

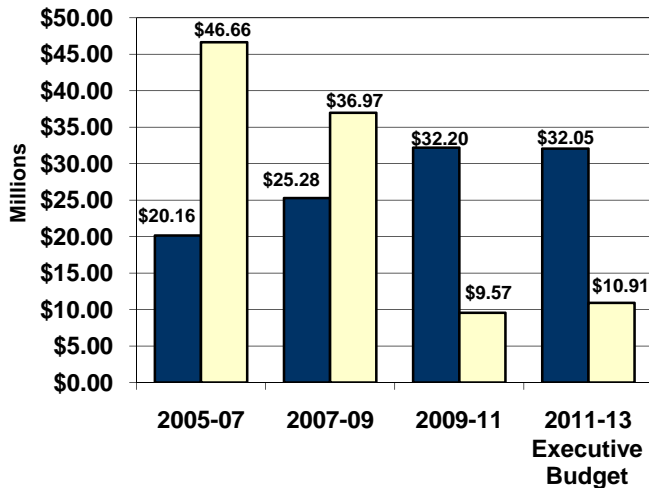
**Department 110 - Office of Management and Budget
 Senate Bill No. 2015**

	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	131.50	\$32,050,837	\$10,914,461	\$42,965,298
2009-11 Legislative Appropriations	132.50	32,197,196	9,569,448	41,766,644 ¹
Increase (Decrease)	(1.00)	(\$146,359)	\$1,345,013	\$1,198,654

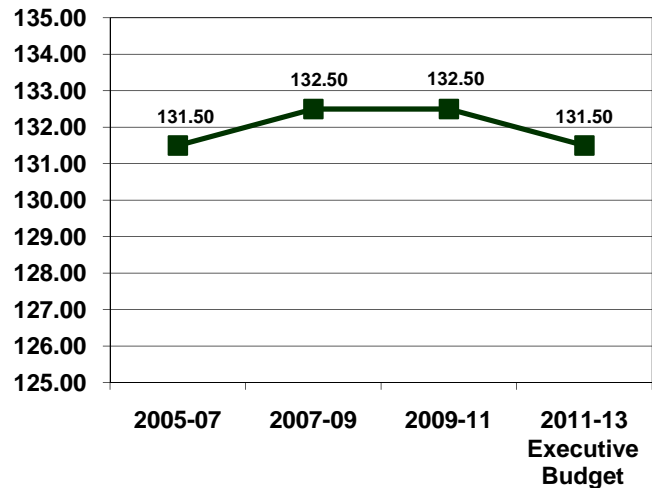
¹The 2009-11 appropriation amounts do not include \$1,809,671 of capital construction carryover authority, \$1,577,375 of fiscal management carryover authority, or \$37 million of funding carried over for the state disaster relief fund. The amounts also do not reflect \$17,134 of funding allocated to other agencies through the state internship program or \$18,421 of funding allocated to other agencies from the state contingencies fund.

NOTE: The 2009-11 legislative appropriation amounts have been reduced to reflect the \$9 million general fund and \$6.984 million other funds allocations from the salary equity funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for executive branch state employees. The 2009-11 appropriation amounts reflect OMB's share of the equity pool which was \$131,034, of which \$90,000 is from the general fund.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$29,200,837	\$2,850,000	\$32,050,837
2009-11 Legislative Appropriations	27,213,055	4,984,141	32,197,196
Increase (Decrease)	\$1,987,782	(\$2,134,141)	(\$146,359)

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
Administration			
1. Adds one-time funding for a temporary position and operating costs to assist in planning for the state's 125 th anniversary	\$50,000		\$50,000
2. Removes one-time funding provided in the 2009-11 biennium for extraordinary repairs, equipment, and other projects	(\$5,359,141)	(\$1,637,420)	(\$6,996,561)
3. Removes one-time federal fiscal stimulus funding provided in the 2009-11 biennium		(\$683,681)	(\$683,681)
4. Provides \$700,000 of funding for the state contingencies fund, the same amount as provided for the 2009-11 biennium			

- Provides \$200,000 of funding for the state student internship program, the same amount as provided for the 2009-11 biennium

Fiscal Management

- Removes 1 FTE accounting and budget specialist position related to the ConnectND project and reallocates the funding for information technology costs
- Adds funding for fiscal management information technology costs \$875,000 \$875,000

Facility Management

- Adds one-time funding from the Capitol building fund for exterior signage projects on the Capitol grounds \$400,000 \$400,000
- Adds one-time funding from the Capitol building fund for legislative wing brass and wood restoration projects \$1,000,000 \$1,000,000
- Adds one-time funding from the Capitol building fund to remodel the Capitol Café and cafeteria hallway \$700,000 \$700,000
- Adds one-time funding from the Capitol building fund to remodel the south entrance to the Capitol building \$900,000 \$900,000
- Adds one-time funding for exterior repairs to the Capitol building \$2,800,000 \$2,800,000
- Reallocates 2 FTE maintenance staff positions and provides additional maintenance funding due to the Heritage Center expansion project \$279,250 \$279,250
- Includes funding for extraordinary repairs relating to Liberty Memorial Building improvements (\$650,000), Capitol building mechanical repairs and improvements (\$628,000), and parking lot repair (\$400,000) \$1,678,000 \$1,678,000

Central Services

- Adds funding for surplus property business processing information technology software \$100,000 \$100,000

Human Resource Management Services

- Includes funding for software maintenance costs of the state employee staff evaluation information technology program \$54,000 \$54,000

Risk Management

No major changes as compared to 2009-11 legislative appropriations

The following is a comparison of funding from the general fund for statewide dues and memberships:

	2009-11	2011-13
Commission on Uniform State Laws (This budget includes travel costs, conference registration, and annual dues.)	\$146,000	\$151,000
Council of State Governments	168,000	182,000
Government Accounting Standards Board	6,000	6,000
Western Governors Association	74,300	74,300
National Governors Association	81,500	81,500
Midwest Governors Association	20,000	0
National Lieutenant Governors Association	1,200	1,200
Education Commission of the States	114,000	115,000
Total dues and memberships	\$611,000	\$611,000

Other Sections in Bill

Lands and minerals trust fund transfer - Section 3 provides for a transfer of \$239 million from the lands and minerals trust fund to the general fund during the 2011-13 biennium.

Permanent oil tax trust fund transfer - Section 4 provides for a transfer of \$232 million from the permanent oil tax trust fund to the general fund during the 2011-13 biennium.

Property tax relief transfer - Section 5 provides for a transfer of \$388,580,000 from the permanent oil tax trust fund to the property tax relief sustainability fund.

Unexpended appropriation continuation - Section 6 provides that amounts appropriated to the fiscal management section in 2009 House Bill No. 1015 are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.

State internship program - Section 8 authorizes the Human Resource Management Services division to transfer funds appropriated for the state student internship program to other agencies.

State employee compensation adjustments - Section 9 provides legislative intent that agency appropriations are increased by 4 percent on July 1, 2010, and by 1 percent on July 1, 2011, relating to state employee compensation for the 2011-13 biennium. Compensation adjustments are to vary based on documented performance and equity and employees whose documented performance does not meet standards are not eligible for compensation adjustments.

Continuing Appropriations

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

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

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

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

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

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

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

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

Significant Audit Findings

The 2008 and 2009 audits of the state Comprehensive Annual Financial Report included an audit finding that there was a lack of adequate resources devoted to financial reporting. The audit recommended OMB dedicate adequate resources to financial statement preparation to ensure professional staff have the time to prepare the financial statements timely with fewer errors.

Major Related Legislation

House Bill No. 1031 - Classified state employee compensation system - Requires OMB to implement various initiatives relating to the classified state employee compensation system.

House Bill No. 1119 - Risk management fund - Vehicle liability coverage - Allows higher education institutions to receive liability coverage through the risk management fund for vehicles operated by students as part of an educational course.

House Bill No. 1426 - Provides that state employee meal reimbursement rates are to be set by OMB at a rate equal to 65 percent of the rate established by the United States General Services Administration for meals in the state.

ATTACH:1