



NORTH
Dakota
Be Legendary.

Management
and Budget

2023-25 BIENNIAL REPORT

FOR THE BIENNIAL PERIOD OF
JULY 1, 2023 THROUGH JUNE 30, 2025

JOE MORRISSETTE, DIRECTOR



JOE MORRISSETTE, DIRECTOR • JULY 1, 2023 - JUNE 30, 2025

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:

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

For the 2023-25 biennium, OMB was authorized 110 full-time employees (FTE), a number which has declined 17%, 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 2023-25 biennium, the legislature provided an appropriation of \$283.7 million, of which \$137.7 million was from the general fund (after special session).

Appointed by Gov. Doug Burgum, Susan Sisk served as the director of OMB for the first eighteen months of the biennium. Joe Morrisette was appointed by Gov. Kelly Armstrong to serve as director beginning Dec. 15, 2024.

OMB

MISSION

TO PROVIDE
INNOVATIVE
LEADERSHIP AND
SUPPORT TO STATE
GOVERNMENT

VISION

TO SET THE
STANDARD FOR
LEADERSHIP AND
EXPERTISE IN STATE
GOVERNMENT

VALUES

RESPECT
INTEGRITY
EXCELLENCE
RESOURCEFULNESS
RESPONSIVENESS

WHO WE ARE

110

FULL-TIME
TEAM MEMBERS

6

TEMPORARY
TEAM MEMBERS

ADMINISTRATION, COMMUNICATIONS & BUDGET

JOE MORRISSETTE, DIRECTOR • JMORRISSETTE@ND.GOV • 701.328.4606

ADMINISTRATION & COMMUNICATIONS

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 oversees the budget and communications teams. The director leads the high-performing team at OMB that maintains the Capitol complex and grounds; provides centralized purchasing services; provides accounting, payroll, and financial reporting 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 works 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 for 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 agencies in the execution of the budget, and the preparation of frequent comparisons of projected and actual revenues and expenditures.

FACILITY MANAGEMENT DIVISION

BRANDON SOLBERG • BJSOLBERG@ND.GOV • 701.328.4002

The Facility Management Division is responsible for maintaining the buildings and grounds on the state Capitol complex. The division oversees a visitor information center and provides tours of the Capitol. The division serves as a resource for state leases, space planning, public improvement projects and construction management.

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

FISCAL MANAGEMENT DIVISION

JOE GOPLIN, DIRECTOR • JGOPLIN@ND.GOV • 701.328.4902

The Fiscal Management Division promotes economy and efficiency in the fiscal management of 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 and financial reporting.

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, introduces new features, resolves support issues, creates development requests, performs unit testing and provides team member trainings.

PAYROLL

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

PURCHASING CARD PROGRAM

The division 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

MOLLY HERRINGTON, CHIEF PEOPLE OFFICER • MHERRINGTON@ND.GOV • 701.328.4735

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

TALENT MANAGEMENT & 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 supports state agencies with professional development programs designed to strengthen skills, enhance engagement and drive performance. Learning opportunities are available in multiple formats, including in-person, virtual and on-demand, to meet the evolving needs of our Team ND workforce.
- 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.
- HRMS provides dedicated support to small and mid-sized agencies. The HRMS team manages employee relations, guides onboarding and offboarding, offers coaching to both team members and managers, and advises on compensation and classification issues. The approach is hands-on and responsive, ensuring each agency receives support that fits its specific needs.

TALENT ACQUISITION

- HRMS coordinates and participates in career events for college students and the public.
- 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. The program reduces the cost to agencies by providing a cost-sharing incentive for agencies offering internships.

TOTAL REWARDS, OPERATIONS & 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 as needed by 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 survey and other surveys.

RISK MANAGEMENT

TAG ANDERSON, DIRECTOR • TCANDERSON@ND.GOV • 701.328.7580

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 (RMWCP), 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 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.

SHARED SERVICES DIVISION

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

The Shared Services Division supports state government through procurement services and guidance and provides efficient, centralized services such as State Print and Mail, Capitol Mail Center, State Supply, and State Surplus Property.

STATE PRINT & MAIL

State Print and Mail provides state agencies with economical and efficient printing and mailing services. State Print and Mail offers graphic art services, offset and digital printing, and a wide variety of finishing services. State Print and Mail prints mainframe and local area network (LAN) reports and checks. Many agencies have found efficiency by eliminating their own print operation and utilizing the centralized services of State Print and Mail.

STATE SUPPLY

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

CAPITOL MAIL CENTER

The Capitol Mail Center provides state agencies with mail services. Centralized mail staff and State Print and Mail staff work closely together to provide efficient and streamlined services.

STATE PROCUREMENT OFFICE

The State Procurement Office establishes procurement rules, policies, training and online procurement information systems. The 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, provides vendors with information on doing business with the state, and hosts the statewide information website for current procurement opportunities. The State Procurement Office also negotiates adjustments to newspaper legal notice rates in coordination with representatives of the newspaper industry with input from government entities.

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. State Surplus Property also arranges for responsible disposal of nonsaleable property.

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.



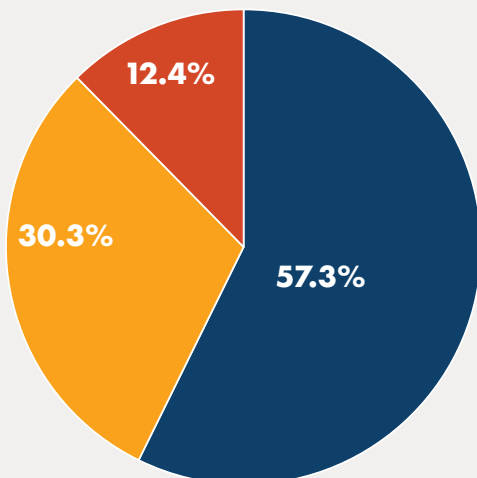
Visitors

Provide friendly, informative tours of the State Capitol; maintain grounds and signage to ensure a positive visitor experience.

HOW WE DO IT

EXPENDITURES BY SOURCE 2023-2025 BIENNIUM

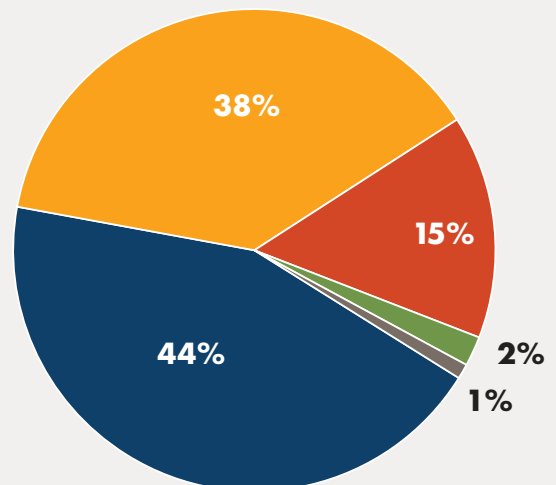
\$73.7M



■ General Funds ■ Special Funds ■ Federal Funds

EXPENDITURES BY FUNCTION 2023-2025 BIENNIUM

\$73.7M



■ Salaries ■ Operating ■ Grants
■ Capital Assets ■ Contingency

2023-25 BIENNIUM: WHAT WE'RE PROUD OF

Team Member Communications & Training

- Delivered training to 500+ managers each quarter through quarterly OMB Agency Essentials.
- Delivered a diverse set of training opportunities to over 4,264 unique learners across 10,692 course seats.
- Conducted Gallup annual team member engagement survey and facilitated trainings with 5,379 attendees. Additionally, launched the Engagement Playbook as a support for engagement partners and managers.
- Continued statewide communications effort through maintenance of statewide intranet, Team ND Connect, and delivery of monthly Team ND News newsletter (70-90% open rate).
- Advanced the statewide change management program and developed the Change Management Hub on Team ND Connect, helping to scale change management efforts and address resistive behaviors with additional support modules and custom advisory services for agencies.
- Launched the Manager Essentials training program to support leaders in navigating the responsibilities required of a people manager for the state.
- Launched the 6 Types of Working Genius course to enhance team productivity and effectiveness.
- Regularly communicated with state and university liaisons through Purchasing Pulse email, and political subdivisions through publication articles.

Efficiency Through Innovation & New Technology

- Began enterprise procurement automation project implementation with other agencies.
- Implemented supplier onboarding security enhancements.
- Launched travel and expense automation in PeopleSoft.
- Launched Oracle Guided Learning in PeopleSoft.
- Implemented new technology to increase print and mail efficiency.
- Expanded LinkedIn Recruiter use across additional agencies to strengthen talent pipelines and build broader professional networks statewide.
- Implemented Electronic Employee Files for OMB and transitioned away from paper files.
- Designed and implemented the HRMS Request Form to enhance service delivery and customer experience.
- Developed HR dashboards to facilitate enterprise consistency with usage of data and deliver real-time, easily accessible workforce insights across the team to empower data driven decisions.
- Launched FMLASource to streamline and bring consistency to the FMLA administration process.
- Implemented Lease Administration module in PeopleSoft.
- Implemented GT eForms in PeopleSoft to automate many manual processes.

Improved Efficiency: Centralization & Standardization

- Developed and administered an enterprise-level salary equity program to address market gaps and internal salary relationship issues. Program included coordination with NDUS.
- Continued enhanced efforts to assess market competitiveness of total rewards programs as a basis for policy recommendations.
- Facilitated monthly communities of practice to advance the work in various disciplines of HR including business partners, total rewards, talent acquisition, learning and development and operations. Additionally, hosted monthly trainings for the state's talent acquisition professionals to upskill talent and support consistent practices.
- Managed a \$500,000 internship funding program which supported 150 interns across 23 agencies.
- Provided payroll administration services for 27 state agencies.
- Lead the ongoing effort in the development of universal employment policies.
- Conducted a robust compensation study.
- Continued centralization of State Print and Mail jobs from other agencies.

Other Operations

- Updated space utilization and optimization plan.
- Upgraded House and Senate Chambers/Brynhild Haugland room mechanical equipment and remodeled.
- Capitol complex was designated second Cardiac Ready Campus in state.
- Installed automatic door openers to improve accessibility to 16 legislative meeting rooms in the Capitol.
- Completed a request for qualifications process to hire an architect to replace 808 windows in the Capitol tower and legislative wing.
- Replaced the Capitol's steam boilers with a modern hydronic boiler system to more efficiently heat the Capitol.

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.

\$15M

LESO property
issued to state &
local law
enforcement

Completed
2,536

facility work orders

Targeted
market equity
adjustments provided to
3,702
team members

Managed
9
major statewide pools
& grants with no
additional FTE

Performed
payroll admin
duties for
27
state agencies

Reduced leased
office space by
33%
in past 4 years

Risk Management
reviewed over
12K
incident reports

Collaborated
to develop
47
universal HR
policies

2023 SESSION CHANGES

Capitol Funding

- \$20.0 million was appropriated for deferred maintenance funding.
- \$2.5 million was appropriated for Capitol space utilization improvements.
- \$5.5 million was appropriated from the Capitol building fund for:
 - o \$150,000 accessibility improvements in legislative areas
 - o \$800,000 building automation project
 - o \$250,000 electrical and mechanical extraordinary repairs
 - o \$100,000 governor's residence security improvements
 - o \$250,000 Brynhild Haugland room remodeling project
 - o \$4,000,000 window replacement project

State Employee Compensation Adjustments Guidelines

- Development of guidelines for permanent state employees, based on documented performance
- Average of 4% effective July 2023
- Average of 3% effective July 2024

Shared Leave Program

The shared leave program eligibility has been expanded to include probationary team members in regular positions.

Family Medical Leave Act (FMLA)

The state's FMLA program was expanded to align with federal requirements to include the care for the team member's child, regardless of age, spouse, or parent who is a covered service member or veteran with a serious health condition. Leave for this purpose is limited to a combined total of 26 workweeks in any 12-month period and is limited to once per service member or veteran per serious injury or illness.

Veteran Employment Preference Eligibility

Veteran employment preference eligibility has been expanded to include active military members that are expected to be discharged in 120 days from active duty with other than dishonorable conditions. Applicants who are eligible veterans will receive five veteran preference points with the submission of appropriate documentation.

Veteran Employment Preference Letters

Veteran employment preference letters can now be sent through email with a read receipt.

Military Leave

Team members who are also military personnel in the Reserve or National Guard will have additional options to use their paid military leave. Paid military leave usage was expanded to include any military duty (examples: weekend drills, schools, annual training etc.) and travel to and from duty station.

Reciprocal Preference Law Repeal

The reciprocal preference law was repealed. Applying this law meant that government entities had to research the preference laws of an out-of-state bidder's state and reciprocate accordingly. This process was complex and rarely changed bid outcomes.

Click-Through Agreements

A new provision was added to law that allows agencies to purchase routine or standardized products that cost less than \$1,000 containing terms in shrink wrap documents, third-party end user license, or click-through agreements that are not consistent with North Dakota limitation of liability laws.

Contracts with Vendors Boycotting Israel

A new law was enacted prohibiting contracts with vendors boycotting Israel.

Elimination of Printing Restrictions

Various restrictions were lifted that formerly prohibited OMB and the University Systems from printing certain quantities of color copies, envelopes and glossy paper.

Printing of Agency Biennial Reports

Biennial reports are now allowed to be posted on agency websites in lieu of printing.





NORTH
Dakota
Be Legendary.

Management
and Budget

600 EAST BOULEVARD AVENUE, DEPT. 110
BISMARCK, ND 58505-0400

701.328.2680 • OMB@ND.GOV • OMB.ND.GOV