

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

20004

2007 SENATE APPROPRIATIONS

SB 2004

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No 2004

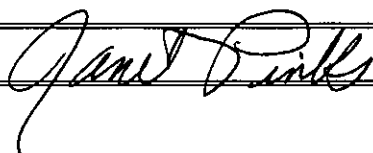
Senate Appropriations

Check here for Conference Committee

Hearing Date: 1/16/07

Recorder Job Number 1157

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2007.

Robert Peterson, State Auditor, presented written testimony of which he highlighted areas of interest to the Appropriations Committee. He discussed state performance audits, operational audits,

Information Technology audits, the financial statement audits of People Soft, federal single audits turnover percentages, local government audits, mineral royalty audits, budget considerations, and amendments to SB 2004. Mr. Peterson expressed concerns with People Soft in that there are specific issues in reconciling cash accounts i.e., unable to reconcile account on People Soft system with Bank of North Dakota, two pilot campuses unable to reconcile critical financial information, an access control weakness and lack of proper payroll access controls.

Questions were raised about the equity issue for FTE's and whether the Auditor's Department was considered for the additional equity, about the unreconciled differences in People Soft, how the accounts are getting balanced without making adjustments

Senator Krauter commented that the auditor's office is a second set of eyes and there needs to be do diligence on the People Soft program.

Chairman Holmberg closed the hearing on SB 2004.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2004

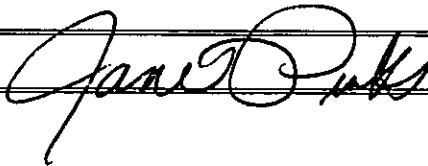
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/25/07

Recorder Job Number: 1864

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2004. He reviewed the bill, the FTE's, the request of the additional equity.

Senator Tallackson moved a DO PASS, Senator Grindberg seconded. There was further discussion on the FTE's, the work load, the equity, the 2005-07 funding, the audits and who is responsible to pay for them. **A roll call vote was taken resulting in 13 yeas, 0 no, 1 absent.**

The motion carried. Senator Seymour will carry the bill.

The hearing on SB 2004 closed.

FISCAL NOTE
 Requested by Legislative Council
 01/02/2007

Bill/Resolution No.: SB 2004

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$6,000	\$0	\$0	\$0
Appropriations	\$0	\$0	\$6,000	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill changes the statutory salary of the State Auditor, effective July 1, 2007. This fiscal note is limited to that issue.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Sections 2, 3, & 4 of this bill increase the statutory salary of the State Auditor by 4% effective July 1, 2007, and another 4% effective July 1, 2008.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Salaries and wages line item is increased approximately \$6,000 over the 2005-2007 biennium for statutory salary increase of the State Auditor.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Appropriation is increased approximately \$6,000 over the 2005-2007 biennium for statutory salary increase of the State Auditor.

The amount for increased salary and benefits is included in the executive budget and this bill.

Name:	Ed J. Nagel	Agency:	State Auditor's Office
Phone Number:	328-4782	Date Prepared:	01/02/2007

Date: 1/25
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Tallackson Seconded By Grindberg

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	A ✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 10 13 No 0

Absent 4 1

Floor Assignment Seymour

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 25, 2007 3:00 p.m.

Module No: SR-17-1264
Carrier: Seymour
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2004: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2004 was placed on the
Eleventh order on the calendar.

2007 HOUSE APPROPRIATIONS

SB 2004

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2004

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 2-23-07

Recorder Job Number: 3723

Committee Clerk Signature

Tanya Voegeli

Minutes:

Vice Chairman Carlisle opened the hearing on senate Bill 2004.

Robert Peterson, State Auditor spoke in support of the bill. See attached testimony 2004.2.

23.07A.

Representative Kempenich: How much would it take to get the salaries up to market competition?

Robert Peterson: I am not sure what the market is paying in the private sector but I am asking for \$115,000 to catch up.

Representative Kempenich: How much would it take to replace the vacant attorney position?

Robert Peterson: We don't have the money to be competitive.

Vice Chairman Carlisle: How come the Senate did not add the money for inequities?

Robert Peterson: They said ask the House.

Vice Chairman Carlisle: Are they part of the equity pool? How much do they get?

Tammy Dolan: They get \$92,916 total \$65,041 is from the General Fund.

Representative Kempenich requested a salary comparison between State and private sector Auditors.

Robert Peterson: We will be turning \$220,000 back to the General fund. Of that \$ 140,000 is from the salary line item.

Tammy Dolan from OMB explained how the equity pool works if the \$115,000 was given to the Auditor's office.

Vice Chairman Carlisle: How many Auditors would be included in the equity pool?

Tammy Dolan: The equity pool is for all classified employees. I am not sure how many auditors that would include.

Robert Peterson: I have lost five auditors to MRU in the last four years.

Representative Skarphol requested a report of where the people went and why and the salaries they took.

Representative Skarphol: What percent of the people that left your office went to the private sector?

Robert Peterson: About 50%.

Representative Williams: What was the original response regarding equity from the Governor's Budget?

Robert Peterson: They mentioned the equity pool.

Representative Glassheim: Why is there such a large fluctuation in the turnover rates between 2001 and 2004?

Robert Peterson: In 2001 legislation gave us money for equity, in 2004, the private sector got more competitive.

Representative Skarphol: Tammy, has the number the agency receives from the equity pool changed since the beginning?

Tammy Dolan: The member has not changed since the first estimate.

Representative Skarphol: I was looking in BARS, why are some agency's IT numbers increasing dramatically while some are not increasing that much?

Tammy Dolan: The numbers for IT vary depending on the size of the agency, projects they have and if they have in-house IT People or if they rely more on ITD.

Roxanne Woeste: It also depends on how agencies code their IT expenditures.

Representative Kempenich: Why is there such a significant decrease in your Professional Service fees line item?

Ed Nagle: We had \$100,000 in consulting fees in the operating line.

Robert Peterson discussed the problem of reconciling cash on the campuses using PeopleSoft.

Representative Skarphol: Have the added campuses had difficulty or is it just the original two pilots?

Robert Peterson: All of the campuses have struggled. Most of them are caught up.

Representative Kempenich: How are you looking at this going forward?

Robert Peterson: It is not up to us. We have told them that they need to reconcile their cash in a more timely manner.

Representative Kempenich: Is rounding members a problem they are having?

Robert Peterson: Not really.

Representative Skarphol: How often are they reconciling their cash now?

Don LaFleur: After the write off they are doing it but I am not sure how often.

Vice Chairman Carlisle: Are there any one-time funding requests?

Roxanne Woeste: No.

Vice Chairman Carlisle: How do you get a .8 FTE?

Robert Peterson: That person only works 80% of the time.

Representative Kempenich: Do they still receive benefits?

Robert Peterson: yes.

Representative Kempenich: In looking at your optional requests, you have two auditors listed, what are those for?

Robert Peterson: There was a bill passed two sessions ago. In that bill it listed two auditors but they were taken out during conference committee.

Gordy Smith: What happened is back in 2003, ITD had some responsibilities for going out and setting IT standards that they want agencies to follow in order to keep everybody on the same page. They came to us with some legislators and asked if we would go out and audit these things. ITD did not want to because they were setting the standards they didn't want to be the one's to audit. We said we would do it and we needed two IT auditors and I think it was \$190,000. What ended up happening in the conference committee the law stayed in but the money and the auditors were taken out. What we have introduced this time is in House Bill 1318 we are changing the word from shall do these to may do these at the request of ITD.

Representative Skarphol: Has the Senate had the hearing on 1318?

Gordy Smith: Senate GVA heard it yesterday.

Vice Chairman Carlisle: Was your amendment formally presented in Senate Appropriations?

Robert Peterson: Yes but no action was taken on it.

Representative Glasheim: Would Job Service have a private sector salary range?

Robert Peterson: We will check into it

Representative Kroeber: Where do you get your special funds?

Robert Peterson: From fees collected from political subdivision audits.

Representative Skarphol: Do you perform any federal audits?

Robert Peterson: Yes.

Representative Skarphol: Do you have any vacancies in the political subs division of your office?

Robert Peterson: We have one and we are hoping to fill it soon.

Representative Kempenich: How much did State Fleet increase for you?

Robert Peterson: I believe the increase is not a lot.

Vice Chairman Carlisle closed the hearing.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2004

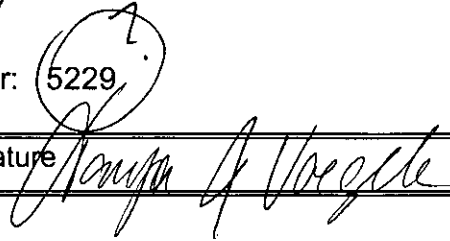
House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 3/15/07

Recorder Job Number: 5229

Committee Clerk Signature



Minutes:

Chairman Carlson opened the discussion on Senate Bill 2004.

Mr. Smith, Auditor's Office, distributed a chart regarding equity.

Representative Skarphol: Tammy, in the equity pool right now they have \$65,000 General Funds, right?

Tammy Dolan: Yes, \$65,000 General Funds, \$92,916 total.

Gordy Smith: The difference between those two is merely spending authority. There is no money there unless they happen to make enough. The special funds are political sub auditors and they are bidding against regular audit firms so that difference there is spending authority.

Chairman Carlson: That \$27,000 difference is spending authority only in the equity pool? So how can we consider that part of the \$10million?

Representative Skarphol: Some of it is real money in special funds and some is imaginary.

Can you give us a breakdown of that?

Representative Kempenich arrived.

3-15-07

Tammy Dolan: I cannot think of a way we could actually meet up with each agency, each different funding source to give you that number.

Representative Kroeber: On the special funds, we had a big discussion on how a lot of those special fund dollars are actually duplicate dollars. IT is a great example. A majority of the \$100million that is in IT was special fund dollars that was once General Fund dollars from another agency.

Representative Skarphol: There should be a way in that equity pool to determine how much of it is spending authority. In this case where they only get the money if they raise the money, the money is not even real unless they get the work. How you can put something like that into an equity pool is kind of bordering on being bogus to be honest with you.

Representative Kroeber: I have heard many times on the opposite position, if they don't make the money they won't have the people.

Representative Glassheim: With \$26,000 they are going to get the work.

Chairman Carlson: How about if they have more work than that?

Gordy Smith: Our point is that we would have to have \$26,000 or whatever that difference is more work in the biennium than what we have now. We are making it now when we have "x" number of jobs at "x" charge. Most of those contracts are three year contracts.

Chairman Carlson: Where will this equity money put us as far as mid-point?

Ken Purdy: The starting point for these employees would be 86% of the mid-point. That is where they would be.

Chairman Carlson: Out of the total employees how many moving out of the total employees in state government?

Ken Purdy: Out of 6420 classified employees, 5899 will receive funds out of the equity pool.

2-15-07

Representative Skarphol: I think we need to do something to help these folks retain employees. I realize that some people don't like being auditors and they want to get out of the business. I have a son that was in that situation. When you have that kind of turn over and that kind of inexperience doing a job at least some of us think is kind of important to state government. My sense is that I would like to see us do it.

A motion was made by Representative Skarphol, seconded by Representative Kempenich to adopt the amendment to add \$115,500 to provide salary equity. Motion carried.

A motion was made by Representative Skarphol, seconded by Representative Thoreson for a DO PASS AS AMENDED recommendation to the full committee. The committee vote was 8 Yeas, 0 Nays and 0 Absent and Not Voting. The bill will be carried by Representative Skarphol.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2004

House Appropriations Committee

Check here for Conference Committee

Hearing Date: March 16, 2007

Recorder Job Number: 5226

Committee Clerk Signature

Minutes:

Chm. Svedjan opened the hearing on SB 2004.

Rep. Skarphol distributed amendment .0101 (Attachment A).

Rep. Skarphol motioned to adopt amendment .0101. Rep. Carlisle seconded the motion.

Rep. Skarphol: The only change we made in the auditor's budget compared to the Senate is we had rather substantial discussions with the other office about their turnover rates and their inability to keep auditors in this tower. They have an incredibly difficult time doing that. They also have been unable in a lot of ways to reward some of their long time employees. They felt that they needed another \$115,000 in equity money. We had an analysis done by OMB and Human Resource Division of their potential needs. The auditor's office did their version and Human Resources did their version of what would happen with this \$115,500. It was very comparable. There were some small differences. They were very comparable to what their needs really were in order to try and give this agency an opportunity to retain employees and to reward some of their long time employees and retain them. For that reason we felt this would be appropriate and we hope you concur.

Chm. Svedjan: Is there anything else you wish to tell us about the budget?

Rep. Skarphol: 90% of their budget is salary. If you look at the green sheets the governor's budget recommendation added \$11,000 for funding for the national state auditor's association peer review. I think it's done every four years. It provided funding for a new copier for the division of local government audits. They are paid for by the local entities they audit. That is how they pay for the political subdivision auditor's they have in their office. They have federal auditors in their office that are paid for by federal dollars. They only do federal audits. Item 4 maintains \$100,000 from the general fund for the Information Technology Consultant. That is something that we asked they do in regards to checking the security of our information technology systems. It reduces one FTE position to an 8/10's position due to a fact that an individual who has been a long time employee wanted to work part time versus full time.

Rep. Aarsvold: I've heard for some time about a concern from school districts and cities that a cost of a state audit is outside the parameters of most bids from private audit firms. Has that been adjusted? Are they getting cities and counties to use them for audits?

Rep. Skarphol: Local political subdivisions have the option of using whoever they wish to use. If they wish to use the auditor's office they may. If they choose to use a private audit they may. That is the reason that there is one unfilled political subdivision auditor authorized in the auditor's office. In the event that they get increased work load that they would be able to hire an individual to handle that increased work load but at this point and time there is not sufficient work to justify filling that position. That is the one unfilled position that they have in that particular division. I cannot speak to the price. I don't know what the bids have been like. The auditor's office does not bid on that work.

Rep. Nelson: Does the State Auditor's office qualify for the equity payments in the executive budget?

Rep. Skarphol: Yes they do. Their portion of the equity dollars was \$65,000 general fund. I believe the total equity allowance was \$797,000. I think the \$32,000 difference is from that political subdivision authorization. If they do not get the money they do not hire the individual and the money doesn't happen.

Rep. Skarphol: There are two more things. They had \$220,000 turn back at the end of the biennium and \$142,000 comes from their salary line due to unfilled positions and vacancies that they have had because of high turnover.

Rep. Monson: Did you mention that schools can have an option to have anyone else do it. I know in my schools case we do have an audit done every year by a private CPA but we also do have to pay a fee to the auditor's office for some reason. That is going up substantially. I think it is just for them to review what the private auditor does. It's not every year but it is going up. Did you check into that?

Rep. Skarphol: Yes we were informed that they did have to increase the fees. They do in fact have to review all private audit's done of political subdivisions because of federal law. They are required to review them so they are required to spend some time at it. They have felt that they have been charging less than an appropriate amount for their time based on what the private sector is charging for an auditor's time today.

Rep. Wald: This issue of auditing political subdivisions by the state auditor's office surfaced in the past biennium. It is my understanding, and correct me if I'm wrong, did the workload determine whether they will do political subdivisions. They asked them to give it out to private, independent, auditing firms. Every political subdivision by law has to be audited one every two years. When that audit comes in from the private auditing firm, they still have to scrutinize it to make sure it's conforming to state law and that is the reason for the state auditor's fee.

Whether it is to hire or not but I know that is in place.

Chm. Svedjan: Is there any further discussion? In your analysis of your budget you were unable to find any other savings that could have helped cover the \$115,000?

Rep. Skarphol: That is correct. Its 90+ of salaries and benefits in their agency. There is not much left to look at quite frankly.

The motion to adopt amendment .0101 carried by voice vote and the amendment was adopted.

Rep. Skarphol motioned for a Do Pass. Rep. Thoreson seconded the motion. The motion carried by a roll call vote of 20 ayes, 2 nays and 2 absent and not voting. Rep. Skarphol was designated to carry the bill.

Date: 3/15/07
 Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 2004

House _____ Appropriations- Government Operations _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number 18028 . 0101

Action Taken Adopt Amendment by voice vote.

Motion Made By SKARPHOL Seconded By Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Al Carlson			Vice Chairman Ron Carlisle		
Rep Keith Kempenich			Rep Bob Skarphol		
Rep Blair Thoreson			Rep Eliot Glassheim		
Rep Joe Kroeber			Rep Clark Williams		

Total Yes No

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Add \$115,500 to provide salary equity.

Date: 3/15/07

Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

House _____ Appropriations- Government Operations _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number 78028.0101

Action Taken Do Pass As Amended

Motion Made By Skarphol Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Al Carlson	✓		Vice Chairman Ron Carlisle	✓	
Rep Keith Kempenich	✓		Rep Bob Skarphol	✓	
Rep Blair Thoreson	✓		Rep Eliot Glasheim	✓	
Rep Joe Kroeber	✓		Rep Clark Williams	✓	

Total Yes 8 No 0

Absent 0

Floor Assignment Skarphol

If the vote is on an amendment, briefly indicate intent:

Date: 3/14/07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78028.0101

Action Taken Adopt. amendment 0101

Motion Made By Skarphol Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Voice Vote - carries

Date: 3/16/07
 Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78028.0101

Action Taken No Pass as amended

Motion Made By Skarphol Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Gulleson	✓	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	—		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert		✓	Representative Ekstrom	✓	
Representative Bellew		✓	Representative Kerzman	—	
Representative Kreidt	✓		Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 20 No 2

Absent 2

Floor Assignment Skarphol

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2004: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). SB 2004 was placed on the Sixth order on the calendar.

Page 1, line 18, replace "538,514" with "654,014"

Page 1, line 21, replace "572,768" with "688,268"

Page 1, line 23, replace "419,802" with "535,302"

Page 2, line 6, replace "7,213,365" with "7,328,865"

Page 2, line 10, replace "8,133,914" with "8,249,414"

Page 2, line 12, replace "5,545,807" with "5,661,307"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Auditor - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$7,213,365	\$7,213,365	\$115,500	\$7,328,865
Operating expenses	810,549	810,549		810,549
Capital assets	10,000	10,000		10,000
Information technology consultants	100,000	100,000		100,000
Total all funds	\$8,133,914	\$8,133,914	\$115,500	\$8,249,414
Less estimated income	<u>2,588,107</u>	<u>2,588,107</u>		<u>2,588,107</u>
General fund	\$5,545,807	\$5,545,807	\$115,500	\$5,661,307
FTE	54.80	54.80	0.00	54.80

Dept. 117 - State Auditor - Detail of House Changes

	ADDS FUNDING FOR SALARY EQUITY ADJUSTMENTS ¹	TOTAL HOUSE CHANGES
Salaries and wages	\$115,500	\$115,500
Operating expenses		
Capital assets		
Information technology consultants		
Total all funds	\$115,500	\$115,500
Less estimated income		
General fund	\$115,500	\$115,500
FTE	0.00	0.00

¹ The House added funding for salary equity adjustments.

2007 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2004

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2004

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 4-04-07

Recorder Job Number: 5744

Committee Clerk Signature

Alice DeLuz

Minutes:

Senator Tom Fischer, Chairman, called the conference committee on SB 2004 to order. In attendance were: Senators: Fischer, Holmberg, and Seymour and Representatives: Skarphol, Kempenich, and Glassheim as well as Tammy Dolan from OMB and Don Wolf from Legislative Council.

Representative Skarphol: In our deliberations on the House side with regard to the auditor's office. The auditor's office made a request that we add \$115,000.00 to the budget for purchases of equity and we spent some time discussing it and we asked for them to come back to us with a definition of how they would distribute the dollars and at the same time we asked the human resource department to do a comparable disbursement of the same dollars and see if their premiums about what would reflect of equity was similar and we found it to be quite similar. In the initial discussion we were made aware of the fact that in the governor's budget there was an equity pool for the auditor's office that amounted to a total of \$92,916.00. \$65,041.00 was general fund. The agency had a total of \$220,000.00 of turnback, \$142,000.00 of that was salary dollars. Our committee felt that based on their request and our analysis of their turnover rates and their inability to retain people within the auditor's office because of competition from other state agencies in the private sector that it was important that you put

