

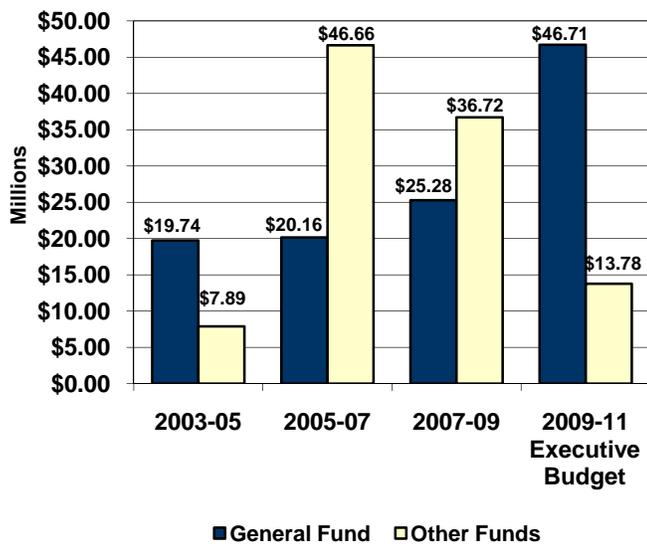
**Department 110 - Office of Management and Budget
 House Bill No. 1015**

	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	133.50	\$46,709,182	\$13,775,833	\$60,485,015
2007-09 Legislative Appropriations	132.50	25,283,253	36,717,584	62,000,837 ¹
Increase (Decrease)	1.00	\$21,425,929	(\$22,941,751)	(\$1,515,822)

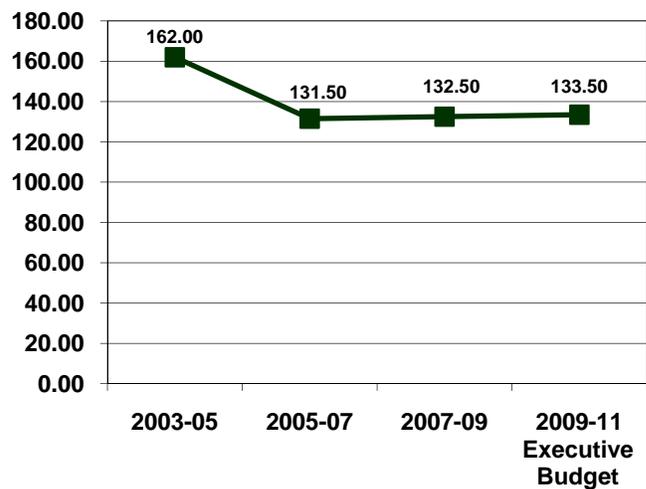
¹The 2007-09 appropriation amounts do not include \$259,700 of capital construction carryover and do not include \$315 of additional general fund authority resulting from Emergency Commission action during the 2007-09 biennium.

NOTE: The 2007-09 legislative appropriation amounts have been reduced to reflect the \$4,998,143 general fund and \$3,541,747 of other funds allocation from the \$10 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees. The amounts have been increased by \$112,668, of which \$82,452 is from the general fund, for OMB's share of the special market equity pool.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$24,866,941	\$21,842,241	\$46,709,182
2007-09 Legislative Appropriations	21,595,396	3,687,857	25,283,253
Increase (Decrease)	\$3,271,545	\$18,154,384	\$21,425,929

Executive Budget Highlights

	General Fund	Other Funds	Total
Administration			
1. Provides funding of \$238,053 to address salary equity issues, including funding of \$11,336 to address the related second-year salary increase	\$168,886	\$69,167	\$238,053
2. Provides funding for increased information technology costs	\$1,000,000		\$1,000,000
3. Provides funding for a state student internship program to assist agencies with funding to hire interns	\$200,000		\$200,000
4. Changes the one-time funding source for centers of excellence from \$20 million of special funds from the permanent oil tax trust fund to \$15 million from the general fund and \$5 million from special funds from a Bank of North Dakota loan	\$15,000,000	(\$15,000,000)	\$0
5. Provides one-time funding for the conversion of Prairie Public Broadcasting towers from analog to digital broadcasting	\$2,016,200		\$2,016,200
6. Provides one-time funding for increases in statewide dues	\$30,000		\$30,000

7. Provides one-time funding for the implementation of additional PeopleSoft modules	\$1,000,000		\$1,000,000
8. Provides one-time funding for the census Complete Count Committee	\$100,000		\$100,000
9. Provides one-time funding for a grant increase to the Council of State Employees	\$1,000		\$1,000
10. Removes one-time funding provided in the 2007-09 biennium for the Prairie Public Broadcasting digital conversion project	(\$686,000)		(\$686,000)
Central Services			
1. Decreases funding for operating expenses primarily due to a reduction in the leasing of equipment	(\$10,713)	(\$10,901)	(\$21,614)
Facility Management			
1. Provides increased funding for the utility costs of buildings located on the Capitol grounds	\$420,000		\$420,000
2. Provides one-time funding for Capitol and parking lot repairs	\$2,450,000		\$2,450,000
3. Provides one-time funding from the Capitol building fund to continue Capitol restoration projects as identified by the Capitol Grounds Planning Commission		\$800,000	\$800,000
4. Provides one-time funding for the purchase of equipment (\$118,000), electrical and mechanical equipment replacement (\$170,000), heat pump and cooling tower replacement (\$500,000), Veterans Memorial panel replacement (\$187,000), Heritage Center maintenance and increased supply costs (\$95,000), and a study on repairs needed to the Capitol exterior limestone (\$150,000)	\$1,220,000		\$1,220,000
5. Removes one-time extraordinary repair funding provided in the 2007-09 biennium	(\$3,000,000)		(\$3,000,000)
Fiscal Management			
1. Decreases funding for operating expenses primarily due to the removal of 2007-09 biennium fiscal management carryover authority of \$2,161,702	(\$2,158,702)		(\$2,158,702)
2. Removes funding provided for 2007-09 salary equity adjustments that was not allocated to any agency	(\$1,857)	(\$1,458,253)	(\$1,460,110)
Human Resource Management Services			
1. Adds 1 FTE human resource officer II position (\$147,119) and related operating expenses (\$10,000)	\$157,119		\$157,119
2. Provides one-time funding for a FileNet project to scan classification files	\$25,041		\$25,041
Risk Management			
1. Decreases funding for operating expenses primarily due to a \$75,000 decrease in federal funds		(\$32,500)	(\$32,500)

The following is a comparison of funding for dues and memberships:

	2007-09	2009-11
Commission on Uniform State Laws (This budget includes travel costs, conference registration, and annual dues.)	\$146,000	\$146,000
Council of State Governments	155,000	168,000
Government Accounting Standards Board	6,000	6,000
Western Governors Association	74,300	74,300
National Governors Association	72,500	81,500
Midwest Governors Association	20,000	20,000
National Lieutenant Governors Association	1,200	1,200
Education Commission of the States	106,000	114,000
Total dues and memberships	\$581,000	\$611,000

Other Sections in Bill

Section 3 allows the Fiscal Management Division to continue unexpended funds from the 2007-09 biennium to the 2009-11 biennium for continued development and operating costs of the accounting, management, and payroll systems.

Section 4 provides for various grants and special items, including funding for state contingencies of \$700,000, the same amount as the 2007-09 biennium.

Section 5 provides that \$800,000 of the total special funds appropriation is from the Capitol building fund and is to be spent by the Facility Management Division during the 2009-11 biennium.

Section 6 authorizes agencies to transfer appropriation authority between line items as it relates to salary equity increases. The agencies are to notify OMB of any transfer made.

Section 7 authorizes the Human Resource Management Services division to transfer funds appropriated for the state student internship program to other agencies.

Section 8 authorizes the Centers of Excellence Commission to borrow up to \$5 million from the Bank of North Dakota for providing funding to centers of excellence. The Office of Management and Budget is to request funding from the 62nd Legislative Assembly to repay any loan obtained, including accrued interest.

Section 9 provides intent for funding received by agencies for state employee salary equity. The equity adjustments are to begin July 1, 2009, and probationary employees and employees whose documented performance levels do not meet standards are not eligible for equity increases. Each agency is to document its plan and distribution of salary equity funds received.

Section 10 provides intent that compensation adjustments for the 2009-11 biennium for regular state employees are to be based on documented performance and equity. Each agency appropriation is increased by 5 percent for the first year and 5 percent for the second year of the 2009-11 biennium. Each eligible employee is to receive a minimum monthly increase of \$100.

Section 11 amends North Dakota Century Code (NDCC) Section 54-27.2-03 to remove the requirement that general fund revenue be at least 2.5 percent less than the most recently adjourned special or regular legislative session estimate before a transfer can be made from the budget stabilization fund to the general fund.

Section 12 amends NDCC Section 57-51.1-07.2 to increase the amount of oil and gas tax revenue to be deposited in the general fund prior to the revenue being deposited in the permanent oil tax trust fund. The section increases the amount that may be deposited in the general fund from \$71 million to \$110 million.

Continuing Appropriations

Risk management fund - NDCC Chapter 32-12.2 - Risk fund to timely settle claims and lawsuits.

Risk management workers' compensation fund - NDCC Section 65-04-03.1 - Workers' compensation for state employees.

Human Resource Management Services training fund - NDCC Section 54-44-11 - State personnel training and development operating fund.

Capitol building fund - NDCC Chapter 48-10 - Capitol grounds planning fund.

Preliminary planning revolving fund - NDCC Section 54-27-22 - Preliminary planning revolving fund for state agencies.

Postage revolving fund - NDCC Chapter 48-06 - Purchase postage for postage machines in central mailroom.

Indigent civil legal services fund - NDCC Section 54-06-20 - Indigent civil legal services.

Central Services fund - NDCC Section 54-44-04 - Central supply revolving fund.

Major Related Legislation

House Bill No. 1122 - This bill allows OMB to provide a provision in economic forecasting contracts to limit the state's ability to seek and recover indirect consequential damages.

Senate Bill No. 2061 - This bill provides for the Human Resource Management Services division to conduct a study on the retention of state employees and to report their findings to the Legislative Council.

Senate Bill No. 2064 - This bill provides for an increase in the lodging reimbursement rate to \$60 per night plus tax for state employees and requires the director of OMB to adopt rules establishing mileage reimbursement for state employees.