6.15 report to the chairs and ranking minority
6.16 members of the legislative committees
6.17 and divisions with jurisdiction over higher
6.18 education on activities funded by this
6.19 appropriation. Specifically, and without
6.20 limitation, the report must include a report
6.21 on the number of teachers of color funded
6.22 and on the success of the teaching activities.
6.23 To the extent possible, success must be
6.24 measured using the Minnesota teachers
6.25 development and evaluation program.

6.26 <u>Subd. 20. Collaborative Urban Education</u>	<u>250,000</u>	<u>250,000</u>	
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6.27 For East African teacher educative activities
 6.28 at Augsburg College. Augsburg College
 6.29 must report by January 15 of each year to
 6.30 the chairs and ranking minority members of
 6.31 the legislative committees and divisions with
 6.32 jurisdiction over higher education finance
 6.33 on activities funded by this appropriation,
 6.34 including the number of teachers produced,
 7.1 the diversity of each cohort of teachers
 7.2 produced, and the success of the program.
 7.3 To the extent possible, success must be
 7.4 measured using the Minnesota teachers'
 7.5 development and evaluation program. Any
 7.6 balance in the first year does not cancel but is
 7.7 available in the second year.

7.8 <u>Subd. 21. Agency Administration</u>	<u>2,491,000</u>	<u>2,491,000</u>	
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7.9 Subd. 22. Balances Forward

7.10 A balance in the first year under this section
 7.11 does not cancel, but is available for the
 7.12 second year.

5.1 <u>Subd. 15. Agency Administration</u>	<u>2,491,000</u>	<u>2,491,000</u>	
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5.2 Subd. 16. Balances Forward

5.3 A balance in the first year under this section
 5.4 does not cancel, but is available for the
 5.5 second year.

8.9 The Board of Trustees may not set the tuition
8.10 rate in any degree-granting program for the
8.11 2013-2014 and 2014-2015 academic years
8.12 at a rate greater than three percent above
8.13 the 2012-2013 academic year rate. The
8.14 student tuition relief may not be offset by
8.15 increases in mandatory fees, charges, or other
8.16 assessments to the student that would result
8.17 in an estimated cost of attendance directly
8.18 attributable to the board, institution, or
8.19 program in which the student is enrolled at an
8.20 amount greater than three percent above that
8.21 estimate for the 2012-2013 academic year.

8.22 \$18,000 each year is for transfer to the Cook
8.23 County Higher Education Board to provide
8.24 educational programming and academic
8.25 support services to remote regions in
8.26 northeastern Minnesota. This appropriation
8.27 is in addition to the \$102,000 per fiscal year
8.28 this project currently receives. The project
8.29 shall continue to provide information to the
8.30 Board of Trustees on the number of students
8.31 served, credit hours delivered, and services
8.32 provided to students. The base appropriation
8.33 under this paragraph is \$120,000 each year.

5.18 This appropriation includes \$25,500,000 in
5.19 fiscal year 2014 and \$52,500,000 in fiscal
5.20 year 2015 for student tuition relief. The
5.21 Board of Trustees may not set the tuition
5.22 rate in any undergraduate degree-granting
5.23 program for the 2013-2014 and 2014-2015
5.24 academic years at a rate greater than the
5.25 2012-2013 academic year rate. The student
5.26 tuition relief may not be offset by increases
5.27 in mandatory fees, charges, or other
5.28 assessments to the student.

5.29 To the extent that appropriations under
5.30 this subdivision are insufficient to meet
5.31 obligations contained in a labor or program
5.32 contract, the Board of Trustees shall fund
5.33 those obligations through reductions in costs
5.34 associated with central administration of
6.1 the system and executive administration of
6.2 individual campuses, or through reallocation
6.3 of nonstate funds received by the system.
6.4 These outstanding obligations may not be
6.5 funded through reduction in any program or
6.6 service that directly impacts students or that
6.7 is newly-authorized by the legislature for the
6.8 2014-2015 biennium, or through increased
6.9 fees or costs directly assessed to students.

8.34 \$9,000,000 in fiscal year 2014 and
8.35 \$10,000,000 in fiscal year 2015 are for a
9.1 leveraged equipment program. For the
9.2 purpose of this section, "equipment" means
9.3 equipment for instructional purposes for
9.4 programs that the board determines would
9.5 produce graduates with skills for which there
9.6 is a high employer need within the state. An
9.7 equipment acquisition may be made under
9.8 this appropriation only if matched by cash or
9.9 in-kind contributions from nonstate sources.

9.10 \$4,000,000 in fiscal year 2014 and
9.11 \$4,000,000 in fiscal year 2015 are for a
9.12 faculty-driven innovations program. The
9.13 faculty-driven innovations program will
9.14 enable faculty to enhance the quality of
9.15 instruction and accelerate student progress
9.16 through technology-driven learning.

9.17 \$9,000,000 in fiscal year 2014 and
9.18 \$20,000,000 in fiscal year 2015 are to retain
9.19 high-quality faculty and staff.

9.20 \$1,000,000 in fiscal year 2014 and
9.21 \$1,000,000 in fiscal year 2015 are for an
9.22 internship and apprenticeship program.
9.23 Fiscal year 2015 funds are available when
9.24 the Board of Trustees demonstrates to the
9.25 commissioner of management and budget
9.26 that \$2,000,000 in nonstate matching funds
9.27 have been secured for the program.

9.28 \$3,500,000 in fiscal year 2014 and
9.29 \$6,500,000 in fiscal year 2015 are
9.30 for purposes of meeting the needs in
9.31 high-demand professions. This appropriation
9.32 includes a onetime appropriation of \$50,000
9.33 in fiscal year 2014, to convene a mental health
9.34 issues summit, and complete the activities
9.35 described in article 2, section 13. Fiscal year
10.1 2015 appropriated funds are available when
10.2 the Board of Trustees of the Minnesota State
10.3 Colleges and Universities demonstrates to
10.4 the commissioner of management and budget
10.5 that twenty new or expanded programs will
10.6 be enrolling students for the fall 2014 term.

10.7 \$5,750,000 in fiscal year 2014 and
10.8 \$6,250,000 in fiscal year 2015 for the purpose
10.9 of increasing retention and completion rates,
10.10 leading to higher numbers of certificates,
10.11 diplomas, and degrees conferred.

10.12 Five percent of the fiscal year 2015
10.13 appropriation in this subdivision is available
10.14 in fiscal year 2015 when the Board of
10.15 Trustees of the Minnesota State Colleges and
10.16 Universities (MnSCU) demonstrates to the
10.17 commissioner of management and budget
10.18 that the board has met at least three of the
10.19 following five performance goals:

10.20 (1) increase by at least four percent in
10.21 fiscal year 2013, compared to fiscal year
10.22 2010, graduates or degrees, diplomas, and
10.23 certificates conferred;

10.24 (2) increase by at least one percent the fall
10.25 2013 persistence and completion rate for fall
10.26 2012 entering students compared to the fall
10.27 2010 rate for fall 2009 entering students;

- 10.28 (3) increase by at least four percent the fiscal
10.29 year 2013 related employment rate for 2012
10.30 graduates compared to the 2011 rate for 2010
10.31 graduates;
- 10.32 (4) by 2014, MnSCU must collect data on
10.33 the number of Open Educational Resources
10.34 (OER) tools and services offered and
10.35 formulate a plan to actualize a one percent
11.1 reduction in expenses directly related to the
11.2 cost of instruction incurred by students; and
- 11.3 (5) reallocate \$22,000,000 that became
11.4 available through expense realignment in
11.5 fiscal year 2014.
- 11.6 "Open Educational Resources" includes,
11.7 but is not limited to, textbooks, study
11.8 guides, worksheets, journals, video, audio
11.9 recordings, massive open online courses, or
11.10 other innovative course configuration.
- 11.11 "Cost of instruction" means average tuition,
11.12 average fees, average cost to student for
11.13 textbooks and related course material.
- 11.14 By August 1, 2013, the Board of Trustees
11.15 and the Minnesota Office of Higher
11.16 Education must agree on specific numerical
11.17 indicators and definitions for each of the five
11.18 goals that will be used to demonstrate the
11.19 Minnesota State Colleges and Universities'
11.20 attainment of each goal. On or before April
11.21 1, 2014, the Board of Trustees must report
11.22 to the legislative committees with primary
11.23 jurisdiction over higher education finance and
11.24 policy the progress of the Minnesota State
11.25 Colleges and Universities toward attaining
11.26 the goals. The appropriation base for the
11.27 next biennium shall include appropriations
11.28 not made available under this subdivision for
11.29 failure to meet performance goals.

11.30 Subd. 4. **Learning Network of Minnesota** 4,115,000 4,115,000

11.31 Sec. 5. **BOARD OF REGENTS OF THE**
11.32 **UNIVERSITY OF MINNESOTA**

11.33 Subdivision 1. **Total Appropriation** \$ 578,306,000 \$ 595,206,000

12.1 Appropriations by Fund

12.2 2014 2015

12.3 General 576,149,000 593,049,000

12.4 Health Care Access 2,157,000 2,157,000

12.5 The amounts that may be spent for each
12.6 purpose are specified in the following
12.7 subdivisions.

12.8 Subd. 2. **Operations and Maintenance** 514,686,000 530,386,000

12.9 This appropriation includes funding for
12.10 operation and maintenance of the system.

6.10 Subd. 4. **Learning Network of Minnesota** 4,115,000 4,115,000

6.11 Sec. 5. **BOARD OF REGENTS OF THE**
6.12 **UNIVERSITY OF MINNESOTA**

6.13 Subdivision 1. **Total Appropriation** \$ 570,283,000 \$ 585,026,000

6.14 Appropriations by Fund

6.15 2014 2015

6.16 General 568,126,000 582,869,000

6.17 Health Care Access 2,157,000 2,157,000

6.18 The amounts that may be spent for each
6.19 purpose are specified in the following
6.20 subdivisions.

6.21 Subd. 2. **Operations and Maintenance** 506,538,000 521,281,000

6.22 This appropriation includes funding for
6.23 operation and maintenance of the system.

12.11 This appropriation includes \$14,200,000 in
 12.12 fiscal year 2014 and \$28,400,000 in fiscal
 12.13 year 2015 for tuition relief. The Board
 12.14 of Regents is requested to maintain the
 12.15 Minnesota resident undergraduate tuition rate
 12.16 for the 2013-2014 and 2014-2015 academic
 12.17 years at the 2012-2013 academic year rate.

12.18 \$17,250,000 in fiscal year 2014 and
 12.19 \$18,750,000 in fiscal year 2015 is for
 12.20 the Minnesota Discovery, Research, and
 12.21 InnoVation Economy (MnDRIVE) funding
 12.22 program.

12.23 Five percent of the fiscal year 2015
 12.24 appropriation in this subdivision is available
 12.25 in fiscal year 2015 when the Board of Regents
 12.26 of the University of Minnesota demonstrates
 12.27 to the commissioner of management and
 12.28 budget that the board has met at least three of
 12.29 the following five performance goals:

12.30 (1) increase by at least one percent the Twin
 12.31 Cities campus undergraduate four-year,
 12.32 five-year, or six-year graduation rates
 12.33 averaged over three years, for low-income
 12.34 students reported in fall 2014 over fall 2012.
 12.35 The average rate for fall 2012 is calculated
 13.1 with the fall 2010, 2011, and 2012 graduation
 13.2 rates;

6.24 This appropriation includes \$14,200,000 in
 6.25 fiscal year 2014 and \$28,400,000 in fiscal
 6.26 year 2015 for tuition relief for resident
 6.27 undergraduate students. Notwithstanding
 6.28 section 137.025, subdivision 1, the
 6.29 commissioner of management and budget
 6.30 may not distribute any appropriation provided
 6.31 under this subdivision until the Board of
 6.32 Regents certifies to the commissioner that
 6.33 it has established resident tuition rates for
 6.34 courses in all undergraduate degree-granting
 6.35 programs at a rate no greater than the rate
 7.1 charged for the 2012-2013 academic year,
 7.2 and that the student tuition relief is not offset
 7.3 by increases in mandatory fees, charges, or
 7.4 other assessments to the student.

7.13 \$9,000,000 in fiscal year 2014 and \$9,000,000
 7.14 in fiscal year 2015 are for the Minnesota
 7.15 Discovery, Research, and InnoVation
 7.16 Economy (MnDRIVE) funding program.

13.3 (2) increase by at least three percent the total
13.4 number of undergraduate STEM degrees,
13.5 averaged over three years, conferred by the
13.6 University of Minnesota Twin Cities campus
13.7 reported in fiscal year 2014 over fiscal year
13.8 2012. The averaged number for fall 2012 is
13.9 calculated with the fall 2010, 2011, and 2012
13.10 number;

13.11 (3) increase by at least one percent the
13.12 four-year, five-year, or six-year graduation
13.13 rates, averaged over three years, at the
13.14 University of Minnesota reported in fall 2014
13.15 over fall 2012. The average rate for fall 2012
13.16 is calculated with the fall 2010, 2011, and
13.17 2012 graduation rates;

13.18 (4) for fiscal year 2014, decrease by
13.19 \$15,000,000 of the university's total
13.20 operating budget expenditures devoted
13.21 to administration oversight and mission
13.22 support/facilities. Administration oversight
13.23 and mission support/facilities are the
13.24 expenses: (i) to support the delivery of
13.25 mission activities; and (ii) the leadership,
13.26 direction, control, and management of the
13.27 mission; and

13.28 (5) increase invention disclosures by three
13.29 percent for fiscal year 2014 over fiscal year
13.30 2013 (net of student disclosures).

13.31 By August 1, 2013, the Board of Regents and
 13.32 the Minnesota Office of Higher Education
 13.33 must agree on specific numerical indicators
 13.34 and definitions for each of the five goals that
 13.35 will be used to demonstrate the University of
 14.1 Minnesota's attainment of each goal. On or
 14.2 before April 1, 2014, the Board of Regents
 14.3 must report to the legislative committees
 14.4 with primary jurisdiction over higher
 14.5 education finance and policy the progress of
 14.6 the University of Minnesota toward attaining
 14.7 the goals. The appropriation base for the
 14.8 next biennium shall include appropriations
 14.9 not made available under this subdivision for
 14.10 failure to meet performance goals.

14.11 Subd. 3. **Primary Care Education Initiatives** 2,157,000 2,157,000

14.12 This appropriation is from the health care
 14.13 access fund.

14.14 Subd. 4. **Special Appropriations**

14.15 (a) **Agriculture and Extension Service** 42,922,000 42,922,000

14.16 For the Agricultural Experiment Station and
 14.17 the Minnesota Extension Service:

14.18 (1) the agricultural experiment stations
 14.19 and Minnesota Extension Service must
 14.20 convene agricultural advisory groups to
 14.21 focus research, education, and extension
 14.22 activities on producer needs and implement
 14.23 an outreach strategy that more effectively
 14.24 and rapidly transfers research results and best
 14.25 practices to producers throughout the state;

7.17 Subd. 3. **Primary Care Education Initiatives** 2,157,000 2,157,000

7.18 This appropriation is from the health care
 7.19 access fund.

7.20 Subd. 4. **Special Appropriations**

7.21 (a) **Agriculture and Extension Service** 42,922,000 42,922,000

7.22 For the Agricultural Experiment Station and
 7.23 the Minnesota Extension Service:

7.24 (1) the agricultural experiment stations
 7.25 and Minnesota Extension Service must
 7.26 convene agricultural advisory groups to
 7.27 focus research, education, and extension
 7.28 activities on producer needs and implement
 7.29 an outreach strategy that more effectively
 7.30 and rapidly transfers research results and best
 7.31 practices to producers throughout the state;

14.26 (2) this appropriation includes funding for
 14.27 research and outreach on the production of
 14.28 renewable energy from Minnesota biomass
 14.29 resources, including agronomic crops, plant
 14.30 and animal wastes, and native plants or trees.
 14.31 The following areas should be prioritized and
 14.32 carried out in consultation with Minnesota
 14.33 producers, renewable energy, and bioenergy
 14.34 organizations:

15.1 (i) biofuel and other energy production from
 15.2 perennial crops, small grains, row crops,
 15.3 and forestry products in conjunction with
 15.4 the Natural Resources Research Institute
 15.5 (NRRI);

15.6 (ii) alternative bioenergy crops and cropping
 15.7 systems; and

15.8 (iii) biofuel coproducts used for livestock
 15.9 feed;

15.10 (3) this appropriation includes funding
 15.11 for the College of Food, Agricultural, and
 15.12 Natural Resources Sciences to establish and
 15.13 provide leadership for organic agronomic,
 15.14 horticultural, livestock, and food systems
 15.15 research, education, and outreach and for
 15.16 the purchase of state-of-the-art laboratory,
 15.17 planting, tilling, harvesting, and processing
 15.18 equipment necessary for this project;

15.19 (4) this appropriation includes funding
 15.20 for research efforts that demonstrate a
 15.21 renewed emphasis on the needs of the state's
 15.22 agriculture community. The following
 15.23 areas should be prioritized and carried
 15.24 out in consultation with Minnesota farm
 15.25 organizations:

7.32 (2) this appropriation includes funding for
 7.33 research and outreach on the production of
 7.34 renewable energy from Minnesota biomass
 8.1 resources, including agronomic crops, plant
 8.2 and animal wastes, and native plants or trees.
 8.3 The following areas should be prioritized and
 8.4 carried out in consultation with Minnesota
 8.5 producers, renewable energy, and bioenergy
 8.6 organizations:

8.7 (i) biofuel and other energy production from
 8.8 perennial crops, small grains, row crops,
 8.9 and forestry products in conjunction with
 8.10 the Natural Resources Research Institute
 8.11 (NRRI);

8.12 (ii) alternative bioenergy crops and cropping
 8.13 systems; and

8.14 (iii) biofuel coproducts used for livestock
 8.15 feed;

8.16 (3) this appropriation includes funding
 8.17 for the College of Food, Agricultural, and
 8.18 Natural Resources Sciences to establish and
 8.19 provide leadership for organic agronomic,
 8.20 horticultural, livestock, and food systems
 8.21 research, education, and outreach and for
 8.22 the purchase of state-of-the-art laboratory,
 8.23 planting, tilling, harvesting, and processing
 8.24 equipment necessary for this project;

8.25 (4) this appropriation includes funding
 8.26 for research efforts that demonstrate a
 8.27 renewed emphasis on the needs of the state's
 8.28 agriculture community. The following
 8.29 areas should be prioritized and carried
 8.30 out in consultation with Minnesota farm
 8.31 organizations:

15.26 (i) vegetable crop research with priority for
 15.27 extending the Minnesota vegetable growing
 15.28 season;

15.29 (ii) fertilizer and soil fertility research and
 15.30 development;

15.31 (iii) soil, groundwater, and surface water
 15.32 conservation practices and contaminant
 15.33 reduction research;

16.1 (iv) discovering and developing plant
 16.2 varieties that use nutrients more efficiently;

16.3 (v) breeding and development of turf seed
 16.4 and other biomass resources in all three
 16.5 Minnesota biomes;

16.6 (vi) development of new disease-resistant
 16.7 and pest-resistant varieties of turf and
 16.8 agronomic crops;

16.9 (vii) utilizing plant and livestock cells to treat
 16.10 and cure human diseases;

16.11 (viii) the development of dairy coproducts;

16.12 (ix) a rapid agricultural response fund for
 16.13 current or emerging animal, plant, and insect
 16.14 problems affecting production or food safety;

16.15 (x) crop pest and animal disease research;

16.16 (xi) developing animal agriculture that is
 16.17 capable of sustainably feeding the world;

16.18 (xii) consumer food safety education and
 16.19 outreach;

8.32 (i) vegetable crop research with priority for
 8.33 extending the Minnesota vegetable growing
 8.34 season;

9.1 (ii) fertilizer and soil fertility research and
 9.2 development;

9.3 (iii) soil, groundwater, and surface water
 9.4 conservation practices and contaminant
 9.5 reduction research;

9.6 (iv) discovering and developing plant
 9.7 varieties that use nutrients more efficiently;

9.8 (v) breeding and development of turf seed
 9.9 and other biomass resources in all three
 9.10 Minnesota biomes;

9.11 (vi) development of new disease-resistant
 9.12 and pest-resistant varieties of turf and
 9.13 agronomic crops;

9.14 (vii) utilizing plant and livestock cells to treat
 9.15 and cure human diseases;

9.16 (viii) the development of dairy coproducts;

9.17 (ix) a rapid agricultural response fund for
 9.18 current or emerging animal, plant, and insect
 9.19 problems affecting production or food safety;

9.20 (x) crop pest and animal disease research;

9.21 (xi) developing animal agriculture that is
 9.22 capable of sustainably feeding the world;

9.23 (xii) consumer food safety education and
 9.24 outreach;

16.20 (xiii) programs to meet the research and
 16.21 outreach needs of organic livestock and crop
 16.22 farmers; and

16.23 (xiv) alternative bioenergy crops and
 16.24 cropping systems; and growing, harvesting,
 16.25 and transporting biomass plant material; and

16.26 (5) by February 1, 2015, the Board of Regents
 16.27 must submit a report to the legislative
 16.28 committees and divisions with responsibility
 16.29 for agriculture and higher education finance
 16.30 on the status and outcomes of research and
 16.31 initiatives funded in this section.

16.32 **(b) Health Sciences** 4,854,000 6,054,000

17.1 \$346,000 each year is to support up to 12
 17.2 resident physicians in the St. Cloud Hospital
 17.3 family practice residency program. The
 17.4 program must prepare doctors to practice
 17.5 primary care medicine in rural areas of the
 17.6 state. The legislature intends this program
 17.7 to improve health care in rural communities,
 17.8 provide affordable access to appropriate
 17.9 medical care, and manage the treatment of
 17.10 patients in a more cost-effective manner.
 17.11 \$1,200,000 the second year is for the health
 17.12 care professional loan forgiveness program.
 17.13 The remainder of this appropriation is for
 17.14 the rural physicians associates program, the
 17.15 Veterinary Diagnostic Laboratory, health
 17.16 sciences research, dental care, and the
 17.17 Biomedical Engineering Center.

17.18 **(c) Institute of Technology** 1,140,000 1,140,000

17.19 For the geological survey and the talented
 17.20 youth mathematics program.

9.25 (xiii) programs to meet the research and
 9.26 outreach needs of organic livestock and crop
 9.27 farmers; and

9.28 (xiv) alternative bioenergy crops and
 9.29 cropping systems; and growing, harvesting,
 9.30 and transporting biomass plant material; and

9.31 (5) by February 1, 2015, the Board of
 9.32 Regents must submit a report to the
 9.33 legislative committees with responsibility
 10.1 for agriculture and higher education finance
 10.2 on the status and outcomes of research and
 10.3 initiatives funded in this section.

10.4 **(b) Health Sciences** 4,854,000 4,854,000

10.5 \$346,000 each year is to support up to 12
 10.6 resident physicians in the St. Cloud Hospital
 10.7 family practice residency program. The
 10.8 program must prepare doctors to practice
 10.9 primary care medicine in rural areas of the
 10.10 state. The legislature intends this program
 10.11 to improve health care in rural communities,
 10.12 provide affordable access to appropriate
 10.13 medical care, and manage the treatment of
 10.14 patients in a more cost-effective manner.
 10.15 The remainder of this appropriation is for
 10.16 the rural physicians associates program, the
 10.17 Veterinary Diagnostic Laboratory, health
 10.18 sciences research, dental care, and the
 10.19 Biomedical Engineering Center.

10.20 **(c) Institute of Technology** 1,140,000 1,140,000

10.21 For the Geological Survey and the talented
 10.22 youth mathematics program.

17.21 **(d) System Special** 5,056,000 5,056,000

17.22 For general research, industrial relations
 17.23 education, Natural Resources Research
 17.24 Institute, Center for Urban and Regional
 17.25 Affairs, Bell Museum of Natural History, and
 17.26 the Humphrey Exhibit.

17.27 **(e) University of Minnesota and Mayo**
 17.28 **Foundation Partnership** 7,491,000 7,491,000

17.29 For the direct and indirect expenses of the
 17.30 collaborative research partnership between
 17.31 the University of Minnesota and the Mayo
 17.32 Foundation for research in biotechnology
 17.33 and medical genomics. This appropriation is
 17.34 available until expended. An annual report
 17.35 on the expenditure of these funds must be
 18.1 submitted to the governor and the chairs of
 18.2 the legislative committee responsible for
 18.3 higher education finance by June 30 of each
 18.4 fiscal year.

18.5 Subd. 5. Academic Health Center

18.6 The appropriation for Academic Health
 18.7 Center funding under Minnesota Statutes,
 18.8 section 297F.10, is estimated to be
 18.9 \$22,250,000 each year.

10.23 **(d) System Special** 5,181,000 5,181,000

10.24 For general research, the Labor Education
 10.25 Service, Natural Resources Research
 10.26 Institute, Center for Urban and Regional
 10.27 Affairs, Bell Museum of Natural History, and
 10.28 the Humphrey exhibit.

10.29 Of this amount, \$125,000 in fiscal year 2014
 10.30 and \$125,000 in fiscal year 2015 are added
 10.31 to the base for the Labor Education Service.

10.32 **(e) University of Minnesota and Mayo**
 10.33 **Foundation Partnership** 7,491,000 7,491,000

10.34 Subd. 5. Academic Health Center

11.1 The appropriation for Academic Health
 11.2 Center funding under Minnesota Statutes,
 11.3 section 297F.10, is estimated to be
 11.4 \$22,250,000 each year.

18.10 Subd. 6. Athletic buyouts

18.11 The appropriations made by this section may
18.12 not be used to pay, in whole or part, for a
18.13 buyout of an employment contract of a coach
18.14 or other employee of the athletic department
18.15 of the University of Minnesota.

18.16 Sec. 6. MAYO CLINIC

18.17 Subdivision 1. Total Appropriation \$ 1,351,000 \$ 1,351,000

18.18 The amounts that may be spent are specified
18.19 in the following subdivisions.

18.20 Subd. 2. Medical School 665,000 665,000

18.21 The state must pay a capitation each year for
18.22 each student who is a resident of Minnesota.
18.23 The appropriation may be transferred
18.24 between each year of the biennium to
18.25 accommodate enrollment fluctuations. It is
18.26 intended that during the biennium the Mayo
18.27 Clinic use the capitation money to increase
18.28 the number of doctors practicing in rural
18.29 areas in need of doctors.

18.30 Subd. 3. Family Practice and Graduate
18.31 Residency Program 686,000 686,000

18.32 The state must pay stipend support for up to
18.33 27 residents each year.

11.5 Sec. 6. MAYO CLINIC

11.6 Subdivision 1. Total Appropriation \$ 1,351,000 \$ 1,351,000

11.7 The amounts that may be spent for the
11.8 purposes are specified in the following
11.9 subdivisions.

11.10 Subd. 2. Medical School 665,000 665,000

11.11 Subd. 3. Family Practice and Graduate
11.12 Residency Program 686,000 686,000