

2011-2013 Biennial Report

July 1, 2011—June 30, 2013



Office of Management and Budget

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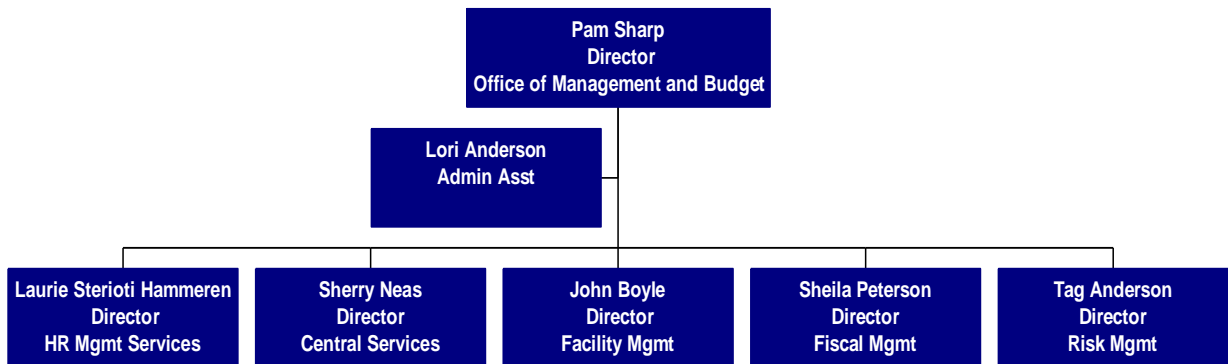
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Office of Management and Budget

OMB's Mission

The mission of OMB is to provide a range of products and services resulting in a well-run government that meets the needs of North Dakota citizens.



Introduction

The Office of Management and Budget (OMB) is established under the North Dakota Century Code (NDCC) Chapter 55-44. The department, headed by a director appointed by the governor, is vested with the control and supervision of the fiscal administration of the executive branch of government. Pam Sharp has served as director since 2003 beginning with Governor John Hoeven's administration and currently with Governor Jack Dalrymple's administration.

During the 2011-13 biennium the department consisted of the following: Fiscal Management, Human Resource Management Services, Central Services, Facility Management, and Risk Management.

Resources Available

Information pertaining to the Office of Management and Budget is available on the OMB website at <http://www.nd.gov/omb>.

Central Services Division

July 1, 2011 - June 30, 2013

Sherry Neas, Director

Mission

To support state government by providing our customers with quality products and services, enabling them to accomplish their mission.

Responsibilities

Central Services Division (CSD) includes Central Duplicating Services, Central Supply, State Procurement, Vendor Registry, and State and Federal Surplus Property pursuant to NDCC 46-01, 46-02, subsection 19 of 54-44-4, 54-44.4, 54-44-04.5, and 54-44-04.6.

Central Duplicating Services provides state agencies with economical and efficient printing and mailing services. Central Duplicating offers graphic art services, offset and digital printing, a wide variety of finishing services, CD/DVD duplication, and VHS to DVD conversion. Central Duplicating prints Mainframe and LAN reports and checks.

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

State Procurement is the procurement authority for executive branch state agencies not exempted by statute. State Procurement establishes procurement rules, policies, training, and online procurement information systems. State Procurement makes purchases for state agencies and establishes state contracts for commonly used commodities and services.

Vendor Registry is a section within State Procurement that processes vendor payee applications and bidders list applications, sets up vendors for payment, manages the PeopleSoft Vendor Database and Purchasing Module, and prepares IRS 1099 reports.

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 also manages the Federal Law Enforcement Support Office 1033 program.

Financial Report

CSD has three special fund operations that generate revenue from fees for goods and services provided to customers, Central Duplicating, Central Supply, and Surplus Property. State Procurement Office is funded from the state's general fund.

Resources Available

Learn more about CSD on their website at www.nd.gov/csd. Contact the division located on the 14th Floor Capitol Tower, 600 East Boulevard, Department 112, Bismarck, ND 58505-0310, by calling 701-328-2683, by fax 701-328-1615, or by e-mailing CSD at infoespo@nd.gov.

Facility Management
July 1, 2011 - June 30, 2013
John Boyle, Director

Mission

To provide a clean and safe environment with friendly, respectful and efficient service to all who use the Capitol Complex.

Responsibilities

The Facility Management Division (FMD) of OMB is charged with maintaining the State Capitol Complex buildings and grounds pursuant to Chapter 54-21 of the NDCC. Under this section, the office is also responsible for maintaining the Governor's Residence, operating the Central Mail Bureau, and the Capitol Tour and Information Center.

The Capitol Complex consists of approximately 132-acres of manicured lawns, shelterbelts and native prairie grasses. The buildings located on the grounds include the Capitol building, the Judicial Wing, the Heritage Center, the Liberty Memorial building, state office building, the Department of Transportation building, and the Governor's residence.

Facility Management has a staff of 61.5 full-time employees who work throughout the complex. One full-time staff member is assigned to the Central Mail Bureau, two part-time staff members are assigned to the Capitol Tour and Information Center, and the remaining employees provide office support, custodial services, maintenance services, and grounds keeping services for the Capitol Complex. The state facility planner (a licensed architect) is located on the fourth floor, and is a full-time employee of the division.

Capitol Building and Grounds Report

During the biennium there were several projects completed. The largest project was the \$2.8 million cleaning and restoration of the Capitol tower. This project consisted of construction crews working from the top of the Capitol downward implementing the necessary replacement, repair and cleaning of each individual piece of limestone.

The Heritage Center expansion project continues to progress into this biennium. The additional 100,000 square feet will include much needed gallery and work space to those visiting and working in the Heritage Center. This project will be completed in the 2013-15 biennium.

Facility Management continually strives to improve and update all of our building systems so that state employees can work in a safe and comfortable environment.

Resources Available

The division has a very informative website <http://www.nd.gov/fac/> that contains an extensive amount of information for the public and state employees. Printed materials are available at the Capitol's ground floor information desk regarding Capitol Complex tour schedules, and a brief history of the Governor's residence and the Capitol building. Other documents that are used in the day-to-day operations are available to the public upon request.

Fiscal Management
July 1, 2011 - June 30, 2013
Sheila Peterson, Director

Mission

To provide our customers responsive guidance and knowledgeable management in fiscal operations.

Responsibilities

The Fiscal Management Division exists under the authority of the NDCC Section 54-44.1-02, and was created in 1965 “for the purpose of promoting economy and efficiency in the fiscal management of the state government”. The division serves as the central professional fiscal office of the executive branch. The principal services of the division are statewide accounting, payroll, financial reporting, and budgeting.

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.

OMB uses PeopleSoft for the state’s financial system. The PeopleSoft Financial system is part of an enterprise resource plan (ERP) that also includes integrated systems for human resource management services and payroll.

The PeopleSoft Financial System objectives are:

- to secure centralized financial management information based on a uniform chart of accounts and programs;
- to provide data to be used in the preparation of statewide and agency reports in accordance with GAAP (Generally Accepted Accounting Principles); and
- to provide reporting of revenues and expenditures for the general fund, special funds, and federal funds.

The division maintains a searchable database of all expenditures of state government and the university system. Searches can be made by vendor, business unit, account, fund and job title.

During the 2011-13 biennium, the State of North Dakota was presented a Certificate of Achievement for Excellence in Financial Reporting for fiscal years 2011 and 2012. This certificate is presented to government units whose Comprehensive Annual Financial Report (CAFR) achieves the highest standard in government accounting and financial reporting.

The executive budget recommendation also serves as a statewide financial plan of state services. It is presented to the legislature prior to the start of each legislative session. In preparation of the biennial executive budget recommendation, the budget staff provides budget guidelines that result in budget requests from state agencies. After holding meetings on the requests, performing on-site visits and inspections, and performing comparative analyses, the budget staff develops the Governor’s budget in accordance with the Governor’s policy and directives.

Upon completion and presentation of the executive budget recommendations, the budget office assists the Legislative Assembly by explaining the basis on which the executive budget is developed and provides information on state fiscal matters requested by the legislature or its interim committees.

Other major functions of the Fiscal Management staff include the preparation of state revenue forecasts, review of state management and organization 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.

Resources Available

Information pertaining to the Fiscal Management Division of OMB is available on the division's website at <http://www.nd.gov/fiscal/>.

Human Resource Management Services

July 1, 2011 - June 30, 2013

Laurie Sterioti Hammeren, Director

Mission

To provide leadership and expertise in human resource management.

Responsibilities

In 1975, the legislative assembly passed a Central Personnel System Act, codified as NDCC Chapter 54-44.3. The Act created the central personnel division and the state personnel board. The division establishes and maintains classification and compensation plans as well as general policies and rules, which are binding on the affected agencies, relating to a unified system of personnel administration for the employees in the classified service of the state. Although the division and board are completely separate, they work closely together on classification and pay grade issues. Previously, they each adopted their own rules; however, legislation was passed effective August 2005 allowing biennial reporting for the State Personnel Board activities to be incorporated with HRMS' information within the OMB biennial report. Effective August 2003, legislation was adopted which changed the name of Central Personnel Division to North Dakota Human Resource Management Services (HRMS).

HRMS has 13 authorized FTE positions. The staff provides comprehensive human resource services in the areas of classification, compensation, training and staff development, employment services, and technical assistance to state agencies.

HRMS was involved in several initiatives this biennium to support and provide leadership and expertise to state agencies in various human resource functional areas. Highlights of the biennial accomplishments follow.

Classification and Compensation

HRMS participates in and provides survey data that is used by the Governor, the State Employee Compensation Commission, and the legislature in establishing the state compensation plan for state workers.

HRMS collaborates with the Budget Office in developing the employee compensation proposal for the Governor's Executive Budget. The proposal is developed within the framework of the Compensation Philosophy developed and enacted by the 62nd Legislative Assembly. A key component of the compensation plan is implementation of a Market/Performance Matrix concept to guide agency distribution of salary increases.

HRMS continues to review positions and job classifications as jobs and occupations evolve. Positions and Job Classes are reviewed at monthly meetings of the Job Evaluation Committee (JEC), which was established as a result of the compensation study conducted during the 2009-11 biennium. The JEC includes 7 HRMS classification & compensation staff along with 8 agency HR staff.

The division completed 1,563 position classification reviews during the biennium with one appeal being submitted to the State Personnel Board.

Talent Management

The Talent Management suite is a component of our existing PeopleSoft system, and it contains 4 key modules:

- Profile Management – provides employee profiles, showing competencies, skills, certifications, licenses, education, memberships, project participation, and any other item the Agency wishes to track.
- E-Performance – primary focus is the online annual performance review and development plan.
- Career and Succession Planning – identifies long-range needs to help develop internal talent pools.
- Team HR Desktop – provides managers the ability to initiate certain employee changes, such as location changes, promotions, and reporting changes.

Since go-live in April 2012, over 5,900 performance documents have been created in PeopleSoft ePerformance. Twenty-one agencies have created 47 different performance documents, all using the sections that have been outlined by HRMS. Other enhancements like the Employee and Manager Hubs that went live in March 2013, along with talent summary, unite the information on one page from performance documents, profiles, career and succession planning.

The PeopleSoft State Employee Directory within the PeopleSoft Hub is integrated with PeopleSoft HCM to provide State employees with a keyword search for employees and departments, representing them in an organizational chart view.

Enterprise Learning Management (ELM)

ELM is an internet-based training management solution that allows agencies to manage their learning information in a central location. Employees can sign up for classes to be approved by their manager, managers can enroll employees, or designated learning administrators may enroll learners. Agencies have the ability to upload online, web-based, and instructor-led training and information. Completed learning is automatically maintained in employee records.

State agencies' use of PeopleSoft Enterprise Learning Management continues to grow rapidly. ELM grew by another 3,084 classes this year and surpassed 10,000 classes in the system in June 2013. Since go live in January 2010, we have had 211,376 enrollments through ELM. As integration with other PeopleSoft modules like the PeopleSoft Talent Management suite occurs, we will continue to see tremendous growth with ELM.

Training and Staff Development

HRMS training staff coordinated training for 4,272 state employees, an increase of 26% from the previous biennium. Of this total, HRMS staff conducted training for 3,747 employees, a 45% increase over the previous biennium. The main factors to the increases were the huge success with the new training sessions of Generational Conflict (1,234 employees trained in

19 month time span), and Defusing Hostile Situations with the ND Highway Patrol (263 employees trained in a four month time span).

The training of 3,747 employees by HRMS staff was conducted over 165 training sessions, compared to 105 training sessions the previous biennium, a 57% increase in the number of sessions available.

State contracts provided reduced-fee training for 302 state employees in CPR, First Aid, and Automated External Defibrillator, and another 224 employees were trained on various computer software packages.

There were seven new training courses developed and implemented during the 2011-13 biennium, including: Ethics for Social Workers, Managing Four Generations, Mastering Meeting Minutes, Four Generations: The Greatest Potential, Introduction to PeopleSoft, Improving Customer Service, and Defusing Hostile Situations.

Employment Services

HRMS provides comprehensive recruitment services to state agencies and promotes internship and cooperative education opportunities by coordinating inquiries and referrals between agencies and colleges.

During the 2011-13 biennium the state government stipend internship program helped to fund 31 internships in 11 state agencies (DHS, State Hospital, Historical Society, Trust Lands, Job Service, Department of Corrections and Rehabilitation, State Treasurer, Public Service Commission, Department of Public Instruction, Indian Affairs, State Auditor). The program has been successful in bringing students into state government where they are exposed to the work of governing and introduced to the increasingly complex challenges facing North Dakota. It also serves as a gateway to show students they can achieve their career goals in ND State Government. Three of the 31 interns have transitioned to regular full-time employment within state government. Additionally, there were ten requests for the state government stipend internship program HRMS was unable to fund. To fund these requests, the stipend internship program would have needed an additional \$73,908 in funding.

The division assists agencies in their selection process by advertising job vacancies, developing recruitment and selection tools, screening applications, representing state agencies at college and university career fairs, and serving on interview panels.

The division also provides mediation services to agencies as a means of alternative dispute resolution for employees and management.

The division coordinated an executive orientation for the ND Department of Agriculture.

Resources Available

The HRMS website <http://www.nd.gov/hrms> contains extensive information for state employees, management, and the public. This site is continually updated with the latest information and includes job announcements. In addition, the division has developed various brochures and model policies that are available on the 14th floor of the Capitol, upon request

by calling the division at 701-328-3290; by writing to HRMS at 600 East Boulevard Avenue, Department 113, Bismarck, ND 58505-0120; or by emailing the division at hrms@nd.gov.

State Personnel Board

The State Personnel Board met three times this biennium:

- October 17, 2012 – Considered and adopted proposed changes to the Human Resource Management Services administrative rules.
- April 4, 2013 – Considered a classification appeal from Workforce Safety Insurance.
- June 4, 2013 – Approved salary ranges for the 2013-15 Biennium.

Risk Management
July 1, 2011 - June 30, 2013
Tag Anderson, Director

Mission

To coordinate efficient functions that promote safety and reduce loss resulting from tort liability or employee injury claims.

Responsibilities

The Risk Management Division of OMB was established by the 1995 Legislature to address the state's loss of sovereign immunity for tort liability. The Legislature enacted the State Tort Claims Act (NDCC Chapter 32-12.2) which assigns the responsibility for administering the state's risk management program to OMB.

In an effort to save premium dollars through a deductible program, and to establish a cross agency return-to-work program for North Dakota state agencies, the 2001 Legislature enacted NDCC §65-04-03.1 establishing the RMWCP and assigned the responsibility for administering the program to the Risk Management Division.

Workforce Safety & Insurance (WSI) continues to determine 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. Effective July 1, 2001, 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:

- 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; and
- 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, the \$100,000 deductible workers compensation claim fund.

Claims against both funds are investigated and reviewed to ensure they meet statutory requirements and are expediently resolved.

Litigation

The Division oversees litigation involving unresolved claims against the Risk Management Fund. The office of the Attorney General provides general legal counsel to the fund as well as litigation services. In addition, the Risk Management hires attorneys who receive a Special Assistant Attorney General appointment.

The Risk Management Fund also provides defense for state employees acting within the scope of employment. Division personnel work with and assist state employees to ensure they comply with all statutory requirements so they are provided all defense protections available to them under the State Tort Claims Act.

Workers compensation litigation cases are handled by WSI and are monitored by the manager of the RMWCP.

Resources Available

Information pertaining to the Risk Management Division of OMB is available on the division's website at <http://www.nd.gov/risk>.