



NORTH
Dakota
Be Legendary.

Management
and Budget

2021-23 BIENNIAL REPORT

FOR THE BIENNIAL PERIOD OF
JULY 1, 2021 THROUGH JUNE 30, 2023

SUSAN SISK, DIRECTOR



SUSAN SISK, DIRECTOR • JULY 1, 2021 - JUNE 30, 2023

WHAT WE DO

The Office of Management and Budget (OMB) provides leadership and support to state government. The agency consists of five separate divisions, each with a unique mission and function, but sharing a common purpose of serving the agencies of state government, the team members of all state agencies, and the people of North Dakota.

As explained in the following pages of this biennial report, OMB consists of the following divisions:

- Central Services
- Facility Management
- Fiscal Management
- Human Resource Management Services
- Risk Management

For the 2021-23 biennium, OMB was authorized 108 full-time employees (FTE), a number which has declined 18.5%, from a high of 132.50 FTE, in the 2009-11 biennium. This decrease in FTE was accomplished without a decrease in service thanks to the hard work and dedication of our team to create efficiencies, improve processes and utilize contracted services.

For the 2021-23 biennium, the legislature provided an appropriation of \$84.2 million, of which, \$55.5 million was from the general fund.

Joe Morrisette was the director of OMB for the majority of the 2021-23 biennium. He was appointed by Gov. Doug Burgum on March 1, 2018. Susan Sisk was appointed director of OMB by Gov. Burgum toward the end of the biennium, on June 12, 2023.

OMB

MISSION
TO PROVIDE
INNOVATIVE
LEADERSHIP AND
SUPPORT TO STATE
GOVERNMENT

VISION
TO SET THE
STANDARD FOR
LEADERSHIP AND
EXPERTISE IN STATE
GOVERNMENT

WHO WE ARE

108
FULL-TIME
TEAM MEMBERS

8
TEMPORARY
TEAM MEMBERS

VALUES
RESPECT
INTEGRITY
EXCELLENCE
RESOURCEFULNESS
RESPONSIVENESS

ADMINISTRATION & BUDGET

SUSAN SISK, DIRECTOR • SSISK@ND.GOV • 701.328.4606

ADMINISTRATION

The director of OMB is a member of the governor's cabinet. The director provides vision, leadership and direction in developing the executive budget recommendations and overseeing accounting and financial reporting. The director leads the high-performing team at OMB that maintains the Capitol complex and grounds, provides centralized purchasing services, guides human resource training and recruitment, and oversees claims through the Risk Management Fund.

The executive assistant ensures the OMB director and executive team are provided with the resources necessary to effectively accomplish OMB's mission.

OMB communications is responsible for all aspects of communications within OMB. This includes internal communications with OMB team members, and external communications with the general public, media, legislators, civic groups and stakeholders. OMB communications work with each of the five divisions to prepare and provide vital information and transparency in state government. OMB communications also handles all Team ND-level communications, working closely with other agencies to keep state team members informed and engaged.

BUDGET

The executive budget serves as a statewide financial plan for state services. It is presented to the legislature prior to the start of each legislative session. In preparation of the biennial executive budget, the budget team provides budget guidelines for the development of agency budget requests.

Other major functions of the budget team include the preparation of state revenue forecasts, review of state management and organizational structures, assistance to and supervision of agencies in the execution of the budget, and the preparation of frequent comparisons of projected and actual revenues and expenditures.

CENTRAL SERVICES DIVISION

SHERY NEAS, DIRECTOR • SNEAS@ND.GOV • 701.328.1726

CENTRAL DUPLICATING

Central Duplicating provides state agencies with economical and efficient printing and mailing services. Central Duplicating offers graphic art services, offset and digital printing, and a wide variety of finishing services. Central Duplicating prints mainframe and local area network (LAN) reports and checks.

CENTRAL SUPPLY

Central Supply is a centralized storeroom within the State Capitol that provides commonly used office and paper supplies to state agencies.

CENTRAL MAILROOM

Central Mailroom provides state agencies with mail services. Centralized mail staff and Central Duplicating staff work closely together to provide efficient and streamlined services.

STATE PROCUREMENT OFFICE

State Procurement Office establishes procurement rules, policies, training and online procurement information systems. State Procurement Office makes purchases for state agencies and establishes state contracts for commonly used commodities and services to ensure efficient, cost-effective purchasing. State Procurement provides training to agency procurement officers and provides vendors with information on doing business with the state.

STATE SURPLUS PROPERTY

State Surplus Property acquires state and federal surplus property for redistribution to state agencies, political subdivisions, other eligible recipients, and the public, in accordance with the applicable state and federal guidance. State Surplus Property also manages the Federal Law Enforcement Support Office (LESO) 1033 program, which provides equipment to entities with law enforcement responsibilities.

FACILITY MANAGEMENT DIVISION

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The Facility Management Division is charged with maintaining the state Capitol complex buildings and grounds. The office is also responsible for maintaining the governor's residence and the Capitol tour and information center.

The Capitol complex consists of approximately 132 acres of manicured lawns, shelter belts and native prairie grasses. The buildings located on the grounds include the Capitol building, the judicial wing, the North Dakota Heritage Center and State Museum, the Liberty Memorial building, the State Office building, the Department of Transportation building, and the governor's residence.

FISCAL MANAGEMENT DIVISION

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The Fiscal Management Division promotes economy and efficiency in the fiscal management of the state government. The division serves as the central professional fiscal office of the executive branch, and maintains the state's financial system. The principal services of the division are statewide accounting, payroll, financial reporting and budgeting.

ACCOUNTING

The accounting section is responsible for maintaining the general accounts required to monitor the activities of each fund in the state treasury. These general accounts reflect the resources and balances, together with current revenues and expenditures, and provide the necessary reports to show current conditions of each fund and appropriation.

STATEWIDE ACCOUNTING SYSTEM

The Fiscal Management Division oversees the state's accounting system and ensures its reliability, security and functionality, managing the PeopleSoft Financial and Payroll applications and their integrations with other systems. In close collaboration with North Dakota Information Technology (NDIT), the Fiscal Management Division applies patches and upgrades, introducing new features, resolving support issues, creating development requests, performing unit testing and delivering/providing team member trainings.

PAYROLL

OMB payroll has also centralized complete payroll functions for 27 small agencies to create greater efficiency.

PURCHASING CARD PROGRAM

The division also manages the state purchasing card (p-card) program for all state agencies, higher education institutions, school districts, counties and cities that participate in the state program.

VENDOR REGISTRY

Vendor Registry processes vendor payee applications and bidders list applications, sets up vendors for payment, manages the PeopleSoft vendor database, supplier onboarding, and purchasing module, and prepares IRS 1099 reports. Vendor registry administers an online vendor registration system.

FINANCIAL REPORTING

Fiscal Management is responsible for preparing the Annual Comprehensive Financial Report (ACFR) and Statewide Cost Allocation Plan (SWCAP), which are essential for the state's financial management, collaborating with state agencies and the North Dakota University System to ensure accuracy and compliance. The division also prepares the Treasury State Agreement (TSA) for the Cash Management program and the Schedule of Expenditures of Federal Awards (SEFA).

HUMAN RESOURCE MANAGEMENT SERVICES

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Human Resource Management Services (HRMS) provides comprehensive HR services to agencies in the areas of human resources strategy, talent management, talent development, talent acquisition, organizational effectiveness, total rewards, operations and digital platforms, and maintains the state's HR systems.

TALENT MANAGEMENT AND DEVELOPMENT

- Performance documents are created and maintained by HRMS in the PeopleSoft ePerformance system.
- Enterprise Learning Management (ELM) is an internet-based training management solution that allows agencies to manage learning information in a central location. Team members sign up for classes approved by their manager, managers can enroll team members, or designated administrators may enroll learners. Agencies can upload online, web-based, and instructor-led training.
- HRMS provides a variety of training to state agencies based on need and request. In addition to classroom style, virtual instructor-led and on-demand web-based trainings are also offered.
- HRMS collaborates with agency partners to plan, develop and implement statewide recruiting strategies and talent pipelines.
- HRMS is committed to building a strong statewide employer brand, identifying and leveraging multiple sourcing channels and working with talent management and agency leadership to define selection criteria to successfully bring top talent to Team ND.

TALENT ACQUISITION

- HRMS participates in career events for college students and the public, and career events for high school and middle school students.
- The North Dakota State Government Student Internship Stipend Program continues to provide many benefits and offer significant value to students and state agencies. Students have the opportunity to gain hands-on, real-world experience, while agencies are able to acquire a new source of talent to deliver on agency goals and objectives.

TOTAL REWARDS AND OPERATIONS AND DIGITAL

- HRMS provides survey data and analysis used in formulating recommendations for the state compensation plan for state team members.
- HRMS reviews positions and job classifications as jobs and occupations evolve. Positions and job classes are reviewed at monthly meetings of the Job Evaluation Committee (JEC).
- HRMS is responsible for the development and administration of strategies and programs that serve to align compensation, benefits, well-being, development, recognition, and rewards to attract, motivate, engage, and retain team members.
- HRMS facilitates Universal Policy development and maintains Administrative Code language applicable to HR related topics.
- HRMS facilitates the statewide shared leave program that allows team members to donate and receive leave hours.
- HRMS analyzes and compiles HR data and metrics to drive data-based decisions.
- HRMS drives HR business systems and process automation to enhance efficiency and effectiveness of HR operations.
- HRMS maintains Team ND's engagement and other surveys.

RISK MANAGEMENT

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The Risk Management Division was established to address the state's loss of sovereign immunity for tort liability. The Risk Management Division was also assigned the responsibility for administering the Risk Management Workers Compensation Program, the state's participation in the large deductible program for workers' compensation through Work Force Safety and Insurance (WSI).

WSI determines the level of compensation an injured worker and his or her care provider are entitled to receive, and determines experience rates, assessments, and the premiums payable by state entities for workers compensation coverage. Workers compensation premiums are paid to the Risk Management Division rather than to WSI. With the premium dollars it receives from state entities, the Risk Management Division has established a fund to pay the first \$100,000 on each claim and the premium to WSI for the state entities' single workers compensation account. Premium savings are shared with state entities through an enhanced discount and dividend program.

LOSS CONTROL

To ensure the state is properly addressing its exposure to loss, the Risk Management Division does the following:

- Analyzes risk exposures through audits and reviews of agency standard operating procedures.
- Develops loss control programs through recommendations to agencies on how to address identified and potential risks of loss.
- Tracks loss history to identify and address trends.
- Communicates loss control and safety information to state entities through the risk management manual, training materials, electronic newsletters and Risk Management seminars.

CLAIMS MANAGEMENT

The Risk Management Division administers the Risk Management Fund, the state's self-retention fund established to provide tort liability coverage for the state, its agencies and employees, and the Risk Management Workers Compensation Program (RMWCP) Fund, to cover the costs of administering the \$100,000 deductible workers compensation program.

LITIGATION

The Risk Management Division oversees litigation involving unresolved claims against the Risk Management Fund, and provides defense for state employees acting within the scope of employment.

INSURANCE

The division secures excess insurance for the Risk Management Fund covering obligations above the statutory caps. The division also assists with the purchase of aviation insurance by agencies with aircraft and the University of North Dakota School of Medicine and Health Sciences' purchase of medical professional liability insurance.

WHO WE SERVE



Citizens & Media

Remain trusted source of unbiased information on state fiscal, payroll and HR operations.



Team ND Members

Provide communications through Team ND Connect and Team ND News; training, coaching, and assistance in HR, Fiscal, Risk, Procurement.



Businesses

Provide a fair, competitive process for vendors; maintain vendor registry to ensure timely payment and tax reporting.



State Agencies

Provide training and development; coaching and assistance in HR, Fiscal, Risk; maintain grounds and workspaces.



Career Seekers

Connect career seekers to opportunities on Team ND, provide streamlined onboarding and application process.



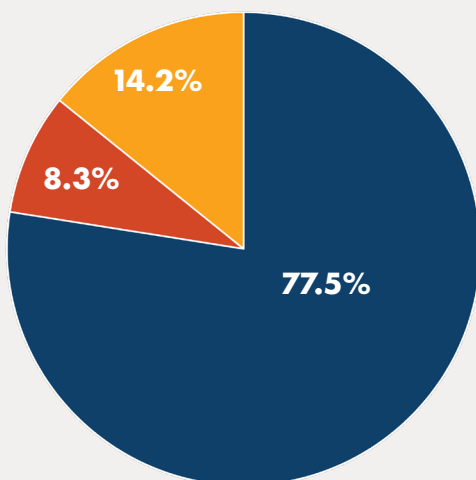
Visitors

Provide friendly, informative tours to visitors to the North Dakota State Capitol.

HOW WE DO IT

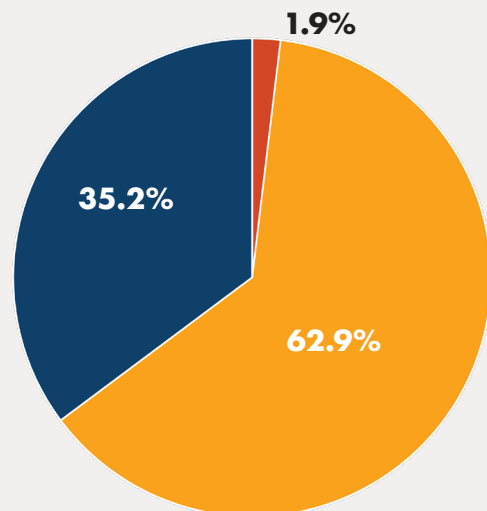
EXPENDITURES BY SOURCE 2021-2023 BIENNIUM

\$68.8M



REVENUES BY SOURCE 2021-2023 BIENNIUM

\$1.6B



■ General Funds

■ Federal Funds

■ Other Funds

2021-23 BIENNIUM: WHAT WE'RE PROUD OF

Team member communications and training

- Delivered a diverse set of training opportunities to over 5,313 learners.
- Conducted Gallup annual team member engagement surveys and facilitated a manager and team member development series related to supporting an engaged workforce.
- Launched an interagency mentorship program in 2022 and are currently facilitating the program for the 2023 cohorts.
- Lead statewide change management initiative, training over 1,164 team members across 35 agencies.
- Launched the Manager Toolkit to serve as a one-stop-shop for navigating the responsibilities required of a people manager for the state of North Dakota.
- Launched the Leadership Everywhere: Elevate series. Elevate courses are offered on-demand in PeopleSoft and are designed in a new and engaging format to allow you to learn through videos, professional scenarios, application exercises and customized learning guides.

Efficiency through innovation and new technology

- Completed implementation of new state budget development and tracking solution to improve the state budgeting process.
- Completed PeopleSoft fiscal upgrade.
- Continued development and building out automated PeopleSoft application testing (PTF).
- Securely enabled Direct Deposit self-service for employees.
- Implemented a configurable interface with Supplier Onboarding which gives agencies the ability to integrate with PeopleSoft more easily, accurately create suppliers and perform TIN matching with the IRS.
- PeopleSoft HR implementations/milestones:
 - Kibana reporting dashboards.
 - Workflow approval and notification automation.
 - Recruiting Solutions (PeopleSoft) had 5,751 job postings.
 - Oracle Guided Learning.
- Lead the ongoing effort in the development of universal employment policies.
- Automated candidate notifications and statewide applicant template letters.
- Automated transfer of performance documents.
- Implemented LinkedIn Recruiter to advertise Team ND job openings and build connections with passive candidates across 1.6 million professionals.
- Implemented strategic print job management software in Central Duplicating.

Federal Fund Distribution

- Managed the distribution of more than \$420.7M in American Rescue Plan Act (ARPA) funds to state agencies.

Facility upgrades and enhancements

- Completed the ADA improvements project at the Capitol.
- Working with Department of Health and Human Services, Department of Environmental Quality and Governor's Office during the programming, schematic design and cost estimating phases of the new state laboratory project.
- Completed facilities management and optimization study.
- Implemented self-guided kiosks and virtual Capitol tour enhancements.

Efficiency through centralization, collaboration and organization

- Advanced the implementation of HR 2.0, a redesign of how HR services are more effectively and collaboratively deployed to Team ND.
- Introduced legislation in collaboration with North Dakota University System (NDUS) and state agencies to simplify procurement, printing and vendor registration to implement strategic vision and address red tape suggestions.
- Collaborated with agencies and higher education to plan strategic changes to procurement procedures and thresholds.
- Collaborated with higher education to plan for the selection of online procurement solutions.
- Collaborated with ND Information Technology on IT Procurement process improvement.
- State Surplus Property transferred over \$21.4 million state and federal surplus property to North Dakota government entities and eligible organizations.
- State Surplus Property implemented new federal program extending eligibility to qualified veteran-owned business entities.
- Collaborated with Department of Transportation to perform print and mail through Central Duplicating.

Efficiency Business Operations (HR Business Partner and Total Rewards)

- Implemented a workforce planning strategy and template with 33 agencies.
- Implemented enhanced classification job family descriptions.
- Conducted a robust compensation study as a part of Team ND's Total Rewards work, which led to the implementation of a statewide Target Market Equity package that was applied to 6,554 team members across all agencies and NDUS. This study also led to a more competitive increase program, which was implemented with all agencies.

Awards

- Received the Government Finance Officer Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the state Annual Comprehensive Financial Report (ACFR).
- Received the GFOA Distinguished Budget Presentation Award for the state budget documents.

2021 SESSION CHANGES

Capitol Building Fund

- Facility consolidation study
- Capitol grounds special assessments
- Building automation project
- Interior and exterior signage

State Employee Compensation Adjustments Guidelines

- Development of guidelines for permanent state employees, based on documented performance
- Average of 1.5% effective July 2021
- Average of 2% effective July 2022

Quarterly Report of State Employee Salary Increases

- Full-time state employees
- Between April 1, 2021, and June 30, 2023
- Cumulative increase of 15% more over employee's base salary on March 31, 2021

Establish State Personnel Training and Development Operating Fund

- Used for coordination of employee training and career development data supplies, equipment, and services

Legislative Management Studies

- State Capitol space needs of the executive, judicial, and legislative branches. Study includes:
 - Review of each branch's employee work location policies;
 - Assessment of space needs of each branch;
 - Evaluation of state agency leases;
 - Consideration of charging rent to agencies;
 - Development of space utilization plan for the capitol complex.
- State employee compensation
 - Review development and determination of pay grades and classifications

2023 Session Changes with Emergency Clauses

- Targeted market equity salary increases
- Deferred maintenance funding pool





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