

June 2001

MONITORING THE STATUS OF STATE AGENCY AND INSTITUTION APPROPRIATIONS - BACKGROUND MEMORANDUM

Beginning with the 1975-76 interim, a Legislative Council interim committee has been assigned the responsibility of monitoring the status of major state agency and institution appropriations. The Budget Committee on Government Services has been assigned this responsibility for the 2001-02 interim.

As in previous biennium, the committee's review could place emphasis on expenditures of major state agencies such as the charitable and penal institutions, the appropriations for elementary and secondary education, the appropriations to the Department of Human Services for medical assistance and economic assistance grants, and other appropriations the committee might select. The Higher Education Committee will be working with the North Dakota University System regarding the development of a performance and accountability report. The expenditures of the selected state agencies and institutions would be monitored by having the agencies prepare six-month estimates of expenditures and then comparing the actual expenditures for each six-month period to

the estimates. The Legislative Council staff would then prepare reports for presentation to the committee comparing actual expenditures to estimates and discussing the major variances.

Also completed and presented since the 1987-89 biennium are reports on the status of agency compliance with legislative intent. These reports include the status of state agencies and institutions implementing budget/programmatic changes and legislative directives contained in appropriation bills and other legislation and identify budget concerns of agencies.

The committee, if apprised of special budget problems, can receive testimony and review problem areas.

The type of reporting outlined above will provide the committee with early information on problem areas needing legislative consideration and action or may be the basis for legislation to be introduced to the 2003 Legislative Assembly. In addition, the information will assist the 2003 Legislative Assembly to analyze the 2003-05 Governor's budget.