

**State Auditor
Budget No. 117
House Bill Nos. 1004, 1050**

	FTE Positions	General Fund	Other Funds	Total
2005-07 executive budget (bills as introduced)	55.00	\$4,875,991	\$2,426,990	\$7,302,981
2005-07 legislative appropriations	55.00	5,126,005	2,435,141	7,561,146
Legislative increase (decrease) to executive budget	0.00	\$250,014	\$8,151	\$258,165
Legislative increase (decrease) to 2003-05 appropriations	0.00	\$544,773	\$317,165	\$861,938

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the State Auditor is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1050.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding for state employee salary increases		\$19,256	\$10,273	\$29,529
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(4,742)	(2,122)	(6,864)
Added funding for salaries and wages to provide funding of the agency's pay plan		135,500		135,500
Provided funding for the State Auditor's office to hire consultants to test information technology system security in the Information Technology Department (see House Bill No. 1074)		100,000		100,000
Total	0.00	\$250,014	\$8,151	\$258,165

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 55 FTE positions, the same as the 2003-05 biennium.

Other Sections in Bill

Political subdivision audit fees - Section 4 provides that the other funds appropriation in Section 3 of the bill includes \$1,441,970 from political subdivision audit service fees. Any collections in excess of \$1,441,970 must be retained in the State Auditor operating account to be appropriated after June 30, 2007.

Salary of State Auditor - Section 5, as amended by Section 19 of House Bill No. 1015, provides statutory changes to North Dakota Century Code Section 54-10-10, relating to the salary of the State Auditor. The Legislative Assembly authorized 2005-07 biennium salary increases of 4 percent effective July 1, 2005, and 4 percent effective July 1, 2006, for elected officials. The State Auditor's salary is to be increased from the current level of \$68,018 to \$70,739, effective July 1, 2005, and to \$73,568, effective July 1, 2006.

Related Legislation

House Bill No. 1074 provides that the State Auditor conduct audits of the computer systems of state agencies or political subdivisions that are subject to audit by the State Auditor.

House Bill No. 1300 provides exemptions from audit requirements for certain political subdivisions.

Senate Bill No. 2069 provides that except for an active investigatory work product of the Attorney General, the State Auditor's access to all state offices includes inspection of any books, papers, accounts, or records that the auditor may deem relevant to an ongoing audit of any other state agency or computer system audit.

Senate Bill No. 2072 repeals North Dakota Century Code Section 54-10-17, relating to the maintenance of a county accounting manual by the State Auditor.

Senate Bill No. 2085 provides that the State Auditor shall, upon request of the Legislative Audit and Fiscal Review Committee, cause a performance audit of Job Service North Dakota to be conducted within 12 months after receipt of the request.