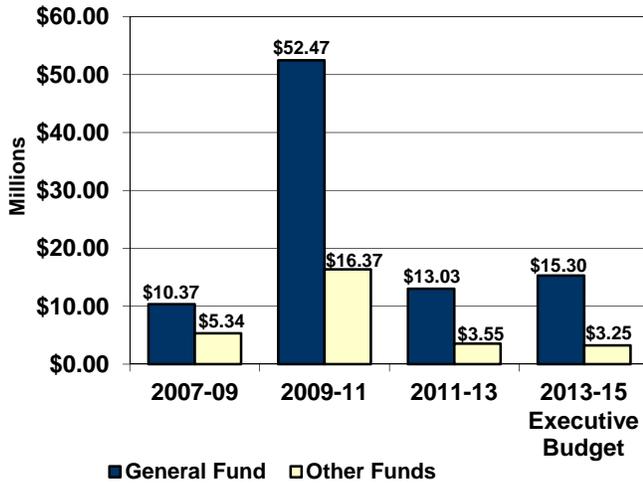


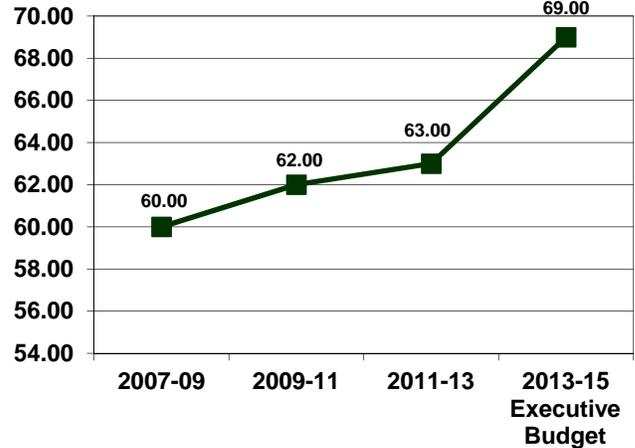
**Department 701 - State Historical Society
 House Bill No. 1018**

	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	69.00	\$15,301,371	\$3,246,503	\$18,547,874
2011-13 Legislative Appropriations	63.00	13,034,891	3,550,413	16,585,304
Increase (Decrease)	0.00	\$2,266,480	(\$303,910)	\$1,962,570

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	\$14,636,371	\$665,000	\$15,301,371
2011-13 Legislative Appropriations	12,119,191	915,700	13,034,891
Increase (Decrease)	\$2,517,180	(\$250,700)	\$2,266,480

First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds one-time funding for compensation adjustments or housing allowances for employees in oil-impacted areas. The House removed this funding.	\$50,000		\$50,000
2. Adds one-time funding for traveling exhibits. The House removed this funding.	\$250,000		\$250,000
3. Adds one-time funding for historic site exhibits. The House reduced this funding by \$15,000.	\$65,000		\$65,000
4. Adds one-time funding for the state's 125 th celebration. The House reduced this funding by \$50,000.	\$150,000		\$150,000
5. Adds one-time funding for completion of the development of an 8 th grade curriculum for North Dakota studies	\$150,000		\$150,000
6. Adds the following 6 FTE positions: 1 FTE technology coordinator. The House removed this position and \$199,028. 1 FTE exhibit and collections specialist 1 FTE education programs developer 1 FTE multimedia/web developer 1 FTE visitor services security officer 1 FTE archives specialist	\$881,218		\$881,218

7. Adds funding to increase seasonal temporary salaries by \$1 per hour per year during the 2013-15 biennium	\$183,549		\$183,549
8. Adds funding for maintenance in the expanded exhibit area in the Heritage Center	\$60,000		\$60,000
9. Provides funding for state employee salary increases of which \$492,698 relates to performance increases and \$352,800 is for market equity adjustments. The House added \$6,657 to correct the executive compensation package and reduced funding by \$389,265 relating to performance and market equity salary increases.	\$752,493	\$93,005	\$845,498

Other Sections in Bill

Traveling exhibits - Section 5 allows unexpended appropriations relating to the \$250,000 provided for traveling exhibits to continue into the 2015-17 biennium. **The House removed this section.**

Continuing Appropriations

Concession fund - North Dakota Century Code Section 55-02-04 - Operation of the State Historical Society museum store

State Historical Society gifts and bequests fund - Section 55-01-04 - Gifts and bequests for support of museum operations

State Historical Society revolving fund - Section 55-03-04 - Archaeological permits

Significant Audit Findings

The operational audit for the State Historical Society conducted by the State Auditor's office during the 2011-12 interim identified the following significant audit findings:

- Segregation of duties weakness surrounding inventory.
- Museum collections safeguards weakness.

Major Related Legislation

Senate Bill No. 2203 - Provides a general fund appropriation of \$1.2 million to the State Historical Society to provide matching funds for county historical work.

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Funding Summary

	Executive Budget	House Changes	House Version
State Historical Society			
Salaries and wages	\$12,208,141	(\$913,089)	\$11,295,052
Operating expenses	2,816,016	(50,000)	2,766,016
Capital assets	2,014,725	(265,000)	1,749,725
Grants	1,000,000		1,000,000
Cultural heritage grants	504,500	150,000	654,500
Yellowstone-Missouri-Fort Union Comm	4,492		4,492
Accrued leave payments		<u>211,332</u>	<u>211,332</u>
Total all funds	\$18,547,874	(\$866,757)	\$17,681,117
Less estimated income	<u>3,246,503</u>	<u>(49,032)</u>	<u>3,197,471</u>
General fund	\$15,301,371	(\$817,725)	\$14,483,646
FTE	69.00	(1.00)	68.00
Bill Total			
Total all funds	\$18,547,874	(\$866,757)	\$17,681,117
Less estimated income	<u>3,246,503</u>	<u>(49,032)</u>	<u>3,197,471</u>
General fund	\$15,301,371	(\$817,725)	\$14,483,646
FTE	69.00	(1.00)	68.00

House Bill No. 1018 - State Historical Society - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$12,208,141	(\$913,089)	\$11,295,052
Operating expenses	2,816,016	(50,000)	2,766,016
Capital assets	2,014,725	(265,000)	1,749,725
Grants	1,000,000		1,000,000
Cultural heritage grants	504,500	150,000	654,500
Yellowstone-Missouri-Fort Union Comm	4,492		4,492
Accrued leave payments		211,332	211,332
Total all funds	\$18,547,874	(\$866,757)	\$17,681,117
Less estimated income	<u>3,246,503</u>	<u>(49,032)</u>	<u>3,197,471</u>
General fund	\$15,301,371	(\$817,725)	\$14,483,646
FTE	69.00	(1.00)	68.00

Department 701 - State Historical Society - Detail of House Changes

	Corrects Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Provides Separate Line Item for Accrued Leave Payments³	Adds Funding to the Cultural Heritage Grants Line⁴	Removes Funding for Oil-Impacted Areas⁵	Removes Funding for Traveling Exhibits⁶
Salaries and wages	6,657	(459,386)	(211,332)		(50,000)	
Operating expenses						
Capital assets						(250,000)
Grants						
Cultural heritage grants				150,000		
Yellowstone-Missouri-Fort Union Comm						
Accrued leave payments			211,332			
Total all funds	\$6,657	(\$459,386)	\$0	\$150,000	(\$50,000)	(\$250,000)
Less estimated income	732	(49,764)	0	0	0	0
General fund	\$5,925	(\$409,622)	\$0	\$150,000	(\$50,000)	(\$250,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Historic Site Exhibits⁷	Removes Technology Coordinator Position⁸	Reduces Funding for State Celebration⁹	Total House Changes
Salaries and wages		(199,028)		(913,089)
Operating expenses			(50,000)	(50,000)
Capital assets	(15,000)			(265,000)
Grants				
Cultural heritage grants				150,000
Yellowstone-Missouri-Fort Union Comm				
Accrued leave payments				211,332
Total all funds	(\$15,000)	(\$199,028)	(\$50,000)	(\$866,757)
Less estimated income	0	0	0	(49,032)
General fund	(\$15,000)	(\$199,028)	(\$50,000)	(\$817,725)
FTE	0.00	(1.00)	0.00	(1.00)

¹ Funding is added due to a calculation error in the executive compensation package.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

³ A portion of salaries and wages funding from the general fund (\$185,972) and from other funds (\$25,360) for permanent employees compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

⁴ Funding is added to the cultural heritage grants line item to provide a total of \$654,500. The executive budget recommendation included \$504,500 for cultural heritage grants.

⁵ Funding included in the executive budget for compensation or housing allowances for employees in oil-impacted areas is removed.

⁶ Funding included in the executive budget for traveling exhibits is removed.

⁷ This amendment reduces funding included in the executive budget for historic site exhibits from \$65,000 to \$50,000.

⁸ This amendment removes the technology coordinator position included in the executive budget.

⁹ This amendment reduces funding included in the executive budget for the state's 125th celebration from \$150,000 to \$100,000.

This amendment removes Section 5 of the bill which provides for deposit in the department's revolving fund any unspent funds provided for traveling exhibits to be used in the 2015-17 biennium.